Members' organisation, Groceries and Drugstores

Terms of Reference

Version 2.1, Benelux governance proposal, March 2021

Summary

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Description	Terms of Reference

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Introduction

GS1 Netherlands works closely with companies to implement GS1 standards in sectors. These companies are organized per sector into so-called members' organisations, which advise GS1 Netherlands at various levels and areas and are committed to the development and implementation of projects within the relevant sector. GS1 Netherlands prepares its sector plans and policy in consultation with the Business Council, the highest body within each member organisation, before submitting them to the GS1 Netherlands Board for approval and the necessary resources.

Due to the intensified cooperation between GS1 Netherlands and GS1 Belgilux in the field of the exchange of product information in the grocery and drugstore sector, all bodies within the member organisation that exclusively deal with this theme have been transformed into BENELUX bodies, in which both members of GS1 Netherlands and members of GS1 Belgilux work together. This includes the Steering Committee and the Product Master Data Maintenance Group and all working groups that work on product information. For the time being, the Business Council will remain a body comprising only Dutch members, because it also deals with other themes that fall outside the partnership.
The sector plans and policy on the theme of product information are also submitted for approval to the Board of Directors of GS1 Belgilux.

For efficient and transparent cooperation, it is important to focus on how certain roles and responsibilities are assigned within the member organisation and how companies can make their contribution. In this document, these agreements, the so-called *Terms of Reference*, are laid down with regard to the member organisation of the Grocery and Drugstore sector.

After this introduction, the relationship is first explained between the different levels within the member organisation. Subsequently, the purpose, composition, duties and responsibilities of the various bodies within that member organisation are described. Finally, a number of practical matters are discussed, such as the roles in the groups and the meeting structure.

1   Coherence between different groups

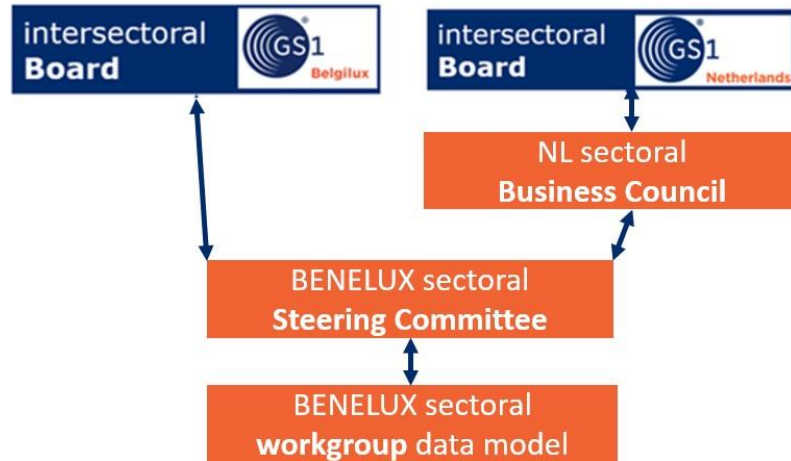## 1.1   Duties and responsibilities

Within the Grocery and Drugstore members' organisation, there are several bodies that contribute at different levels to the policy and activities of GS1 Netherlands and GS1 Belgilux for this sector.

At a strategic level, there is the Business Council, which advises GS1 Netherlands on the priorities in the sector and the policy to be pursued for the sector. The Business Council decides on sector-wide implementations of standards and mandates the Steering Committees to carry out sector projects within specific frameworks. The Business Council also evaluates sector projects after they go live. Within GS1 Belgilux, the Board of Directors is responsible for establishing that sector policy.
In terms of product information, it is important that the Business Council of the Netherlands and the Board of Directors of Belgilux align themselves strategically, so that a uniform policy in the field of product information can be pursued within the BENELUX.

At a tactical level, the Benelux Product Master Data Steering Committee focuses on improvements in the exchange and quality of product data and the Dutch Supply Chain Steering Committee focuses on a more efficient logistics chain. The Steering Committees make proposals to the Dutch Business Council and implement sector projects decided by the Business Council. For the Benelux Product Master Data Steering Committee, this coordination also applies with the Belgilux Board of Directors. The Steering Committees initiate and terminate Work Groups and manage them.

On an operational level, for the product info theme, we make a distinction between Benelux Working Groups with subject matter experts, who develop and implement specific (new) subjects in a project context on behalf of a Benelux Steering Committee, and the permanent Benelux Maintenance Group Product Master Data, which concentrates on the changes in the (existing) data model, the implementation instructions, the logical validation rules and the audit rules of the data quality program.

1.2 Decision-making on new product info domains

Sector	BC NL/BoD BELGILUX	SG	BC NL/BoD BELGILUX	SG	Sector	BC NL/BoD BELGILUX
Ideas for new fields are put forward by the sector and submitted to the BC	In this phase the priority and in which bucket the new fields would fall are determined	The steering committee will investigate the feasibility of exchange through GDSN and performs possible controls	The Business Council and Belux Board of Directors decide to execute the project	The project is further executed and the implementation is planned	The sector implements the fields according to the planning	The BC evaluates the project
Idea	Prioritization	Feasability	Decision for project go-life	Project execution	Go-live	Post go-live evaluation

1.3   Scope and responsibility for execution GS1

		Standard (definition)	Commitment from GS1
A.	Legally required	✅	✅
B.	Mutual interest of Retail and Industry	✅	✅
C.	One-sided interest of Retail or Industry	✅	❌
D.	Importance of individual retailer or supplier	✅	❌

- The Business Council determines for each topic which "bucket" it falls into (A, B, C or D)
- The Steering Committee carries out the Business Council's mandate to come back with a proposal on that basis
- The Business Council evaluates the outcome of the Steering Committee and follows up on it
- GS1 ensures independent process and communication monitoring

2   Business Council

2.1   Objective

The aim of the Business Council, the highest Dutch advisory body within the member organisation, is to establish the sector vision and policy for both Product Information Management and Supply Chain Management. In terms of product information, the sector vision and policy are developed together with the Belgilux Board of Directors. On that basis, it prioritises business issues and it commissions and commits to the projects set up by the Steering Committee.

2.2   Composition

- Representatives must be representatives of active members of GS1 Netherlands, preferably with the head office located in the Benelux.
- Companies form a balanced representation of the entire chain (retailers, suppliers and wholesalers) and the different product categories on the manufacturer or wholesaler side.
- Companies form a balanced composition in terms of business size, so that it corresponds to the actual composition of the supply chain.
- If possible, companies together form the critical mass that is required in order to effect sector-wide implementation.
- Representatives are board members or senior management, who are authorised to take decisions on behalf of the company with regard to investments to improve commercial, logistical or financial chain processes.
- Members represent their own businesses but act in the interest of the entire sector and chain.
- The aim is to have a representation of at least 10 and no more than 20 members.
- In the case of equal suitability, the aim is to have a good gender balance.

- In case of equal suitability, the aim is to have a representation with a good diversity in the technical solutions used.

- GS1 takes the chair during meetings to keep control of the process, to ensure balanced decision-making and to act as guardian of the GS1 rules of the game.

- GS1 prepares the meeting together with a core team of Business Council members, preferably representatives of companies who are also on the board of GS1 Netherlands. The core team also strives for a balanced composition. The core team has no decision-making power.

- If desired, observation posts are available for the relevant sector organisations. They will have a say, but no voting rights.

2.3 Duties and responsibilities

- Determining and adjusting the priorities for the realization of chain improvements in the sector on the basis of joint vision, policy and national and international developments. For themes linked to product information, the Business Council of the Netherlands aligns with the Board of Directors of Belgilux.

- The active participation of the business in the GS1 members' organisation.

- To contribute to the development/elaboration of cross-sector policy proposals.

- To actively invest and take part in projects and implement them first before the roll-out to the sector (pioneeering role).

- They bear joint responsibility for achieving the sector objectives.

- They provide input to the manager at GS1 who is responsible for developing a sector vision and policy.

- They are ambassadors for GS1 within their own and other sectors.

- They approve and commit to the sector annual plan of GS1.

- They instruct the Steering Committee to draft project plans for the business issues they have prioritised.

- They approve and commit to project plans for sector wide implementation of projects.

- They evaluate sector projects after they have been implemented and gone live.

3 Steering Committees

3.1 Purpose

The purpose of the Steering Committees is to draw up project proposals and to manage the realisation of project plans commissioned by the Dutch Business Council. For projects related to product information, the Benelux Steering Committee for Product Master Data also coordinates with the Board of Directors of GS1 Belgilux.

3.2 Composition

- Representatives must be representatives of active members of GS1 Netherlands, preferably with the head office located in the Benelux. For the Benelux Steering Committee Product Master Data, these can also be active members of GS1 Belgilux.

- Companies form a balanced representation of the entire chain (retailers, manufacturers, wholesalers and food service companies) and the various product categories on the manufacturer or wholesaler side. For the Benelux Product Master Data Steering Committee, the balanced representation also applies to the various Benelux countries.

- Companies form a balanced composition in terms of business size, so that it corresponds to the actual composition of the supply chain.

- If possible, companies together form the critical mass that is required in order to effect sector-wide implementation.

- Companies are jointly able to steer decisively on the sector-wide implementation of the product plans approved by the Dutch Business Council as well as those approved by the Board of Directors of GS1 Belgilux for product info.

- Representatives are line managers in the field of supply chain management, data management, ICT or commercial activities.

- Representatives are authorised to make project proposals on behalf of the company and execute approved projects to improve commercial, logistics or financial chain processes.

- Representatives are willing to take on the role of principal where appropriate to fulfill a sector project and as such to form the linking pin between the Steering Committee, the relevant Working Group (s) and GS1.

- Members represent their own businesses but act in the interest of the entire sector and chain.

- The aim is to have a representation of at least 12 and no more than 20 members.

- In the case of equal suitability, the aim is to have a good gender balance.

- With equal suitability, the aim is to achieve a good balance between retailers, manufacturers, wholesalers and food service companies.

- For the Benelux Steering Committee for Product Master Data, the aim is to achieve a good balance between Dutch and Belgian / Luxembourg members in the event of equal suitability. In case of equal suitability, the aim is to have a representation with a good diversity in the technical solutions used.

- GS1 takes the chair during meetings to keep control of the process, to ensure balanced decision-making and to act as guardian of the GS1 rules of the game.

- If desired, observation seats are available for the relevant sector organisations, and they do have a say and voting rights.

3.3   Duties and responsibilities

- To steer towards the realization of the projects instructed and committed by the Business Council.

- To develop and elaborate implementation and sector policy proposals instructed by the Business Council.

- To provide the Business Council with advice about new sector policy proposals (business cases) that can count on sufficient support within the Steering Committee.

- To draft project plans within the framework of the sector plan and the policy of GS1.

- To steer towards progress of projects, pilots and a sector-wide roll-out.

- To approve projects and pilots that have been executed.

- Reports to the Business Council on progress of the annual plan, projects and pilots.

- To provide input for communication campaigns.

- To provide the right people for work groups (internally and externally).

For the above tasks and responsibilities, the Benelux Product Master Data Steering Committee has an equal relationship with the Board of Directors of GS1 Belgilux in addition to the relationship with the Dutch Business Council.

4 Work groups

4.1 Purpose

Working groups develop solutions for business 'issues' based on GS1 standards on behalf of the Steering Committees. Working groups submit implementation proposals to their Steering Committee and implement them after approval.

4.2 Composition

- Representatives have to be delegates of active members of GS1 Netherlands or GS1 Belgilux. Working groups linked to product information operate in a Benelux context, which means that these can also be active members of GS1 Belgilux.

- Companies form a balanced representation of the entire chain (retailers, manufacturers, wholesalers and food service companies) and the various product categories on the manufacturer or wholesaler side. For working groups linked to product information, the balanced representation also applies to the different Benelux countries.

- Companies form a balanced composition in terms of business size, so that it corresponds to the actual composition of the supply chain.

- A Working Group member must have a sufficient mandate from the company to make commitments (possibly after internal consultation) with regard to activities arising from the project.

- A Working Group member must have adequate substantive expertise / knowledge in the work area / subject.

- Involved in and / or responsible for direct (operational) sector / business processes on the work area / topic.

- Working group members represent their own company, but act in the interest of the entire sector and chain.

- In the case of equal suitability, the aim is to have a good gender balance.

- With equal suitability, the aim is to achieve a good balance between retailers, manufacturers, wholesalers and food service companies.

- For the Benelux Steering Committee for Product Master Data, the aim is to achieve a good balance between Dutch and Belgian / Luxembourg members in the event of equal suitability.

- With equal suitability, the aim is to achieve a composition with a good diversity of the technical solutions used.

- GS1 takes the chair during meetings to keep control of the process, to ensure balanced decision-making and to act as guardian of the GS1 rules of the game.

- If desired, observation seats are available for the relevant sector organisations, and they do have a say and voting rights.

- At least 2 retailers and 4 suppliers register for the working group, unless the subject needs a different target audience.

- Working group members may also be external experts, if necessary, for the topic. These have no voting rights.

4.3 Duties and responsibilities

- Working groups work on behalf of the Steering Committee.

- Execution of project plans.

- Realising and developing (cross-company) sector solutions.

- The preparation and implementation of pilots.

- Drafting documentation for sector-wide implementation of solutions.
- Developing services for sector-wide roll-out in consultation with GS1.
- Providing the Steering Committee with advice in the event of bottlenecks / issues.
- Reports to the Steering Committee.
- First companies to implement the solution.

5 Maintenance Group

5.1 Purpose

The permanent Benelux Maintenance Group Product Master Data manages the Benelux data model, the implementation instructions, the logical validation rules and the audit rules of the data quality program.

5.2 Composition

- Representatives have to be delegates of active members of GS1 Netherlands or GS1 Belgilux.
- Businesses are a balanced representation of the entire chain (retailers, manufacturers and wholesalers), the various sub-sectors on the retailer or wholesaler side (DIY traders, garden centres and pet stores), the various product categories on the manufacturer or wholesaler side and the various Benelux countries.
- Businesses also form a balanced composition in the field of large and medium-sized businesses, which means it is in line with the actual composition of the supply chain.
- A member of the Maintenance Group must have a sufficient mandate from the company to make commitments (possibly after internal consultation) with regard to activities arising from the changes.
- A member of the Maintenance Group must have adequate substantive expertise / knowledge in the field of data management, supply chain management, ICT or commercial activities.
- Involved in and / or responsible for direct (operational) sector / business processes in the field of data management.
- Members of the Maintenance Group represent their own company, but act in the interests of the entire sector and chain.
- In the case of equal suitability, the aim is to have a good gender balance.
- With equal suitability, the aim is to achieve a good balance between retailers, manufacturers, wholesalers and food service companies.
- In the case of equal suitability, the aim is to have a good balance between Dutch and Belgian/Luxembourg members.
- With equal suitability, the aim is to achieve a composition with a good diversity of the technical solutions used.
- GS1 takes the chair during meetings to keep control of the process, to ensure balanced decision-making and to act as guardian of the GS1 rules of the game.
- If desired, observation seats are available for the relevant sector organisations, and they do have a say and voting rights.
- Working group members may also be external experts, if necessary for the topic. These have no voting rights.

5.3   Duties and responsibilities

- Works under the supervision of the Benelux Steering Committee Product Master Data.
- Performs its tasks in accordance with the development and modification process of GS1.
- Assessing the quality, desirability and feasibility of proposals for change.
- Discussing possible issues when implementing changes.
- Assessing the content of the documentation for sector-wide implementation.
- Participating in the development of services for sector-wide roll-out by GS1.
- Being the first to implement the changes.
- Informing and advising the Steering Committee on bottlenecks / issues.

6   Roles

6.1   Chairperson

- GS1 takes the chair during meetings to keep control of the process, to ensure balanced decision-making and to act as guardian of the GS1 rules of the game.

6.2   Members

- They have a thorough knowledge of their own organisation.
- Can translate the impact of a market development, (change) a request from the 'business'. into a solution.
- Has experience with the implementation of GS1 standards in business processes.
- The members are expected to have a proactive attitude prior to and during the meeting.
- When they are developing a solution, they act in the interest of the sector.
- Is authorised on behalf of his company, possibly after internal company consultation, to make a statement on decisions to be made in the group.
- They prepare the meetings in good time.
- A term of four years applies to members. If there are more (candidate) members at that time than there are seats, elections will be held.

  A fully fledged replacement must be sought when a member step down. If this does not happen, the place will become vacant and the procedure for the admission of a new candidate will be started. If a candidate applies and a seat is / becomes vacant, GS1 will assess him or her on the basis of the above points and the experience that the company representing the candidate has previously gained in subordinate groups (at least 1 year). Based on this, GS1 will inform and advise the group on the suitability of the candidate. The members of the group in question will then unanimously adopt the recommendation of GS1 or reject the candidate, stating the reasons. GS1 will then contact the candidate to reject or welcome him as a member in accordance with the group's wishes.
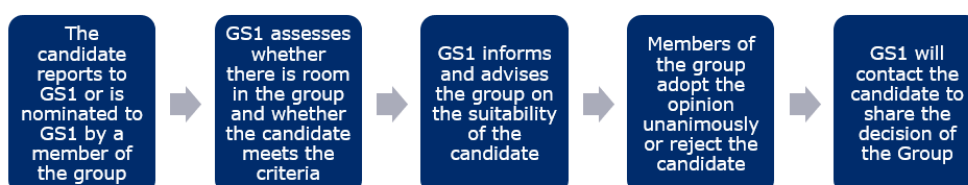
7 Meetings

7.1 Method

- Frequency of consultations:

    - Business Council: Min. 4 times a year
    - Core team BC: Min. 4 times a year
    - Steering Committees   Min. 2 (Supply Chain) /4 (Product Master Data) times a year
    - Working groups: according to project plan
    - Maintenance Group   Min. 4 times a year

- Meetings:

- GS1 specifies (for Business Council in consultation with the core team) in which
  form the meetings (physical, digital, hybrid) will take place.

- Individual offline work
  Members of the Work and Maintenance groups also spend "offline" time reviewing documents
  relevant to developing a proposal. This work often concerns preparations for a meeting
  (conference call or physical meeting) but it is also possible that the development of a proposal
  takes place in a virtual environment (i.e., offline revision and verification by e-mail), if the
  complexity of the proposal allows for it.

- Annual schedule:

  Before the start of a new year, GS1 prepares an annual meeting schedule. The priorities in the
  sector and holiday periods are taken into account.

- Attendance:

  If a representative cannot be present at a meeting, he / she will make every effort to arrange a
  replacement. In all cases, GS1 must be informed of this as early as possible.

- Preparations:

  The agenda is adopted and made available to all members by GS1, including meeting
  documents, at least one week prior to the meeting.

- Documentation:

  Meetings will be recorded. Minutes are written that include a list of decisions and actions. The
  minutes are made available by GS1 within two weeks of the meeting.

- Location:

  GS1 will organize the meetings at a location that is central for (most) members. However, the
  groups are entitled to change the location by mutual agreement.

- Language:

  In principle, the language of the meetings is Dutch, but English for the Benelux bodies,
  unless all participants indicate that they speak Dutch.

  All documents such as agendas, explanatory notes, presentations and reports are drawn up in
  Dutch, except for the Benelux bodies where this is always done in English regardless of the
  language spoken during the meeting.

- Code of Conduct competition law:

  GS1's code of conduct on competition law applies.

■ Privacy statement:

Members of the participant organisation are expected to be aware of and agree to the privacy statement of GS1 Netherlands or GS1 Belgilux.

7.2 Decision-making

The groups strive for decisions based on consensus. If it is not possible to reach a consensus within a reasonable period of time, a vote will be taken.

Voting is done on the principle of a simplified supply chain, looking at who is sending or receiving data. Manufacturers / suppliers form one group here. Supermarkets / retailers and food service companies the other group.
Wholesalers have to choose. They vote with the latter group if they provide this type of companies with little or no supplies and otherwise with the manufacturers / suppliers. This is recorded when the member registers in a body.

Proposals are approved by a majority of at least 2/3 of the votes among both the data senders and the data recipients who vote.

Within the "offline" work and other email consultations of Work and Maintenance Groups, including so-called e-ballots, the principle of '*quis tacet consentit*' applies. The group will stipulate a review period during which members can provide feedback to a proposal. If no feedback is received within that period, the lack of response is interpreted as agreement with the question asked.

Decision-making and voting take place during a physical meeting, a digital / telephone meeting or via email consultation. In all situations, more than half of the group must participate in decision-making.

A vote and decision can be avoided if there are fundamental objections to a proposal based on the integrity of the GS1 system. In this case, escalation may take place to the General Board of GS1 Netherlands.

8 Miscellaneous provisions

8.1 Intellectual Property

As a condition of participation in the groups, participants must declare that they agree to the Intellectual Property Policy (IEB) of GS1.

Intellectual property is a legal term that refers to creations of the mind that are subject to exclusive rights that are acknowledged and assigned by law. Customary intellectual property rights include copyrights, trademarks, patents, industrial designs and trade secrets.

The groups of GS1 formulate requirements, guidelines and specifications for businesses. Many patents already exist in these areas and many patent applications are currently being filed. GS1 is the world's most prominent organisation for neutral, open standards in the supply chain and it aims to protect its community of users and their efforts and investments to the best of its abilities. The IEB of GS1 is a central item of this aim. As part of its IEB, GS1 intends to develop standards that, as far as possible, can be applied on a royalty-free basis.

8.2   Changes to the Terms of Reference

The groups are entitled to suggest changes to this document if desirable or necessary. Before anything in this document can be changed, all members have to unanimously support the change. Changes are confirmed by the parent body and ultimately the General Board of GS1 Netherlands and for Benelux bodies (the Board of Directors of) GS1 Belgilux.