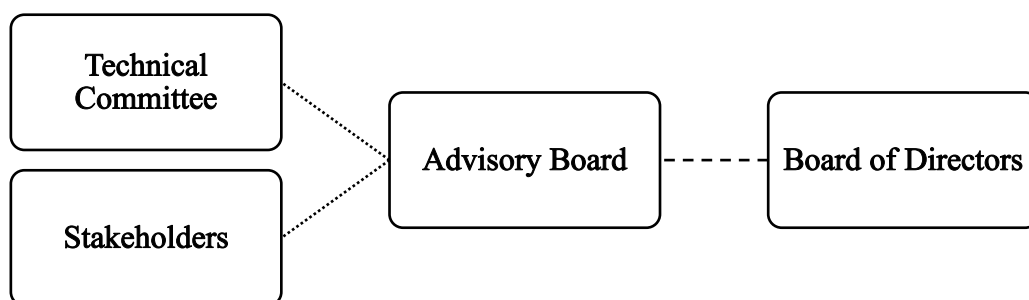


Terms of Reference (ToR) for the Advisory Board

1. The Friend of the Sea 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 Advisory Board is composed of at least four members. The Board of Directors approaches and selects the Advisory Board members once every two years, considering their geographical origin (at least 50% from developing countries), field of experience (50% from independent NGOs and 50% from industry) and gender (at least 50% female). Engaged members can be selected more than once. The percentages must be calculated based on the current number of members of the Advisory Board.

3. Tasks

The Advisory Board members do not have authority to vote on corporate matters or bear legal fiduciary responsibilities; their roles and responsibilities are the following:

- Provide non-binding strategic advice to the Board of Directors;
- Evaluate the effectiveness of the program;
- Provide guidance for the quality improvement of the program;
- Develop an understanding of the business, market and industry trends;
- Provide “wise counsel” on issues raised by owners/directors or management;
- Provide unbiased insights and ideas from a third point-of-view (not involved in the operation of the business);
- Encourage and support the exploration of new business ideas;
- Act as a resource for executives;
- Provide a social networking platform for directors and the company;
- Encourage the development of a governance framework that enables sustainable growth of the company;
- Monitor business performance;
- Impose challenges on directors and management that could improve the business;
- Elect members to join the Technical Committee;
- Analyse and express opinions on received complaints, objections and inputs.

4. Decision-making process

Decisions by the Advisory Board shall be made by the majority of the votes. In the case of a tie in voting, members shall discuss the specific case and reach a consensus. Members may not abstain from voting on any decision.

5. Participation

The Advisory Board is consulted periodically by email. The meetings are held at least once a year. Date-matching efforts are made to allow the widest participation. Meeting alerts are sent at least two weeks in advance.