

Regulations of Emballageretur

1 NAME AND REGISTERED OFFICE

- 1.1 The name of the association is Emballageretur.
- 1.2 The registered office of the association is situated in Greater Copenhagen.

2 OBJECTS

- 2.1 The objects of the association are:
 - 2.1.1 To handle the members' common interests regarding the Extended Producer Responsibility for packaging and the environmental area in relation to all relevant parties. For instance, by engaging in collaborations with these.
 - 2.1.2 To handle the members' obligations to collect and process packaging waste, to enter agreements with relevant parties in connection with this, and to make models and determine payment for these obligations.
 - 2.1.3 To collect and report all relevant information from the members in accordance with any current applicable and relevant Danish and pan-European rules on the Extended Producer Responsibility for packaging.
- 2.2 The association can collaborate with industry organisations and companies regarding handling one or several of the statutory obligations for manufacturers according to the Packaging Directive and Danish regulations derived therefrom, including establishing collaborations with parallel professional associations outside Denmark's borders.
- 2.3 The association's interests and administration are managed through the membership of Retur. Retur represents several Producer Responsibility Organisations that manage producer responsibility on behalf of their members, including the responsibility for taking back and separate handling of products and related waste in accordance with EU directives and Danish legislation.

3 MEMBERS

- 3.1 The association accepts as members all companies to whom the Extended Producer Responsibility for packaging applies as a consequence of the Packaging Directive and Danish regulations derived therefrom.
- 3.2 Membership application follows the guidelines defined by the association.
- 3.3 As a condition for admission of a member or continued membership of the association, the association may require that the member in question provide

security for financing the member's share of the waste obligation.

- 3.4 The executive committee can reject the admission of a company that meets the conditions in § 3.1 when special reasons justify this.

4 GOVERNANCE OF THE ASSOCIATION

- 4.1 The association is governed by an executive committee, which is the association's highest authority.
- 4.2 The executive committee consists of 10 to 13 members.
- 4.2.1 The founding organisations Elretur, Medicoindustrien, and EPS-branchen each have the right to appoint a member to the executive committee for a period of minimum 4 years and maximum 6 years, as such members must vacate the committee no later than 6 years after the date of foundation.
- 4.2.2 At the association's annual ordinary member meeting, an additional 8 members are elected to the executive committee from the following industries: (i) Agriculture and fishing, (ii) Manufacturing (non-food), (iii) Manufacturing (food), (iv) Office and service, (v) Transport and logistics, (vi) Medical, (vii) Trade (retail), and (viii) Wholesale and distance selling. Members are elected for 2 years at a time.

If one or more of these sections do not wish to be represented on the executive committee, the seat will automatically be assigned to the industries representing the largest quantities placed on the market.

- 4.3 Committee members elected in accordance with § 4.2.2 must be associated with a member company.
- 4.4 A committee member who becomes disassociated with a member company will automatically lose their committee seat. This also applies to a committee member from a company that cancels its membership or is excluded from the association.
- 4.5 If a committee member appointed by the founding organisations resigns before the end of the term, the appointing organisation is entitled to appoint a replacement. In other cases, the executive committee supplements itself until the next election with a member from the resigning member's industry, cf. § 4.2.2.
- 4.6 The executive committee determines its own rules of procedure and constitutes itself with a chairperson and vice-chairperson. The seats of chairperson and vice-chairperson must be occupied by the two industries

representing the largest quantities placed on the market, cf. § 4.2.2. If one or both of these industries do not wish to have such a seat, the seat will automatically be assigned to the industry/industries, which will then represent the largest quantities placed on the market.

- 4.7 The executive committee can employ a chairperson for up to 2 years at a time. In such a case, the seat of vice-chairperson must be occupied by a committee member from the industry representing the largest quantities placed on the market (cf. § 4.2.2). If this section does not wish to occupy the seat, it will automatically be assigned to the section/sections, which will then represent the largest quantities placed on the market, cf. § 4.2.2. The employed chairperson of the executive committee can be unseated with a simple majority vote among the other committee members.

5 DECISIONS OF THE EXECUTIVE COMMITTEE

- 5.1 The executive committee can form a quorum when at least half its members are represented. Committee meetings can be held electronically and via telephone. The executive committee establishes detailed provisions on the performance of its duties in a set of rules of procedure.
- 5.2 If the executive committee cannot form a quorum, a new committee meeting must be called and held no more than 14 days later. If there is no quorum at this meeting either, a third committee meeting must be called and held no more than 14 days later. At the third meeting, the executive committee forms a quorum regardless of the number of members represented.
- 5.3 An absent member can be represented by mandate. Such a mandate can only be given to another committee member, and each committee member can only be given one mandate.
- 5.4 The executive committee makes its decision by a simple majority vote. In case of a tied vote, the chairperson's – or, in their absence, the vice-chairperson's – vote is decisive.
- 5.5 Decisions regarding:
- regulatory changes
- equity dispositions
- the dissolution of the association
require that at least 3/4 of the committee members vote in favour of the decision.
- 5.6 At a committee meeting, decisions can only be made on topics included on the agenda for the meeting.

- 5.7 Moreover, 1/3 of the committee members can decide to present a specific topic at a member meeting.

6 MANAGEMENT AND SECRETARIAT

- 6.1 The CEO of the association is the CEO of Retur.
- 6.2 The association's secretarial functions are conducted by Retur.
- 6.3 With the exception of the provisions contained in § 7.2, the executive committee can delegate its authority in certain areas to the CEO with a simple majority vote.

7 SIGNING AUTHORITY

- 7.1 The CEO of the association is authorised to dispose of the day-to-day operations.
- 7.2 In relation to third parties, the association is otherwise bound by the joint signatures of the chairperson and vice-chairperson, the joint signatures of the chairperson and a committee member, or the joint signatures of 3 committee members.
- 7.3 The executive committee has the authority to bind the company.

8 SECTIONS

- 8.1 Within the association's various fields, the executive committee can form one or more sections to represent products covered by the packaging directive and Danish regulations derived therefrom or products that are deemed appropriate with regard to the members' industrial interests. The executive committee also decides on the merger/dissolution of sections.
- 8.2 A section's primary task is to handle the waste obligation within the specific product category, product group, or industry. The section must outline models for charging environmental contributions and other payments and submit these models for approval by the association's executive committee.
- 8.3 The sections may elect a leadership among their member companies. If a section lacks sectional leadership, the decision-making authority is transferred to the executive committee.

- 8.4 Executive committee members are obliged to participate as observers in at least one sectional leadership. Committee members elected in accordance with § 4.2.2 are obliged to participate in one of the sectional leaderships of which their respective companies are members. Committee members appointed in accordance with § 4.2.1 must participate as observers in a sectional leadership.
- 8.5 The executive committee can determine an amount that the individual sections must contribute to the association's administration.
- 8.6 The section is subject to the association's regulations, generally refers to the association's executive committee, and must adhere to the guidelines the executive committee lays out for the section's operations.
- 8.6.1 The section can establish rules of procedure for its work. The association prepares the rules of procedure, which the association's executive committee must approve.
- 8.6.2 Section members are only liable for the waste obligation within the specific product category, product group, or industry. Alternatively, the waste obligation is covered by the liability mentioned in § 15.
- 8.7 The organisations Grakom, VELTEK, Applia, Medicoindustrien, and EPS-branchen each have the right to appoint a non-voting representative who can participate in the work of the section most relevant to the operations of the specific organisation.

9 COMMISSIONS

- 9.1 The executive committee can form one or more commissions if this is deemed appropriate with regard to the members' interests in packaging knowledge. The executive committee also decides on the merger/dissolution of commissions.
- 9.2 A commission's primary task is to form a professional body to guide and advise the sections on packaging-related topics and questions.
- 9.3 Commission members can be member companies or external companies, organisations, or people holding packaging-related knowledge relevant to the sections. The commissions are available to the sections and secretariat.
- 9.4 Commissions can be formed for the following materials: paper and cardboard, plastics (including EPS and other plastics), glass, metal, wood, and food and beverage cartons.

- 9.5 Commissions are subject to the association's regulations, generally refer to the executive committee, and must adhere to the guidelines the executive committee lays out for the commissions' operations.

10 MEMBER OBLIGATIONS

- 10.1 When admitted to the association, new members receive a copy of the association's regulations with an obligation to acknowledge these as they are and any changes made in accordance with the regulations.
- 10.2 Members are also obliged to adhere to the guidelines, payment conditions, decisions, and rules, including rules of procedure, that the executive committee or secretariat specifies for the association's operations and activities in addition to requirements and conditions under Danish rules for the Extended Producer Responsibility for packaging.
- 10.3 Following their admission to the association and for as long as their membership of the association remains, individual members are also obliged to continuously and in a timely manner submit, update, and report to the association all of the information that, under applicable rules for the Extended Producer Responsibility for packaging, must be reported to relevant public authorities and/or private organisations with a mandate to set up and operate such producer and product registers.
- 10.4 Members are obliged to provide and report the information in accordance with the secretariat's instructions and in the format specified by the secretariat. Failure to comply may result in exclusion, cf. § 12.
- 10.5 Upon request, members must document the correctness of the information reported.

11 MEMBERSHIP PAYMENTS

- 11.1 The members' financial obligations towards the association must reflect the association's activities and member participation in these activities, including the members' involvement in agreements the association may make with waste-producing, transport, or recycling companies, as well as municipal and/or private collection points. The members' financial obligations must be proportionate to the members' market shares within the individual product categories.
- 11.2 When becoming a member of the association, members are obliged to make the following payments:
- Membership fee

- Environmental contribution
- Other payments

All payments are charged by and must be made to Retur.

- 11.3 Members pay a fixed annual fee determined by the executive committee as a contribution to cover the association's administration and operation costs.
- 11.4 Additional extraordinary fees and special projects in accordance with the association's objects clause with a separate budget must be approved by the executive committee with a 2/3 majority vote.
- 11.5 Environmental contributions are determined by the executive committee following the individual sections' recommendations based on the association's and the individual sections' costs for recycling, collecting, and managing packaging waste covered by the Packaging Directive and Danish regulations derived therefrom. Charges are also made via the environmental contributions to cover the association's and individual sections' costs for information campaigns and other obligations that are consequences of applicable legislation in accordance with the Packaging Directive and Danish regulations derived therefrom.
- 11.6 Environmental contributions collected by members of the association and individual sections prior to collecting, recycling, and managing waste and other obligations by applicable laws for the Extended Producer Responsibility are determined as a provisional contribution (advance payment) for the defined product categories and product groups.
- 11.7 If the members' advance payment of environmental contributions exceeds the actual costs, the excess part of the environmental contributions remains in the association and is part of the members' payment for environmental contributions for future waste management.
- 11.8 If the reason for the members' advance payment of environmental contributions to exceed the actual costs is developments in raw material prices, the executive committee can allow full or partial refunds of the members' payment of environmental contributions following a recommendation from the association's sections and considering the association's financial resources.
- 11.9 If the executive committee, following a recommendation from one or more sections and due to developments in raw material prices, allows full or partial refunds of the members' payment of environmental contributions, the refunds can be made when there is documentation for the amount of marketed products reported by the individual members for the previous calendar year, as the executive committee's permission must be based on the individual

members' reported quantities placed on the market during the period.

- 11.10 The members' payment of environmental contributions primarily depends on the costs for disposal and waste collection close to home.
- 11.11 If the members' advance payment of environmental contributions is lower than the actual costs, the executive committee can determine an adjustment of the advance payment following a recommendation from the association's sections.

12 RESIGNATION AND EXCLUSION FROM THE ASSOCIATION

- 12.1 Resignation must happen with at least 12 months' written notice before the end of a calendar year.
- 12.2 Membership fees will not be refunded.
- 12.3 The exclusion of a member is decided by the executive committee with a 3/4 vote majority.
- 12.4 Members departing from the association, regardless of the reason, waive their right to receive a share in any subsequent distribution of the equity. Furthermore, the departing member must fulfil the established guidelines and requirements for guarantees for producer responsibility derived from applicable legislation and the membership of the association. The member will also be obliged to provide security that obligations undertaken by the association on behalf of the member will be fulfilled.

13 ACCOUNTS AND AUDIT

- 13.1 The association's financial year is the calendar year.
- 13.2 The association's accounts are prepared in accordance with sound accounting practice and are audited by a state-authorized accountant.

14 MEMBER MEETINGS

- 14.1 An annual ordinary member meeting is held no later than 4 months after the end of a financial year. The executive committee can also call member meetings to consult members on specific topics or share information about the association's activities.
- 14.2 At an ordinary member meeting, the executive committee presents a report for the past year, reviews the annual accounts that have been audited, and

presents budgets and member payments, including the membership fee, for the new financial year. Furthermore, committee members are elected in accordance with § 4.

An ordinary member meeting follows this agenda:

- Election of meeting director
- The executive committee's report
- Review of the audited annual accounts
- Presentation of budgets and member payments
- Election of committee members
- AOB

- 14.3 Members must be notified about ordinary member meetings via email at least 14 days prior to the meeting and extraordinary member meetings at least 8 days prior to the meeting. Members must ensure that the secretariat has the email address to which messages should be sent.
- 14.4 The executive committee may waive the deadlines mentioned in § 14.3 if it considers an urgent meeting necessary.
- 14.5 The executive committee can make some of the materials mentioned in § 14.2 available to the members on the association's website and omit these materials from review at the member meeting.
- 14.6 At member meetings, the member's right to vote reflects their marketed quantities. A simple majority vote makes decisions.
- 14.7 Following the executive committee's decision, member meetings can be held electronically as a whole or in part. The executive committee can also decide that a member meeting should be held in unison with other associations that are Retur members.

15 LIABILITY

- 15.1 Members are solely liable for the obligations required by law and/or the authorities for participating in a Producer Responsibility Organisation. Consequently, members are not liable for the association's obligations towards third parties, just as the association is not liable for its members' obligations towards third parties.

16 DUTY OF LOYALTY AND CONFIDENTIALITY

- 16.1 Members have a perpetual duty of confidentiality regarding conducted negotiations and the association's affairs in general. Among other obligations,

members accept not to pass on information relating to the association's operating conditions to third parties.

- 16.2 The executive committee does not have access to turnover figures and other sensitive information about individual members. The management and secretariat (Retur), who get access to this information as part of the association's obligation to provide information, are bound by a duty of confidentiality.
- 16.3 Throughout their membership, members are obliged to cooperate with the association, which includes not giving or assisting in providing non-members access to the association's systems.
- 16.4 Violating the duty of confidentiality or other acts of disloyalty toward the association and its members may result in exclusion.

17 ALLOTMENT

- 17.1 The association's equity must accrue to the members with active memberships when the allotment is decided.
- 17.2 If the executive committee decides to allot equity, it is distributed among the members in proportion to the member payments made during the last 5 financial years.

18 AUDITOR'S REVIEW

- 18.1 If there is reason to assume that a member is evading his obligations towards the association, the executive committee may decide that the association's auditor conducts a review of the information reported by the member to the association, including, but not limited to, information about the sale of products covered by the Packaging Directive and derived national legislation as well as information about the member's collection, recycling, processing, and reuse of such products.
- 18.2 The member is obliged to assist the association's auditor in connection with this review, including making available all information that the auditor deems necessary to conduct it. The auditor may demand access to the member's accounting material, contract material, etc.
- 18.3 The member's refusal to give the association's auditor access to the necessary information will be considered a significant breach of the member's obligations towards the association.

- 18.4 The association initially bears the costs of the auditor's review of the member's reported information. The association ultimately bears the costs if the auditor's review shows that the member's reports are in accordance with the result of the auditor's review. In other cases, the member bears the costs unless the deviations are considered insignificant.
- 18.5 The auditor is bound by a duty of confidentiality regarding information that the auditor becomes aware of about the association's members, including information that the auditor becomes aware of in connection with an auditor's review in accordance with this provision.

---oo0oo---

These regulations were drawn up by the association's executive committee and adopted at the founding meeting on 7 November 2023.

In case of any discrepancy between the original Danish version and this translation, the Danish version prevails.