

Charter of the Nutritional Foods Group

A Sector Committee of the European Chamber of Commerce in Vietnam

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Amended for the first time by the Nutritional Foods Group Board members on 11 December 2020, effective 4 March 2021

The businesses of nutritional products, have voluntarily organized ourselves under the direction of the European Chamber of Commerce in Vietnam (“EuroCham”) to work with key stakeholders to support the public health goals of improving the nutrition status for Vietnamese people, with priority on mothers and young children, as well as to encourage breastfeeding.

Article 1. Name

The name of the Group is the Nutritional Foods Group (“NFG”) (in Vietnamese: Tiểu ban Thực Phẩm Dinh Dưỡng). It exists as a sector committee of the European Chamber of Commerce in Vietnam and operates in line with EuroCham’s Statutes and EuroCham’s Sector Committee Rules and Regulations. The Nutritional Foods Group shall be henceforth referred to in this document as “NFG” or as “the Group”.

Article 2. Purposes

The purposes for which NFG is formed are:

- 2.1 To promote science-based nutrition knowledge to support the development of effective policies and practices on safe and good nutrition for Vietnamese people;
- 2.2 To promote the highest food quality standards and global harmonization standards;
- 2.3 To foster robust business ethics in the dairy and nutrition sector through observation of strict and comprehensive self-regulation policies;
- 2.4 To contribute to the development of science-based regulations governing the industry;
- 2.5 To participate in open discussions with the Government, and other stakeholders to facilitate broad-based industry support for stakeholder efforts to encourage breastfeeding and to improve the nutrition of the Vietnamese people; and
- 2.6 To provide capacity-building, and raise awareness in the field of nutrition for supporting the public health goals of good nutrition.

Article 3. Membership qualifications and application process

3.1 Qualification for Membership

To be eligible for NFG membership, a company shall meet all of the following criteria:

- a. Must be a member of EuroCham;
- b. Must be in the business of nutrition products for pregnant women, infants and/or young children, either as a manufacturer, trader or affiliated brand-owning importer;
- c. Must receive approval from the NFG Board.

3.2 Application for Membership

Any EuroCham member applying for membership with NFG must complete and sign the NFG application form as provided in the Annex, and Code of Marketing Practice for Breast-milk Substitute Milk Products (“Code of Conduct”). Membership applications must be addressed to the NFG Chairperson.

New members may be elected based on the simple majority vote of all NFG members.

Article 4. Member rights and responsibilities

4.1 Member Rights

Members shall have the following rights:

- a. To participate in the deliberations and meetings of the Group and exercise the right to vote at all matters relating to the affairs of the Group;
- b. To be eligible to any elective/appointive office of the Group;

4.2 Member Duties

Members must:

- a. Be acquainted with and abide by EuroCham Statutes, EuroCham’s Sector Committee Rules and Regulations, the NFG Code of Conduct, and the provisions included in this Charter;
- b. Pay the Group’s admission fee, annual membership fee, EuroCham’s Sector Committee Secretariat fee and other fees;
- c. Attend Board Regular Meetings and Annual General Meetings; and participate in the Technical Working Group;
- d. Keep confidential all information shared during the Annual General Meetings and Regular Meetings. No information about a member may be disclosed to any party without that member’s express written consent.

4.3 Termination of Membership

A member may be expelled from the Group for a period to be determined on a case-by-case basis by a 2/3 majority vote of all the other members of the Group, for any of the following grounds:

- a. Non-payment of annual dues or other fees;
- b. Absence from Regular Meetings for six (6) consecutive meetings;
- c. Cessation of business;
- d. Any action of the member, including serious violations of this Charter deemed detrimental to the Group’s reputation which has not been rectified by the Company/delegate after completion of Article 13. Self-Regulation Process of the Code of Conduct.

As an alternative to membership termination, NFG members may adopt other sanctions, as outlined in Article 13. Self-Regulation Process of the Code of Conduct, which can be approved by a 2/3 majority vote.

Any member expelled in the manner and in the form hereinabove provided shall not be entitled to a refund of any of the fees or dues previously paid to the Group.

4.4 Withdrawal of Membership

A member may withdraw its membership from the Group by sending a written resignation to the Chairperson at least two months in advance of the member's intended exit. The Chairperson shall inform the Board members on this news.

After the notification, the withdrawn member shall no longer take part in the Group activities and shall ensure that its responsibilities are handed over properly to the Group. Dues paid in advance to the Group shall not be refundable.

4.5 An expelled member may rejoin the Group upon the unanimous approval of all remaining members, and only after serving out a 3-month probation period, except for cases where the reason for expulsion is cessation of business, in which case, the expelled member can rejoin the Group upon reacquiring legitimate business status and payment of the Group dues.

An expelled member who intends to rejoin the Group after completing their probation period, will not be entitled to vote on the Group's matters while on probation.

Article 5. Governance and Structure

5.1 NFG Board

The NFG Board shall consist of country director-level, or business unit executive board member representatives of all the members. Each NFG member shall be entitled to one representative on the NFG Board.

The Board shall elect a Chairperson and a Vice-Chairperson by majority vote. The quorum for such election shall consist of not less than 75% of the registered members of the Group. The Chairperson and Vice-Chairperson shall hold office for one year, with the possibility for extension, or until their successors are duly elected and qualified.

If, for any reason, the Chairperson or Vice-Chairperson wishes to resign from his/her position, he/she shall give a two months' written notice to all NFG Board members. NFG Board shall then appoint a new Board member for the position.

Preference shall be given to the Board member who will have been in his/her position or in Vietnam for no less than one year before appointment as Chairperson.

a. Responsibilities of the Chairperson

The Chairperson shall be the Chief Executive Officer of the Group. He/she shall by default preside over all meetings of the Group and execute all resolutions taken by it. He/she shall act as the first point of contact with the EuroCham Executive Director and be in charge of directing and overseeing the activities of the Group.

b. Responsibilities of the Vice-Chairperson

The Vice-Chairperson, if qualified, shall exercise all powers and perform all duties of the Chairperson during his/her absence or incapacity of the latter and shall perform duties as may be assigned to him/her by the members.

The Vice-Chairperson shall also act as Secretary and Treasurer. He/she shall work with the EuroCham Secretariat to give notices and keep minutes of all the meetings of the Group. He/she

shall likewise have charge of all the funds, receipts, and disbursements of the Group, in accordance with the EuroCham's Statutes and EuroCham's Sector Committee Rules and Regulations.

5.2 NFG Technical Working Group ("TWG")

a. Responsibilities of the TWG

The TWG is the consultative body of the NFG Board, providing technical advice and recommendations to the NFG Board on issues of interest and/or concern to the Group.

b. Composition of the TWG

TWG shall consist of NFG member representatives serving as the Head of Legal Affairs, Public Affairs, Regulatory Affairs or in an equivalent role as deemed fit by the NFG member whom said representatives are representing.

Each NFG member might appoint multiple representatives to the TWG, however, each company shall only be entitled to one vote.

If there is a change of representative amongst the TWG members, the relevant NFG member company whose TWG representative is changing must inform in writing the TWG of their designated replacement as soon as possible and ensure that the replacement has been on-boarded with all relevant materials and information.

TWG members shall appoint the Head of the TWG by a simple majority vote.

c. Operating Guidelines of the TWG

The TWG and NFG Executive Director shall hold regular meetings, either in person or via conference call, no less than once every month, to exchange information and updates on issues of interest and/or concern to the Group. Such meetings shall be co-hosted by the Head of the TWG and the NFG Executive Director.

The TWG operates on a simple majority basis. In case of a tie vote, the issue at stake shall be brought to the NFG Board for consideration and final decision.

When necessary, NFG Executive Director shall send out a written communication requesting TWG members' inputs and votes by a specified timeline. TWG members shall provide their inputs or cast their votes in writing to the NFG Executive Director by the specified timeline. TWG members who do not reply shall be assumed to agree with the proposed solution.

5.3 Executive Director

Day-to-day operations of the Group shall be managed by the Executive Director, who shall be appointed by the Board by a simple majority vote. The Executive Director shall have the power to call a formal decision-making vote on any issue requiring a vote by the NFG membership.

Article 6. Meetings

6.1 Annual General Meeting

The Annual General Meeting of the Group shall be held in the second quarter of each year.

The purpose of the AGM is to:

- a. Review annual activities and the budget report of the Group;
- b. Review and approve the annual audited financial report;
- c. Elect the two officer positions: Chairperson, Vice-Chairperson (who will also act as Secretary and Treasurer);
- d. Set key performance indicators for the subsequent year; and
- e. Decide on annual membership fees for the subsequent year.

6.2 Regular Meetings

Members shall organize face to face or virtual meeting depending on the current situation not less than four (4) times per year to progress the activities of the Group, at the EuroCham office, in the members' offices on a rotating basis, or other suitable venues as may be designated.

Regular Meeting dates shall be scheduled in advance and meeting papers shall be distributed at least one week prior to the meeting.

Member companies shall independently decide who will be their delegate. In instances when an official representative is unable to attend a meeting, an alternative delegate shall attend when possible. It is the responsibility of the member companies to ensure that their delegates are fully briefed and able to vote on behalf of their company.

6.3 Extraordinary Meetings

Extraordinary Meetings can take place between Regular Meetings in case any critical issue arises. Extraordinary meetings shall be convened by the NFG Chairperson and shall be approved by a simple majority vote of the Board.

6.4 Decision-Making Process and Voting Rights

When formal motions are passed or voting takes place, each member company will have one vote per motion.

Decisions (other than the termination of membership or rejoining of an expelled member; or election of Chairperson and Vice-Chairperson) are passed by a simple majority vote of the all the members of the Group. However, efforts will be made to reach consensus.

Decisions can be held by an in-person vote or via email or written letter stating clearly the member's position on the motion.

6.5 Meeting Minutes

Meeting minutes shall be taken by the EuroCham Secretariat at all meetings of the Group. All decisions will be documented in the meeting minutes or attachments and will become effective upon approval of the meeting minutes at the following meeting.

Article 7. Funds

The funds of the Group shall be derived from admission fees, annual dues and special assessments of members, gifts, or donations. For the first year of membership, new members shall contribute a seed fund equivalent to One Thousand (US\$1,000.00) US dollars per Member Company. The management of the Fund shall be in accordance with the EuroCham's Sector Committee Rules and Regulations.

Article 8. Miscellaneous

8.1 External communications and meetings

External communications and meetings shall be carried out in line with EuroCham's Statutes and EuroCham's Sector Committee Rules and Regulations.

8.2 Financial year

The Group's financial year shall follow EuroCham's financial year, which is from 1st January until 31st December.

8.3 Auditing

Financial auditing of the Group shall be performed by external auditors.

8.4 Antitrust Policy

All meetings and activities of the Group shall be conducted in strict respect of antitrust laws and policies. The Group shall not make, or attempt to make any decisions with the objective or effect of preventing, restricting or distorting competition in Vietnam.

ANNEX
MEMBERSHIP APPLICATION FORM (1/2)

1. Company Name:

2. Contact Address:

3. Application Contact Person:

Name:

Title:

Address:

Telephone:

Fax:

Email:

4. Person in charge of the company's nutrition business in Vietnam:

Name:

Title:

Address:

Telephone:

Fax:

Email:

MEMBERSHIP APPLICATION FORM (2/2)

I, _____
(name of representative)

as the representative of _____
(applicant company)

hereby affirm that, if admitted to the Nutritional Foods Group, my organization will:

- Support the Nutritional Foods Group in attaining its objectives;
- Abide by the Charter and Code of Marketing Practice for Breast-milk substitute milk products of the Nutritional Foods Group, and the Statutes and the Sector Committee Rules and Regulations of EuroCham; and
- Keep confidential any documents, information gained from EuroCham, any of its sector committees, or any of its members.

In addition, I affirm that this application has been completed to the best of my knowledge, belief, and ability. Any changes in my knowledge that materially affect the information communicated in this application shall be communicated to the EuroCham and Nutritional Foods Group without delay.

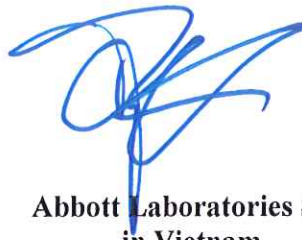
Signed, on behalf of the company,

(signature of representative and company stamp)

Date: _____

This Charter takes effect from November 1, 2016 and replaces entirely the previous Charter of the Nutritional Foods Group.

Signatures



**Abbott Laboratories S.A.
in Vietnam**
– Douglas Kuo –
General Director



**Mead Johnson Nutrition
Vietnam**
– Soren Bech –
General Manager

**FrieslandCampina
Vietnam**
– Van Tran –
Director Specialized
Nutrition



Fonterra Brands Vietnam
– Linda Tan –
General Manager



Nestle Vietnam Ltd.
– Tanti Ermawati –
Country Business Manager
Infant Nutrition