

## **Stakeholder Advisory Council Terms of Reference**

*Note:* The following rules governing the Stakeholder Advisory Council are made by the Marine Stewardship Board of Trustees pursuant to Article 58(4) of its Articles of Association, and take precedence over all previous iterations. Adopted January 2021.

### **1. Introduction**

The Stakeholder Advisory Council was created by the MSC's Board of Trustees to provide the MSC Board with advice, views, guidance and recommendations from a variety of informed perspectives about the operations of the MSC in pursuit of its mission. The group's members reflect diverse experiences, geographies and interests in relation to the work of the MSC. The co-chairs jointly lead the Stakeholder Advisory Council and each also serves ex-officio as a member of the MSC Board of Trustees.

### **2. Functions and Duties**

- 2.1 Providing advice to the Board of Trustees on any strategic or operational issues requested by the Board, in a timeframe and manner indicated by the Board.
- 2.2 Providing a formal body for consultation related to the development or clarification of Standards policy, where the Technical Advisory Board (TAB) has agreed or required a stakeholder consultation loop. During the Standard setting process, the Advisory Council will be mandatorily consulted.
- 2.3 Proposing other stakeholder items for consideration by the Board based on emerging issues raised within the broader stakeholder constituency or within member networks; facilitating communication and sharing information intersessionally and in relation to meetings, as appropriate, with relevant constituencies and geographies.
- 2.4 Providing or proposing members for other MSC external governance panels when required.

### **3. Membership**

- 3.1 Nominations for Advisory Council membership may be submitted to the MSC Governance Committee from Advisory Council members, the MSC Board of Trustees, MSC Technical Advisory Board, the MSC Executive or from other stakeholders outside the MSC. For the latter, nominations must be sponsored by an individual within the MSC Executive or its governance structure. Nominations for Advisory Council membership may also be sought through an external recruitment process.
- 3.2 Following scrutiny and recommendations from the Governance Committee, the MSC Board of Trustees shall formally review nominations and select its preferred members. It shall then consult the Advisory Council in respect of such proposed members, and taking account of the advice of the Advisory Council, thereafter formally confirm admission of such members to the Advisory Council.
- 3.3 The Advisory Council shall not have more than seventeen (17) members, of which six shall be drawn from the seafood industry (processing or harvest), six shall be drawn from the

conservation community; and two from the market sector. Within the reserved membership, the group will endeavour to ensure adequate representation from within Developing World and Small-Scale Fisheries interests. The remaining three seats on the group shall be undesignated, and used in the light of wider considerations to ensure a balanced membership with respect to the MSC's strategic objectives, but may be expected to represent other interest groups as agreed by the Board from time to time, including but not limited to scientific, consumer, marketing, and auditing interests.

- 3.4 The members of Advisory Council shall not be entitled to appoint delegates to attend meetings, or otherwise carry out their functions as members of the Advisory Council in their stead. However, in the case of exceptional circumstances that prevent a member from attending, he or she may propose an alternate from the same sector to attend as an observer, subject to explicit advance approval from the Co-Chairs.
- 3.5 A member of the Advisory Council may not, whilst a member, be appointed to any position within the executive office under the Charity.
- 3.6 Members of the Advisory Council will be bound by the Code of Conduct for Members of Boards, Committees & Governance Bodies of the Marine Stewardship Council, and shall be required to sign said Code on appointment and any subsequent reappointment.
- 3.7 Members of the Advisory Council will be bound by the MSC's Conflict of Interest Policy, and must declare potential or perceived conflicts of interest prior to the discussion of each agenda item. Any such declarations will be recorded in the minutes of the meeting. At the voluntary initiation of a member, or the absolute discretion of the Co-Chair(s), any member with a serious conflict of interest may be excluded from the discussion of relevant agenda items.
- 3.8 A member of the Advisory Council may be removed by the Board of Trustees for any of the following reasons:
  - a. S/he becomes incapable by reason of mental disorder, illness or injury of managing and administering his/her own affairs;
  - b. S/he resigns his/her office by notice to the Co-Chairs of the Advisory Council;
  - c. S/he is absent without permission of a Co-Chair from an in-person meeting of the Advisory Council;
  - d. S/he, through a change in employment or other, no longer falls within one of the designated seat categories as proscribed above (ref)
  - e. S/he takes up employment with the Marine Stewardship Council, ASI or a CAB;
  - f. Breach of the Conduct for Members of Boards, Committees & Governance Bodies of the Marine Stewardship Council; or;
  - g. The Advisory Council recommends removal for failure to perform as a member or due to a conflict of interest that is antagonistic to the interests of the MSC, or to a violation of the confidentiality rules (section 7).
- 3.9 Reappointment of members shall require nomination by the Co-Chairs and submission of recommendations from the Governance Committee to the MSC Board of Trustees for formal approval, as per the process set out in 3.2. Account shall be taken of the balance of

membership in respect of Board's strategic objectives as per 3.3, in making any reappointments.

- 3.10 Nomination for reappointment is not automatic and shall be reviewed with regards to performance of members in terms of attendance at meetings and involvement in the business of the Stakeholder Advisory Council between meetings, and shall require a positive affirmation from the member about their willingness and interest in continuing to serve.
- 3.11 Members shall normally be appointed for terms of three years, subsequent to conclusion of which, members may normally seek reappointment (see 3.8 above) for one additional three-year term on the group. Following completion of two consecutive three-year terms, a period of one year must elapse before an individual is eligible to seek readmission to the Advisory Council. Notwithstanding the provisions of this clause 3.11, the Board of Trustees may, at its sole discretion, extend the second period of appointment of an Advisory Council member by such amount of time as they regard to be in the best interests of the MSC save that such period of extension shall not exceed 12 months.

#### **4. Co-Chairs**

- 4.1 In consultation with the Governance Committee, the Advisory Council shall propose nominations for Co-Chairs, one of whom shall be drawn from the industry sector, and one of whom from the conservation sector. Nominees for Co-Chairmanship may be existing Advisory Council members, or may be proposed new members, if there should be vacancies on the Advisory Council. The nominations shall be submitted to the Governance Committee for review, and thereafter to the MSC Board of Trustees for formal approval.
- 4.2 To ensure continuity of leadership, the Co-Chairs shall always have staggered appointment dates, such that they shall not retire at the same time.
- 4.3 The Co-Chairs of the Advisory Council shall be ex-officio members of the MSC Board of Trustees. In appointing the Co-Chairs, the Board shall therefore be mindful of its own Composition Policy, as well as the skills and experience required in leading the Advisory Council.
- 4.4 Co-Chairs may be re-appointed, subject to the provisions on Board membership such that each Board member may serve a maximum of two consecutive three-year terms, upon conclusion of which they may not serve on the Board of Trustees for at least one year.
- 4.5 The Co-Chairs shall lead the Stakeholder Advisory Council and shall engage Advisory Council members on issues arising for Board, TAB and Executive consideration.

#### **5. Meetings**

- 5.1 Formal meetings of the Advisory Council may be held up to four times per annum, and shall take place at least on an annual basis. No more than two of these meetings shall be in-person in any calendar year.
- 5.2 Notice of a formal meeting of the Advisory Council shall be at least twenty-eight (28) days. The notice shall specify the time and place of the meeting and the general nature of the business to be discussed. The notice shall be given to all the members of the Advisory Council and the MSC Chief Executive. The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

- 5.3 The Co-Chairs shall jointly chair meetings of the Stakeholder Advisory Council. In the Advisory Council's operations, it will provide to the Board of Trustees expressions of collective agreement by the membership and/or a summary of the range of views of Advisory Council members when appropriate. The Advisory Council shall normally work by consensus even when a range of views is provided to the Board.
- 5.4 Primary direction on the agenda will be given by the Board of Trustees in advance of all Advisory Council meetings. The Co-Chairs shall determine the agenda for meetings of the Stakeholder Advisory Council after inviting input at least two (2) weeks before the agenda is finalised. The Co-Chairs will co-ordinate but not censor topics they receive, and may consult the MSC Board of Trustees Chairman in respect of proposed agenda topics received. The Co-Chairs will also consult with the MSC Executive and Chair of the TAB for agenda topics from which they desire Stakeholder Advisory Council input.
- 5.5 Any member of the Advisory Council may have any matter which is relevant to the function of the Advisory Council as set out herein for discussion at the meeting. This must be by notice to the Co-Chairs, and must be received at least one month prior to the date on which the meeting of the Advisory Council is to be held. The Co-Chairs of the Stakeholder Advisory Council may in their absolute discretion determine, individually or jointly, whether a matter so notified to them is relevant.
- 5.6 No business shall be discussed at any formal meeting of the Advisory Council unless a quorum is present. 50% of members, including one member each from of the seafood industry sector and conservation sector, shall constitute a quorum.
- 5.7 If neither of the Co-Chairs of the Advisory Council is present within fifteen (15) minutes after the time elected for holding the formal meeting, any other member selected by a majority of members present to serve as temporary Co-Chair for the meeting.
- 5.8 The Chair of the Board of Trustees and the MSC Chief Executive shall be invited to attend and speak at meetings of the Stakeholder Advisory Council as observers. Advisory Council
- 5.9 Communication from Advisory Council members between meetings should be directed to Co-Chairs, who will determine how best to approach the issue. All communication to the MSC Executive concerning Stakeholder Advisory Council issues should therefore be directed to the chairs, who will then deal directly with the Advisory Council Secretary or Executive Liaison to address the issue.
- 5.10 Advisory Council meetings shall operate in accordance with the Chatham House Rule which is that they are strictly private. The Chatham House Rule states that 'participants are free to use the information received, notwithstanding the confidentiality clause herein, but neither the identity nor the affiliation of the speakers, nor that of any other participant may be revealed'; nor may it be mentioned that the information was received at a meeting of the MSC. This clause will not apply to internal communications from the Advisory Council to the Board of Trustees.

## **6. Working Groups**

- 6.1 Under the direction of and/or with the agreement of the Board of Trustees, the Advisory Council shall create time-limited, issue specific working groups to support advancement of inter-sessional work and to undertake specific designated inquiries. The number of working groups in operation at any one time shall be finite, such that the Advisory Council can

appropriately oversee their work, and the Executive may adequately and appropriately support their operation.

- 6.2 Any working group formed under paragraph 6.1 may consist solely of Advisory Council members and/or may also include sufficient non-members appointed as required and appropriate to provide additional stakeholder perspectives, technical experience or skills to fulfil the group's terms of reference. However, non-members appointed onto an Advisory Council working group shall participate only as observers at any Advisory Council meetings they are invited to attend.
- 6.3 The Advisory Council may make such rules and regulations as to the composition, conduct and management of any such working group and impose such terms and conditions and give such mandates to any such group as it may from time to time think fit.
- 6.4 In establishing a working group the Advisory Council will specify:
- (i) detailed terms of reference of the group
  - (ii) membership and chairmanship
  - (iii) delegated decision-making authority (where appropriate)
  - (iv) reporting requirements
  - (v) the duration and review times for the working group.

The chair of any working group shall always be a member of the Advisory Council. Each group shall be supported by a member of the MSC Executive, nominated through the Advisory Council Secretary.

- 6.5 A summary written or verbal report (or presentation) of all recommendations and deliberations arising from the working groups shall be submitted to the full Advisory Council for review. Upon review of the summary reports, the Advisory Council will coordinate its own recommendations for submission to the Board of Trustees, through the Co-Chairs.
- 6.6 Members of working groups may be paid all reasonable travelling, hotel and other expenses properly incurred by them in connection with their attendance at in-person meetings of working groups. All expenses should be claimed in compliance with the MSC Board travel and expenses policy.

## **7. Confidentiality**

- 7.1 Members of the Advisory Council are privy to materials in the conduct of their duties that may be confidential in nature or not for wider distribution. This confidentiality is required to be maintained and failure to do so can result in removal as a member, as per section 3.6. All materials shared with the Advisory Council are assumed to be confidential, unless otherwise stated. However, participants will be allowed to discuss broad, non-attributable meeting outcomes, subsequent to publication of Advisory Council minutes.

## **8. Observers**

- 8.1 Observers may attend Advisory Council meetings with prior approval of the Co-Chairs. Requests for observer status must be submitted at least one month prior to the meeting.

Unless otherwise agreed by the Co-Chairs, a maximum of 3 external observers shall attend each Advisory Council meeting.

8.2 Observers shall be provided specified opportunities to make statements in the meetings, at least one time on each day of a meeting.

8.3 Observers shall not participate in the discussion otherwise unless expressly invited to do so by the Co-Chairs.

## **9. Secretariat**

9.1 The MSC Governance Secretary shall act as secretary of the Advisory Council and perform the administrative functions in relation thereto. The Executive shall also provide a dedicated liaison from within the MSC Executive's senior management.

9.2 Minutes of all Advisory Council proceedings will be maintained by the Advisory Council secretary.

## **10. Notices**

10.1 Any notice to be given to or by a member of the Advisory Council pursuant to these rules shall be given in such manner and be governed by such provision as are set out in the MSC Articles of Association.

## **11. Other regulation of proceedings**

11.1 The Advisory Council Terms of Reference shall be reviewed at least once every two years by the Advisory Council and by the MSC Governance Committee. The Terms of Reference may also be reviewed by the Governance Committee or Board of Trustees from time to time, as these bodies see fit. Amendments to the Terms of Reference require formal agreement by the MSC Board of Trustees.

11.2 Subject to the provision of the Articles of Association, the MSC Board of Trustees may regulate the proceedings of the Advisory Council as it thinks fit.

11.3 If any provision herein is inconsistent with the MSC Articles of Association, the MSC Articles shall govern.

11.4 Members of the Advisory Council shall not be remunerated for their service.

11.5 Members of the Advisory Council may be paid all reasonable travelling, hotel and other expenses properly incurred by them in connection with their attendance at in-person meetings of the Advisory Council or working groups or otherwise in connection with the discharge of their duties. All expenses should be claimed in compliance with the MSC Board of Trustees travel and expenses policy.

Adopted by the MSC Board of Trustees on the 21<sup>st</sup> January 2021.

