



EUROPEAN
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European Outdoor Group

Sustainability Working Group Operating Guidelines

This document provides background and ongoing documentation for the Sustainability Working Group, part of the European Outdoor Group.

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1. Background

The outdoor industry has long had an involvement in the issue of sustainable business practice stemming in the main from the Entrepreneurial Owner/Founder origins. This interest was given a boost by the founding in the USA of the Outdoor Industry Association Eco Working Group and an upsurge in consumer interest in the subject. During the OutDoor Trade Fair in July 2008, the European Outdoor Group (EOG) held an open meeting to discuss what the European industry should be doing in response to this. The attendance at just over 60 was excellent and particularly so bearing in mind the coverage of the market that was represented. The key outcome of the meeting was the decision to set up a European Sustainability Working Group (SWG) and volunteers were sought to attend a subsequent meeting planned for October.

The follow-up meeting took place at the end of October in Friedrichshafen with those that confirmed attendance becoming the working group at least for the initial stages. The meeting agreed the following:

- To establish a formal mission statement
- To arrange a meeting with the US Eco Working Group to define areas of co-operation
- To set up a Stakeholder sub-committee to define who should be invited to join in with this initiative.

2. Vision

Through a common outdoor industry platform, the Sustainability Working Group promotes and adopts the very best standards of sustainability and constantly seeks to improve business practices to the benefit of the environment, the work force and society as a whole.

3. Mission

The Sustainability Working Group provides business relevant insight and solutions to sustainability challenges facing the outdoor industry and its global stakeholders. Incorporating a comprehensive lifecycle perspective, the Sustainability Working Group's key areas of focus are:

- *Improving the ecological / environmental impact of the industry*
- *Ensuring the industry is up-to-date on relevant environmental and health and safety legislation as it relates to products and services*
- *Maintaining dialogue with relevant stakeholders*
- *Facilitating facts-based communication of sustainability credentials, including review of certification and labelling schemes*
- *Providing common positions on sustainability topics for the (EU) outdoor industry*

4. Social Responsibility

The Sustainability Working Group recognises that social responsibility is a key element of sustainability and CSR. The Group promotes, therefore, responsible business supply chain management. However, given the scope and company-specific nature of social responsibility initiatives, the Group does not currently operate in this area.

5. Membership

The SWG is open to any company involved in any part of the outdoor industry and also to related stakeholders. At the point of inception, there are no fees applicable though this may have to be reviewed at a later stage.

Membership will be via the completion of a simple application form that will record only those details necessary for the working of the group, application is via the application form on the website.

Membership of the initial Steering Group (SG) was initially by request for volunteers and then by acceptance of secondary invitation to the October meeting. The SG is able to co-opt new members and to define its own make up by simple majority.

SWG SG New Member Integration Process guidelines:

- The Steering Group needs to maintain a workable size to be effective.
- It should provide overall direction and drive/monitor progress. This will require a balanced mix of participants from the different sectors and from key industry players.
- The Steering Group will be responsible for a good portion of the workload and act as a strong link into the working groups (committees) to ensure alignment and progress.
- There are two paths into the Steering Group for new members:
 - 1) Being nominated directly because the SG feels their representation is needed
 - 2) through their active involvement in the Working Committees
- Nominations must be made to the entire group at least 2 weeks prior to voting engagement (SG meeting or conference call).
- The nomination should include a brief summary, including the background and level of commitment of the nominee. The Stakeholder Group owns this process.

Working Committees

Participation in Working Committees is open and provides a helpful "proving ground" for SWG and the new member before deciding on SG membership. But is restricted to no more than two people from each company. This will ensure the Committees work more effectively.

Membership Structure:

- 1) Steering Group* / **
- 2) Peer Bodies **
- 3) Stakeholder Group**
- 4) Information Only Members

*Elected members

**Groups 1, 2 & 3 not mutually exclusive

6. Chair & Vice Chairs

The Chair and Vice Chairs are elected by a simple majority of the SG.

The Chair

- Is responsible for driving the agenda of the SG and it's primary wider relationship with the membership
- Provides leadership to the group and the project
- Chairs meetings of both the SG and the wider membership
- Acts as the public spokesperson for the group
- Works closely with the Vice Chairs to ensure continuity

Vice Chairs

- Work with the Chair on the issues outlined above
- Is responsible for the Chairs mandate if the Chair is not available for any reason
- May take specific responsibility
(see Annex 1 for more detail on the Vice Chair role)

Term

The initial term of office is 1 calendar year. Officers can re-present themselves for a further term of office of up to 2 years.

If circumstances so dictate, the terms of office may be adjusted accordingly by the Chair and Vice Chairs in agreement with EOG Management.

Secretarial

- The EOG is responsible for making a record of the meetings and distribution of such
- Organisation of meetings

7. Steering Group Responsibilities

- To work together with the Chair and Vice Chairs to frame and drive the agenda for the project.
- To work together with the Chair and Vice Chairs to develop the project plan, timetable
- To take responsibility on specific actions where appropriate and seek approval and adoption for the overall agenda, action plan and timetable
- To attend meetings diligently and to ensure they are conversant with both the agenda and any reading material necessary for the meetings
- To make every effort to read and engage in communications between meetings
- To complete action points agreed at the meetings in a timely manner
- To represent the group in a positive manner in line with the aims and objectives set out within the Vision and Mission

- The SG can appoint Working Committees to work on specific issues on the basis of volunteers for such. Working Committees are able to appoint their own Chair and are all bound by the general responsibilities outlined in this document
- Officers or members of the SG are able to resign by giving written notice to the Chair or in the case of the Chair, to the EOG Secretary General
- SG members can be removed by a two thirds majority of the SG
- SG members can remove a Chair or Vice Chair by a two thirds majority vote of no confidence
- Non attendance / non participation in more than three consecutive meetings / conference calls will lead to removal from the Steering Group, unless previously discussed and agreed with the Chair or EOG Management

8. Decision Making

Steering Group

The SG makes decisions on the basis of a simple majority with the Chair holding the casting vote. The SG is required to seek the approval of the wider industry for its strategic direction.

Group consensus is a valued component of the SWG voting process. Where a 'yes' vote prevails, the Group requests all 'no' votes to be accompanied by a statement as to whether or not the 'no' voting member/s can accept the 'yes' majority. If not, the objecting member/s is/are requested to propose a viable alternative.

Every decision must be fully documented and documents are kept for the duration of the project.

If the Chair so requests, hung decisions on the election of Vice Chairs may be deferred to the EOG Management.

9. Open Source

The SWG commits to an open source policy and to make available all group agreed documentation to any party with a reasonable interest. The SWG will post documents publicly after group consensus on content has been achieved.

10. Reporting

The SWG is responsible for compiling a report of its activities on a quarterly basis and submitting this to the EOG Management.

11. Budget

An annual budget proposal must be developed by the SWG as part of its remit and presented to the EOG for consideration by the end of October of each year. The budget must provide sufficient detail and justification for expenditure so that the EOG Board can consider it for funding.

Once a budget has been agreed it must be reported on to the EOG Board on a quarterly basis and budget requests must be channelled through the EOG Secretary General.

If the annual budget proposal is in excess of what the EOG Board believes it is able to fund, the SWG must consider how it will finance the activities via alternative fund raising.

12. Code of Conduct

Members of the Sustainability Working Group will abide by the following conduct guidelines*:

- Communicate and negotiate in a civil and respectful manner
- Cooperate with one another and assist the Chair by participating fully in the process
- Keep all statements and discussions focused, on point and concise
- Focus on issues and interests, rather than individual positions
- Be specific in identifying problems, what you believe are the root causes of those problems, and your proposed solutions
- Feel free to propose any creative, workable solution you think might help in resolving disputes
- Seek a durable resolution
- Seek internal resolution of issues that arise within the group before communicating same externally
- Steering Group and Peer Bodies members make a personal commitment to attend meetings and participate in conference calls; an inability to do so on a regular basis will result in the right of the rest of the Group to request greater commitment on the part of said member or another individual from representative company / association, or removal from Group. The latter will still entitle 'information only member' status.
- SWG is not a platform for client acquisition, nor should SWG participation be used in advertising context (i.e. as it could be understood by clients as an endorsement from EOG/SWG).
- SWG stakeholder contacts are not to be used for acquisition purposes and strict privacy applies for any non-SWG related business.
- If using SWG contacts for non-SWG related purposes, e.g. networking, this needs to be made clear and obvious to the counterpart.
- SWG work results can be discussed within the representatives company on a confidential basis but can only be communicated externally when previously publicised (e.g. up for public access on website, press release, open meeting presentation, etc.).
- SWG work results are open source, shall not be used in proprietary manner by consultants, and need to be credited to SWG.
- Any Conflict of interest must be declared and if there is a potential conflict but the member is unsure about the situation, then this must be discussed with the Chair

*Points 1–7 are mainly attributable to the OIA Eco Working Group 'workgroup code conduct'

13. Competition Regulations

Members of the SWG agree to abide by the enclosed guidelines for compliance on competition

Version 2.0

January 2010

EOG SWG Sustainability Working Group

Guidelines for Compliance with Competition Legislation

The European Outdoor Group Sustainability Working Group ("EOG SWG") intends to operate in compliance with the competition laws of the European Union ("EU"), the competition laws of the EU Member States and those of other countries (collectively, "Competition Laws"). These competition laws are designed to protect competition as a means of enhancing consumer welfare and of ensuring an efficient allocation of resources. A violation of EU and other competition laws would have serious consequences for EOG SWG and for its member companies. Consequently, EOG SWG hereby issues the following guidelines for itself and its members, to be observed in all EOG SWG activities:

1. The activities of EOG SWG are not intended to have as their object or their effect the prevention, restriction or distortion of trade on the common market or any other market.
2. Neither the association nor any of its committees or activities shall be used for the purpose of bringing about or attempting to bring about any agreements, decisions, written or oral, formal or informal, express or implied, between and among competitors with regard to their prices or any other trading conditions (e.g., discounts and allowances, credit terms, etc), volumes of production, distribution, sales, levels and nature of investment, markets or territories, customers, or sources of supply.
3. In connection with membership or participation in EOG SWG, there shall be no discussion, communication, agreement, or disclosure among members which are actual or potential competitors, regarding their particular prices, discounts or terms or conditions of sale, pricing methods, profits, profit margins or cost data, production plans, market shares, sales territories or markets, allocation of territories or customers, cost or volume of their research, production or sales or any other commercially sensitive information. In the same connection, there shall also be no other direct or indirect contact between EOG SWG members in the context of EOG SWG activities, the object or effect of which is either to influence the conduct on the market of an actual or potential competitor or to disclose to such a competitor the course of conduct which they themselves have decided to adopt or contemplate adopting on the market.
4. Each member of EOG SWG is required to determine independently the policy which it intends to adopt on the EU common market and other markets, including the choice of the persons and undertakings to which it makes offers or sells.

5. No activity or communication of EOG SWG shall include any discussion or statement which could reasonably be construed as a decision or understanding to refrain from purchasing or selling any equipment or services or other products from any supplier, distributor or retailer.
6. No activity or communication of EOG SWG or any of its members, in connection with their participation in EOG SWG, shall include any discussion or statements which could reasonably be construed as an agreement or understanding among members to refrain, or to encourage other members to refrain, from purchasing any raw materials, product, equipment, services or other supplies from any supplier or from dealing with any supplier.
7. No activity or communication of EOG SWG, or that of members in connection with their participation in EOG SWG, shall include any discussion which could reasonably be construed as an attempt to limit or prevent any person or business entity from gaining access to any market or customer for goods and services, or to limit or prevent any business entity from obtaining a supply of goods or services or otherwise purchasing goods or services freely in the market. (This paragraph is not intended to preclude a member from disclosing and asserting its intellectual property rights.)
8. The qualifications for membership in EOG SWG are set forth in this document. These rules are transparent, proportionate, non-discriminatory and based on objective standards. No applicant for membership, which meets the qualifications set forth therein, shall be denied membership for any anti-competitive purpose. No member shall be excluded from a Committee of EOG SWG for an anti-competitive reason.
9. To the extent that EOG SWG develops, promulgates, approves, or adopts proposed standards or specifications, adherence to such proposed standards or specifications shall be voluntary on the part of its members, and shall in no way be compelled or coerced by EOG SWG or any committee or member thereof.
10. Any specifications which may be developed, promulgated, approved, or adopted by EOG SWG in order to effectuate its purposes shall contain open and non-discriminatory standards or specifications based on relevant considerations, have transparent implementation procedures, and shall not otherwise be based upon any effort, intention, or purpose to unreasonably reduce or eliminate competition in the sale, supply and furnishing of products and services.
11. In conducting any meeting of the membership, or any committee, a formal agenda shall be prepared and followed. Minutes of all such meetings shall be taken, accurately reflecting the subjects discussed and action taken at such meetings.
12. EOG SWG and each member, in connection with the activities of EOG SWG, shall use its best reasonable efforts to comply in all respects with the Competition Laws.
13. These Guidelines are intended to promote compliance with the Competition Laws. They do not create duties or obligations beyond what the Competition Laws actually require. In the event of conflict between these Guidelines and the Competition Laws, the Competition Laws shall control.
14. These Guidelines shall be promulgated to all members of and participants in EOG SWG. All members and participants shall abide by these Guidelines.

EOG SWG Member

.....
(Signature of the Member)

.....
(Name of Member)

.....
(Company)

.....

.....

.....

.....
(Company Address)

Annex 1

Vice Chairs

The Chair and Vice Chairs are elected by a simple majority of the SG.

Vice Chair

The Vice Chair positions are central to the intended working of the group. To vest total responsibility in a Chair alone is neither realistic nor beneficial to the group, particularly in view of the fact that these roles are voluntary and in addition to the normal professional workload of the persons in question. By spreading the responsibility between the Chair and two Vice Chairs it is intended that not only will the work load be shared, but that additional experience and perspectives will be brought to the task in hand.

Together with the Chair, the Vice Chair role encompasses the following areas:

- Under the leadership of the Chair is responsible for driving the agenda of the SG and it's primary wider relationship with stakeholders
- Provide common leadership to the group and the project
- If the Chair is not available, to chair meetings of both the SG and the wider membership
- In co-ordination with the Chair, act as the public spokespersons for the group
- Is responsible for the Chairs mandate if the Chair is not available for any reason
- May take specific responsibility for sub areas of the group

Term

After the initial agreed limitation of the term to 1 year during the start up of the group, the normal term shall be 2 years.