

## Operating Rules

*Approved by the General Assembly on November 30, 2021*

### Preamble

The European producers of non-halogenated phosphorus, inorganic and nitrogen (PIN) flame retardants (FRs) have decided to found a Sector Group which shall be called the Phosphorus, Inorganic & Nitrogen Flame Retardants Association (PINFA).

PINFA shall be a Sector Group of Cefic (European Chemical Industry Council) under Article 57 of the Statutes and 15 By-laws of Cefic. Through its affiliation to Cefic, PINFA undertakes to comply with the general policies of Cefic and with the rules governing its activities, particularly in the field of competition law and environmental protection. Membership to PINFA is not limited to European companies.

**PINFA shall operate in accordance with the following Operating Rules:**

### TITLE, HEAD OFFICE, OBJECTIVES, DURATION

#### Article 1 - formation of PINFA

A non-profit international Sector Group shall be formed, entitled The Phosphorus, Inorganic & Nitrogen Flame Retardants Association, in abbreviated form: PINFA.

PINFA shall operate as a Cefic Sector Group, in accordance with Article 57 of Cefic Statutes and 15 By-laws. The Sector Group and the present Operating Rules shall be governed by Belgian Law.

#### Article 2 – seat

The seat of the Sector Group shall be at the same location as Cefic Head Office; it is at present situated at 40 Rue Belliard, Bte 15, 1040 Brussels, Belgium.

#### Article 3 - objectives

##### Vision

- ◆ PINFA members provide products which ensure that many everyday products are safe to use. The members of PINFA believe that their products form an essential part of environmentally compatible fire safety solutions.
- ◆ PINFA supports high fire safety standards across the world, standards which minimize the risk of fire to the general public.
- ◆ Flame retardants have to be compatible with the requirements of a sustainable and circular economy.
- ◆ Members of pinfa share the common vision of continuously improving the environmental and health profile of their flame retardant products and demonstrating their safety. They share the common concept of an ideal flame retardant as one which:
  - is not toxic to humans, animals and plants
  - does not migrate out of finished products
  - does not release additional toxic or corrosive gases in case of fire
  - does not impede the recycling of finished articles

- is either degradable in the environment or remains neutral as naturally occurring substances

## Mission

PINFA shall be a forum for producers and other members of the value chain to promote the use of PIN FRs, deliberate the issues faced by the industry and to respond appropriately. The main objectives of the Sector Group shall be the following:

- ◆ To co-operate with members of the value chain including industry organisations involved in the use of non-halogenated phosphorus, inorganic and nitrogen flame retardants to communicate the advantages and appropriate use of this technology.
- ◆ To co-operate with national and supranational organisations, particularly with institutions of the EU, OECD and the United Nations as well as other industry associations, consumer organisations and organisations of the civil society involved in corresponding issues. This includes actively contributing to policies and regulations related to flame retardants.
- ◆ To support the development of scientific knowledge related to the whole life cycle of PIN flame retardants.
- ◆ Pro-actively provide information and data on its PIN flame retardants related to environmental and health properties as well as life cycle information

The views of the Sector Group may be transmitted through Cefic to the Commission of the European Community, the other European Institutions and other international bodies, particularly in cases where essential issues are involved.

Activities of the Sector Group carried out with the objective of directly or indirectly influencing the formulation or implementation of policy and the decision-making processes of the EU institutions will be covered by the registration of Cefic into the EU Transparency Register (n° 64879142323-90).

## Article 4 - representation of PINFA by members

It is accepted that there will be occasions when an individual member will be at a meeting or event and present themselves as representing PINFA rather than the company for which they work. The individual member should accept that to represent PINFA is a special privilege and in these circumstances, they should adhere to Cefic Rules on Advocacy, Transparency, including Environmental and Health Communication (see Annex I).

## Article 5 - rules and policies

The objectives and activities of the Sector Group shall at all times comply with the applicable laws of the European Union, its Member States and other jurisdictions when applicable.

The Sector Group shall specifically abide by the Cefic rules and general policies including Cefic statistics rules and Cefic policy on competition law. With regard to the latter, Cefic has always pursued a policy of compliance and transparency with the competition authorities involved.

All meetings of the Sector Group shall have an agenda and be held in the presence of a Cefic representative and be minuted.

## Article 6 - duration

The Sector Group shall be formed for an unlimited period.

## MEMBERSHIP

### Article 7 - members, associated members, observers

The Sector Group shall be composed of the Members, the Associated Members and the Observers.

#### 7.1 (Full) Members

**Definition:** Any producer of non-halogenated phosphorus, inorganic and nitrogen flame retardant chemicals shall be eligible for membership. The full membership for producers is mandatory and includes company's subsidiaries and joint ventures.

**Rights:** Members shall have the right to attend the General Assembly and to take part in the activities of the Sector Group in accordance with the rules established by the General Assembly. The Members shall have voting rights as fixed by the present Operating Rules.

#### 7.2 Associated Members

**Definition:** Associated membership is open to other companies or associations of companies having an interest in non-halogenated phosphorus, inorganic and nitrogen flame retardant chemicals (i.e. formulators, blenders, distributors, agents, end users, etc).

**Rights:** Associated Members shall have the right to attend the General Assembly, and participate in other activities or groups as identified by the General Assembly. The Associated Members shall have no voting rights in the General Assembly, but for all other groups mentioned, it will be determined by the General Assembly, for each group. For the participation in specific projects with dedicated budgets full voting rights shall be granted. In the event of merger, take-over or other event that changes the corporate identity of a Member or Associated Member, membership or associate membership of PINFA and all obligations related thereto will be assigned to that new entity.

#### 7.3 Observers

The General Assembly may decide to open either certain activities or all activities to observers such as trade associations, consultants, academics and individuals. The observers can be nominated and dismissed by project leaders or by the PINFA Board. The observers shall have no voting rights.

### Article 8 - current members and observers

An updated list of the Members, Associated Members and Observers shall be kept at the Secretariat of the Sector Group.

### Article 9 - application and admission

Written application for Membership or Associate Membership shall be sent to the Sector Group Manager which shall then submit such application to the General Assembly. Membership and Associate Membership admission shall be granted by the General Assembly on a majority of three quarters of the votes of the Members present or represented. The decision shall be final. The vote can also be held by e-mail, if the next General Assembly meeting is more than 2 months after the

date of application.

## **Article 10 - withdrawal**

Any Member or Associated Member wishing to withdraw from membership shall give written notice to the Sector Group Manager of the withdrawal by the end of December at the latest, the withdrawal being effective at the end of the following year; during this period, the membership and obligation to pay the fee(s) and all financial commitments shall remain unaffected.

## **Article 11 - expulsion**

Any Member or Associated Member who does not comply with the Operating Rules and with the objectives as specified under Article 3 or does not fulfil anyhow with the membership conditions (as mentioned in Article 6) can be expelled by a decision of the General Assembly.

The Member or Associated Member shall have the right to present its defence beforehand. Membership or Associate Membership shall also terminate in the event of a Member or an Associated Member being declared bankrupt or upon the completion of winding-up procedures.

## **Article 12 - claims to funds**

A Member or Associated Member who ceases to be part of the Sector Group shall have no claim on the Sector Group's funds.

## **GENERAL ASSEMBLY**

### **Article 13 - tasks**

The General Assembly shall have full power enabling the objectives of the Sector Group to be achieved. The General Assembly shall, inter alia:

- ◆ set the general policy of the Sector Group as described in Article 3;
- ◆ approve the budget and the financial accounts;
- ◆ elect the Chairman and one or two Vice-Chair(s) of the Sector Group. They shall be elected for two years and may be liable for re-election;
- ◆ decide upon any modification of these Operating Rules.

### **Article 14 - voting**

The General Assembly shall be composed of all the Members. Each Full Member shall have one vote. Votes cannot be expressed by correspondence.

However, a written consultation of all Members can exceptionally take place when a decision cannot be deferred until the following meeting of the General Assembly but is not sufficiently important to justify an Extraordinary Meeting of the General Assembly. Except in urgent cases, replies must be given within 21 days. The absence of a reply within this period shall signify acceptance.

Any decision taken by written consultation shall be submitted for confirmation at the subsequent General Assembly.

The agenda for each meeting of the General Assembly shall be communicated by the Sector Group Manager to each Member at least 21 days in advance.

Each Member shall be represented by one delegate.

The name of the delegate empowered shall be notified to the Sector Group Manager. These designations may be changed at anytime subject to proper notification to the Sector Group Manager.

A Member who is prevented from attending may be represented only by another Member. One Member, however, may not represent more than one other Member. The written proxy shall be presented to the Sector Group Manager, before each meeting.

#### **Article 15 - majority, agenda**

Decision by the General Assembly shall require a simple majority of the votes of the Members present or represented, except when these Operating Rules provide otherwise.

No decision can be taken on an item which does not appear on the circulated agenda.

#### **Article 16 - frequency and notification of meetings**

An Ordinary Meeting of the General Assembly shall be held at least once a year, under the leadership of the Chairman of the Sector Group or a Vice-Chairman if the Chairman could not attend. Notice of each General Assembly session shall be transmitted to each Member and Associated Member at least 21 days in advance.

The Chairman is obliged to convene an Extraordinary Meeting if at least one third of the Full Members request it.

The proceedings of the General Assembly shall be valid if at least half of its Full Members are present or represented.

## **BOARD**

#### **Article 17 - membership and meetings**

In the interval between the meetings of the General Assembly and in accordance with the decisions reached by the latter, the Sector Group shall be governed by the Board. The Board may empower the Sector Group Manager with some responsibilities as the day-to-day management of the Sector Group.

The Board shall comprise the Chairman and the Vice-Chair(s) and the representatives elected by the General Assembly.

The Board shall meet at least 2 times a year.

## **EXECUTIVE COMMITTEE**

In order to run the daily operations and implement the strategy and decisions taken by the General Assembly and the Board, an Executive Committee (ExCom) is established. Members of the ExCom are the Sector Group Manager, the pinfa chair and vice-chairs. All three PIN technology shall be duly represented. In case the chair and vice-chairs do not cover all technologies, additional seats will be made available and filled via vote in the General Assembly for the same period as chair and vice-chairs.

## SECTOR GROUP MANAGER

### Article 18 - appointment and duties

A Sector Group Manager shall be appointed by Cefic.

The Sector Group Manager shall have in charge the day-to-day management of the Sector Group, in accordance with the decision reached by the General Assembly, to ensure that the Sector Group is functioning properly. Key duties shall include communication, managerial and administrative activities.

In performing these duties, the Sector Group Manager shall report to the Chairman and the ExCom on the execution of his/her mission, and hierarchically to the Cefic Management responsible for the Sector Group.

## AUTHORISED SIGNATORIES AND REPRESENTATIVES IN LAW

### Article 19 - chairman and sector group manager

Instruments which bind the Members of the Sector Group with regard to third parties, and which are not considered as day-to-day management matters, shall be subject to the agreement of the Members duly registered in the General Assembly minutes or through a written consultation of the Members. These instruments shall be signed by the Chairman duly mandated for that purpose by the Members.

Instruments concerning the day-to-day management shall be signed by the Sector Group Manager.

Any legal suits shall be brought or defended by the President or a specially authorised (by the Chairman) Member and/or by a legal counsel chosen in consultation with Cefic. A status report on such litigation shall be presented to the General Assembly annually. Settlement of any litigation shall require the advance unanimous approval of the Members.

## GROUPS AND TASK FORCES

### Article 20 - creation by General Assembly

In order to fulfil the objectives of the Sector Group, the General Assembly shall be empowered to set up any necessary groups and task forces to fulfil specific purposes, the composition, mandate, duration and rules of which shall be determined by the General Assembly.

## SUBSCRIPTION / BUDGET

### Article 21 - annual subscription

The Members shall share the expenses, on the basis of equal share, of the Sector Group by means of subscription fixed annually by the General Assembly on proposals submitted by the Sector Group Manager.

Contributions by Associated Members and observers, if any, may be decided by the General Assembly.

In addition to the expenses to be shared equally between the Members and the contribution of the Associated Members, if any, each Member, Associated Member and observer, if any, shall be a Member or a Partner of Cefic and shall pay corresponding annual subscription to Cefic.

Multi-membership: Any company from outside of Europe who is a full member of a regional pinfa sister organisation is entitled to a discount of 33% on the regular pinfa membership fee, provided the non-European pinfa organisation offers the same discount scheme to pinfa Europe members.

This specific clause cannot apply to Cefic fees. Each entity which is registered as the European pinfa member shall pay the corresponding Cefic annual subscription. This clause does not apply to Accom members of Cefic, for which the fees paid once to Cefic applies to all subsidiaries membership.

## **Article 22 - budgeting**

The financial year shall extend from 1 January to 31 December of each calendar year.

Each year, the Sector Group Manager shall submit to the General Assembly, for approval, the accounts of the past financial year and the budget of the following year.

The Sector Group Manager shall prepare the budget and the annual accounts, in consultation with Cefic.

If deemed necessary, the General Assembly shall designate two auditors.

When, for appropriate reasons, the budget agreed by the General Assembly has to be increased in the course of the financial year, a special vote has to be organised at the next General Assembly or by e-mail.

A favourable vote of at least two thirds of the Full Members present or represented shall be required for all decision concerning financial matters mentioned above.

For the “technical studies and research” involving only part of the Members and / or the Associated Members, if any, a special budget may be established and approved by those Members participating to it. In such a case, it may be decided to share the expenditures according to a scheme agreed on a case by case basis.

## **AMENDMENTS OF OPERATING RULES AND DISSOLUTION**

### **Article 23 - amendments**

In case of a proposed amendment to the present Operating Rules, the text of the latter shall be attached to the agenda of the General Assembly which shall deliberate on this matter.

Decisions to amend the present Operating Rules and to dissolve the Sector Group shall require a favourable vote of two third of the vote of the Members present or represented at the General Assembly.

### **Article 24 - dissolution**

Upon dissolution of the Sector Group and after payment of all indebtedness and obligations of any kind of the Sector Group, the General Assembly shall decide on the method of liquidation and the destination of the Sector Group's funds.

## GENERAL PROVISIONS

### **Article 25 - Belgian law**

All matters which are not covered by the present Operating Rules shall be settled in accordance with the provision of the Belgian law.

### **Article 26 - advice from Cefic**

In appropriate conditions, the Sector Group may seek advice from Cefic on different activities and issues such as, but not limited to: accounting, statistics, anti-dumping, legal matters, competition law compliance, environmental and regulatory affairs, external trade.