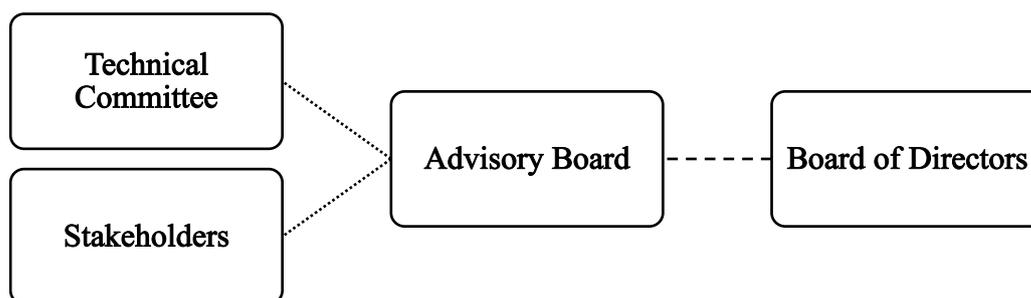


## Terms of Reference (ToR) for the Board of Directors

### 1. The Board of Directors position in the governance structure

Three groups are involved in the project FOS governance structure: the Board of Directors, the Advisory Board and the Technical Committee. The Board of Directors is the top governing body. Taking into account the inputs received from the Technical Committee and Stakeholders, the Advisory Board advises the Board of Directors regarding strategies to reach the objectives of Friend of the Sea Project.



..... Independent external collaboration    - - - - External collaboration

### 2. Composition

The Board of Directors, in compliance with the statutes and by-laws of the World Sustainability Organization, is composed by one or more directors up to a maximum of five. They are established by the shareholders together with the appointment of directors. The Board of Directors remains in office until revoked or resigned or for the duration established at the time of appointment. The directors can be revoked at any time by decision of the members, without prejudice to the right to compensation for any damages if the revocation of the appointed director in time determined takes place without just cause. The termination of directors, due to



expiry of the term or resignation, takes effect from the moment in which the administrative body has been re-established. In any case, the directors remained in office, those terminated and any control body must submit to the shareholders' decision the reconstitution of the administrative body as soon as possible, and in any case, within thirty days.

### **3. Tasks**

The Board of Directors is the top governing body and it manages all the Departments. With advice from the Advisory Board, it defines the strategic direction of the Friend of the Sea Project in the fulfilment of its objectives.

The Board of Directors' roles and responsibilities are:

- To manage all departments' staff, budgets and operations;
- To approach and select the Advisory Board members once every two years;
- To conduct the annual performance review meetings with the Advisory Board members;
- To monitor and to provide input to the seafood standards revision process;
- To approve the new seafood standard versions.

### **4. Decision-making process**

In line with the statutes and by-laws of the World Sustainability Organization (Art. 21), the Board of Directors is governed by the following rules:

- a) The board elects from among its members the president and possibly a vice president, who performs the functions of the first in the event of his absence or impediment, and may appoint one or more managing directors determining the powers within the limits established by law;
- b) The board meets at the registered office or elsewhere, provided it is on Italian territory, when the chairman considers it necessary or when requested in writing by at least one director;

- c) The board is convened by the chairman by written communication containing the date, place and time of the meeting and the agenda, sent to all directors and members of the possible control body, at least five days before the date set for the meeting, and in case of particular urgency at least twenty-four hours before; the communication can also be sent by tele-fax or e-mail, to the address previously provided by the interested party and noted in the directors' decision book; in the event of impossibility or inactivity of the chairman, the board may be convened by any of the directors;
- d) In the absence of formal convocation, the council deliberately validates when all are present the directors and members of the possible control body;
- e) The decisions of the board of directors are taken with the favourable vote of the majority of the directors in office or according to the majorities and with the modalities envisaged at the time the appointment of counsellors;
- f) The board of directors appoints a secretary, who is not a member of the board, who draws up the minutes of the resolutions and signs it together with the president;
- g) The decisions of the board of directors can also be taken through consultation written consent or on the basis of the express written consent of each of the directors; in this case one of the administrators communicates to all the others the text of the proposed decision, setting a term of no less than eight days, within which each of them must send to the registered office the consent to it; in case of no reply within the set deadline, the consent is understood denied; the documents must clearly show the subject matter of the decision and the consent;
- h) Communications can be made by any means that allows verification of the latter origin and to have confirmation of receipt (also by declaration of receipt sent with the same means), including fax and e-mail, and must be kept by the company;
- i) The board of directors must always meet for the approval of the draft budget and in the other hypotheses provided for by the law.