

BONSUCRO: Members' Council

Terms of Reference

These are the rules governing the Members' Council ("MC") made by the Bonsucro Board of Directors according to Articles 4.2, 4.6 and 13 of its Articles of Association.

1. Role

- 1.1 The MC is created to provide the Bonsucro Board of Directors with advice, views, opinions and recommendations from a variety of informed perspectives about the operations of Bonsucro in pursuit of its mission. The MC reflects diverse experiences, geographies and interests in relation to the work of Bonsucro.

2. Responsibilities

The MC's responsibilities are:

- 2.1 To provide views, advice, recommendations and informed opinions to the Bonsucro Board of Directors and to the Technical Advisory Board on the Bonsucro Standard(s) and Performance Framework, and their implementation and application, and on Bonsucro's impact.
- 2.2 To provide strategic and tactical advice on other functions of Bonsucro, including where appropriate, the commercial, development, outreach and communications programs.
- 2.3 To provide advice and views on existing and emerging issues which may affect the ability of Bonsucro to implement its programmes and achieve its strategic goals, and to bring new issues to Bonsucro for consideration that may affect Bonsucro's ability to achieve its mission.
- 2.4 To provide advice on Bonsucro's Strategic Plan, and the strategic priorities of the organisation on a regular basis.
- 2.5 To address and give views on specific matters on which the Board of Directors, Technical Advisory Board or the Bonsucro Secretariat requests advice.
- 2.6 To assist Bonsucro to better work and communicate with the constituencies and geographies represented on the MC.
- 2.7 To provide views on any individual recommended by the Governance & Nominations Committee to be appointed to the Bonsucro Board of Directors,

with the power to veto any such recommendations, in accordance with Article 13.2 of the Article of Association.

- 2.8 To request, from time to time, a performance review of the Bonsucro Board of Directors and follow up action (including terminating the appointment of members of the Board of Directors) in accordance with Article 13.3 of the Articles of Association.

3. Membership & Composition

- 3.1 In accordance with Articles 13.4 and 13.6 of the Articles of Association, the first members of the MC shall comprise 15 individuals designated as Elected Members and up to 10 individuals co-opted by them. These individuals may be individuals who are members and/or individuals who represent organisations that are members.
- 3.2 Thereafter and also in accordance with Articles 13.4 and 13.6 of the Articles of Association, the MC shall comprise up to 25 individuals comprising 15 Elected Members and up to 10 Co-Opted Members, and shall seek a balanced membership from amongst a range of sectors, interests and geographies involved with sugar cane so as to ensure a balanced representation of the views of supporter members.
- 3.3 Elected Members of the MC shall be elected through procedures outlined in sections 4.1 and 4.2 below.
- 3.4 In addition to the Elected Members, the MC may choose to appoint up to 10 Co-Opted Members to its number.
- 3.5 Every year, not less than one-fifth of the members of the MC for the time being shall retire from office. The members of the MC to retire are those who have been in office longest since their last election or co-option. For this purpose, previous tenure as a director of Bonsucro shall be counted as tenure in office as a member of the MC. As between members of the MC with equal length of service, those members shall agree between themselves who shall retire, and in the absence of agreement it shall be selected by lot. Any retiring member of the MC may stand for re-election or be co-opted again (as appropriate).
- 3.6 The members of the MC shall not be entitled to appoint delegates to attend meetings, or otherwise carry out their functions as members of the MC in their place.
- 3.7 A member of the MC shall be removed by the MC for any of the following reasons:
 - a. A registered medical practitioner who is treating that member gives a written opinion to Bonsucro stating that he or she has become physically or mentally

- incapable of acting as a member of the MC and may remain so for three months;
- b. S/he resigns his/her position by notice to the Chair of the MC;
 - c. S/he is absent without permission of the Chair of the MC from two consecutive in-person meetings of the MC;
 - d. S/he, through a change in employment or other reason, no longer falls within one of the qualifying categories for membership of the MC;
 - e. S/he takes up employment (or other remunerated work) with Bonsucro;
 - f. The Chair and the Vice-Chair together recommend removal for failure to perform as a member, or due to a conflict of interest that is not aligned with the interests of Bonsucro, or due to a violation of the confidentiality rules set out in these Terms of Reference.
- 3.8 Nominations for reappointment shall be reviewed with regards to performance of members in terms of attendance at meetings and positive involvement in the business of the MC between meetings, and shall require a positive affirmation from the member about their willingness and interest in continuing to serve Bonsucro.
- 3.9 In accordance with Article 13.5 of the Articles of Association, the first Chair and Vice-Chair of the MC shall be those individuals designated as such. On the termination of the period of office of the Chair (being two years), the Vice-Chair is expected (subject to the outcome of the performance review referred to in section 3.11) to succeed the Chair for a period of two years and the MC shall elect from within its number a Vice-Chair, appointed for a period of two years. Should at any time a Vice-Chair for any reason not succeed the Chair, the MC shall elect a Chair and a Vice-Chair from within its number, each for a period of two years.
- 3.10 The Chair and the Vice-Chair of the MC shall be ex-officio members of the Bonsucro Board of Directors.
- 3.11 The Chair and the Vice-Chair of the MC shall be subject to annual performance reviews in accordance with Article 13.5 of the Articles of Association.
- 3.12 The Bonsucro Secretariat, as directed by the CEO, shall designate a person or persons to act as secretary of the MC and perform the administrative functions in relation thereto, including the preparation of the agenda, papers and minutes, in consultation with the Chair of the MC.

4. Elections

- 4.1 Each class of supporter member (Civil Society, End Users, Intermediaries,

Industrials, Farmers) shall be entitled to elect, as a class, up to 3 persons for appointment as members of MC. The appointment of those persons so elected to the MC will be ratified by the Board of Directors.

4.2 The procedure for these elections shall be determined by the MC from time to time.

5. Observers

- 5.1. Observers may not attend meetings when agenda items on MC membership, the CEO's and Board of Director's reports, or other items deemed 'reserved business' are discussed. For all other agenda items, the MC Chair may allow Observers to attend. S/he shall assess any potential conflict of interest of Observers and may require them to leave the meeting at any time.
- 5.2 Ordinarily the Chairs of the Board, the Technical Advisory Committee, the Finance & Risk Committee and the Governance & Nominations Committee shall be invited to attend meetings as Observers.
- 5.3. Observers may attend meetings, but are not be entitled to vote. They may contribute to the meetings on the specific invitation of the MC Chair, either by making oral presentations, by distributing documents at meetings through the MC Chair, or by engaging in other activities as appropriate and as approved by the MC Chair.
- 5.4. Observers shall not use any of the MC documents outside the meeting without prior consent by the MC Chair. All Observers shall be bound by confidentiality requirements contained with paragraph 9.

6. Meetings and Quorum

- 6.1 The maximum gap between formal meetings of the MC shall be no more than 12 months. The MC shall formally convene in person at least once in each calendar year, and work may be undertaken by Working Groups between the formal meetings. The results of this work and recommendations made by the Working Groups shall be submitted at the subsequent in-person meeting of the MC.
- 6.2 The Bonsucro Secretariat should strive to ensure that out of session agenda items that require the attention of the MC are kept to a minimum unless the agenda item is considered to be urgent. Where an urgent decision is required from the full MC, that decision may be made at a telephone meeting or by email, but shall only be made by a majority of MC members and the item must be supported by an agenda paper(s) with a reasonable timeframe for response built into the process. All out of session considerations and/or

decisions shall be submitted for information at the following in-person meeting of the MC.

- 6.3 Any meeting of the MC shall be called by at least twenty-one clear days' notice. 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 sent to all members of the MC and for information to the Chair of the Technical Advisory Board. 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.
- 6.4 The Chair of the MC shall determine the agenda for meetings of the MC.
- 6.5 Any member of the MC may by notice to the Chair of the MC nominate an item for the agenda of the next meeting of the MC, so long as that notification is received at least seven clear days prior to the date on which a notice of a meeting of the MC is to be sent and the matter raised is relevant to the MC. The Chair of the MC may in his/her absolute discretion determine whether a matter so notified to him/her is relevant. The Chair of the MC will also consult with the CEO, the Chair of the Board of Directors, and the Chair of the Technical Advisory Board for agenda topics from which they desire the MC's input.
- 6.6 No business shall be discussed or decisions made at any meeting of the MC unless a quorum is present in person or by conference facility. Half plus one of the members (rounded up to the nearest whole number) shall constitute a quorum. If a quorum is not present within thirty minutes from the time elected for holding the meeting, the meeting shall stand adjourned.
- 6.7 Decisions made by the MC shall be made by agreement of a simple majority of members of the MC present in person at a meeting (except for decisions relating to Board performance and removal of directors, where a 75% majority is required). Any member may abstain from voting on any decision.
- 6.8 If the Chair of the MC is not present within fifteen minutes after the time elected for holding the formal meeting and/or be willing to act, the Vice Chair (failing which any other member selected by a majority of members present) shall be Chair for that meeting.
- 6.9 Members of the MC may be reimbursed all reasonable travel, hotel and other expenses properly incurred by them in connection with their attendance at MC meetings or MC Working Groups or otherwise in connection with the discharge of their duties.

7. Working Groups of the MC

AS APPROVED BY MEMBERS ON 6 APRIL 2016

- 7.1 The MC may appoint and constitute one or more Working Groups for the purposes of supporting the MC on its work.
- 7.2 Any Working Group formed under paragraph 7.1 may consist of MC members and/or non-members.
- 7.3 The MC may make such rules 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 Working Group as it may from time to time consider appropriate.
- 7.4 In establishing a Working Group the MC (with support from the Bonsucro Secretariat) will establish a Terms of Reference, including at least the following:
 - a. Specific purpose of the Working Group
 - b. Membership and chairmanship
 - c. Any specific delegated decision making authority (if appropriate)
 - d. Reporting requirements
 - e. Duration and review times for the Working Group.

8. Communication and Reporting

- 8.1 The Chair shall ensure that minutes of all proceedings at meetings of the MC are recorded and that these minutes include the names of those members of the MC present at each such meeting, and all decisions and recommendations made by the MC.
- 8.2 A summary report of the minutes shall be made public on the Bonsucro website.
- 8.3 Outline result reports from Working Groups shall be made available to meetings of the MC.

9. Confidentiality

- 9.1 The agenda and all papers submitted to the MC shall be held in confidence by all MC members and Observers.
- 9.2 All decisions and recommendations will be forwarded to the Bonsucro Board of Directors. The MC may recommend that some decisions and/or recommendations should be held in confidence by the Bonsucro Board of Directors.
- 9.3 The detailed content of discussions during MC meetings must remain confidential. However, participants will be allowed to discuss broad, non-

attributable meeting outcomes, subsequent to the publication of the summary report of the MC minutes.

10. Conflicts of Interest

- 10.1 Members of the MC will be bound by the Bonsucro Conflicts of Interest Policy, and must declare any actual, 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 an MC member, or the absolute discretion of the MC Chair, any MC member with a conflict of interest may be excluded from the discussion and decision making of relevant agenda items.

11. Review

- 11.1 The MC will arrange for periodic review of its own performance (supported by the Governance & Nominations Committee), and at least annually will review these Terms of Reference, to ensure the MC is operating at maximum effectiveness, and recommend any changes it considers necessary to the Board of Directors for approval.

12. Articles of Association Govern

- 12.1 If any provision in these Terms of Reference is inconsistent with the Bonsucro Articles of Association, the Articles shall govern.