



ENVIRONMENT FUNDERS CANADA

Advancing a sustainable future

Conflict of Interest Policy

Purpose

The purpose of this policy is to protect the integrity, reputation and financial interests of Environment Funders Canada (EFC) and Interested Persons when engaged in EFC business, such as:

- Contemplating entering into a transaction or arrangement that might benefit the private interest of an employee, Board member, volunteer, member acting on behalf of EFC or regular contractor of EFC, or might result in a possible excess benefit transaction
- Delivering programs and services to its members and carrying out its day-to-day activities

This policy is intended to supplement but not replace any provincial and/or federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Definitions

Interested Person	Any employee, Board member, volunteer, member acting on behalf of EFC or regular contractor of EFC who has a direct or indirect financial or other conflict of interest.
Financial Interest	A person has a financial interest if the person has, directly or indirectly, through business, investment, or Family: a. An ownership or investment interest in any entity with which EFC has a transaction or arrangement; b. A compensation arrangement with EFC or with any entity or individual with which EFC has a transaction or arrangement; or, c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which EFC is negotiating a transaction or arrangement. Compensation includes direct and indirect remuneration as well as gifts or favours that are not insubstantial.
Family	Spouse, domestic partner, parents, siblings, children.

Management of Conflicts of Interest

<p>Direct financial conflicts</p>	<p>Direct financial conflicts of interest should be avoided wherever possible. However, not all financial interests are conflicts of interest. It is the role of EFC’s Board of Directors (Board) to determine if and how potential financial conflicts of interest should be managed in a way that best serves EFC’s interests.</p> <p>Board members of EFC are not entitled to receive compensation from EFC for services provided to the organization.</p>
<p>Grant-seeking organizations receiving preferential access (via self-representation) to grant-makers through engagement with EFC</p>	<p>All EFC members are expected to adhere to the EFC Member Code of Conduct, which includes guidance on the caution that must be taken to avoid grant-seeking organizations receiving unwanted preferential access to the EFC network.</p> <p>All EFC employees, Board members, volunteers and regular contractors are expected to sign confidentiality agreements, where warranted, to ensure that the information to which they are privy through their work with EFC is not used to provide direct or indirect benefits to external parties. Confidentiality agreements may also be embedded within project charters and terms of reference pertaining to specific EFC initiatives.</p> <p>EFC staff may not serve on Boards or in any formal advisory/committee/fundraising capacity (herein called ‘Volunteer Capacities’) with grant-seeking organizations in the environmental sector. Similarly, consultants supporting EFC funder collaboratives may not serve in Volunteer Capacities with grant recipients of those funder collaboratives. EFC Board members must disclose all Volunteer Capacities with grant-seeking organizations in the environmental sector in order for future potential conflicts to be effectively managed.</p> <p>EFC will not recruit to its Board individuals whose primary responsibility is fundraising.</p>
<p>EFC members engaged in external behaviours that are counter to EFC’s mission and values</p>	<p>EFC seeks to engage with individuals, foundations and businesses who are seeking to improve the effectiveness and scale of environmental philanthropy.</p> <p>EFC will not evaluate the day-to-day operations or activities of its members. However, EFC’s Board reserves the right to refuse or cancel membership of any entity engaged in efforts that undermine the mandate and values of EFC.</p>

	<p>While all EFC members are invited to provide input into EFC’s activities, no member will be allowed to exert undue influence over EFC’s focus, positions and strategic approach.</p> <p>In particular, EFC members from sectors that have significant negative impacts on the natural environment such as resource, non-renewable energy, financial, real estate development, agriculture and other such sectors will be treated with additional caution in this regard, at the discretion of the Executive Director and/or Board. This caution may pertain to membership approval, participation in EFC offerings and service on the Board of Directors. We will work with these members consciously and with eyes open and will be careful not to endorse their practices except when they make significant pro-social and pro-environment decisions.</p>
Staff volunteer commitments with current EFC members	EFC staff who serve in volunteer capacities with current EFC member organizations must disclose this information upon joining EFC and must take proper steps to avoid preferential treatment of those members and direct influence over the member’s engagement with and support of EFC.

Procedures

Duty to disclose	In connection with any actual or potential conflict of interest, an Interested Person must disclose the existence of the conflict and be given the opportunity to disclose all material facts to the Executive Committee of EFC’s Board of Directors.
Addressing conflicts of interest	<ol style="list-style-type: none"> a. An interested person may make a presentation directly to the Executive Committee of EFC’s Board or relay the information via the Executive Director. b. The Executive Committee (EC) will review the matter and determine whether a conflict of interest exists. c. If appropriate and required, the EC may appoint a disinterested person or committee to identify solutions to resolving the identified conflict of interest. d. The EC is responsible for resolving all identified conflicts of interest and subsequently informing the full Board of the existence of the conflict of interest, the factors considered, and the actions that were taken to address the conflict of interest. However, if there is a lack of consensus among EC members, the Board Chair or a majority of EC members shall bring the matter to the full Board for a vote. e. If the interested person is a Board member, they shall abstain from all related Board discussions and votes.

Records of proceedings	<p>The minutes of EFC’s Board of Directors meetings shall contain:</p> <ul style="list-style-type: none"> a. The name(s) of the person(s) who disclosed or otherwise were found to have an actual or potential conflict of interest, the nature of the conflict, any action taken to determine whether a conflict of interest was present, and the Board's decision as to whether a conflict of interest in fact existed. b. The names of the persons who were present for discussions and votes relating to the actual or potential conflict of interest.
Violations of conflict of interest policy	<p>If the EC has reasonable cause to believe an interested person has failed to disclose actual or potential conflicts of interest, it shall inform the person of the basis for such belief and afford the person an opportunity to explain the alleged failure to disclose. If, after hearing the person's response and after making further investigation as warranted by the circumstances, the EC determines the person has failed to disclose an actual or potential conflict of interest, it shall take corrective action and/or appropriate disciplinary measures, up to and including removal from participation in the organization.</p>

Annual Statements

Each employee, Board member, volunteer, EFC member acting on behalf of EFC or regular contractor shall sign an annual form which affirms such person:

- a. Has received a copy of the conflicts of interest policy,
- b. Has read and understands the policy,
- c. Has disclosed any existing conflicts of interest at that point in time, and
- d. Has agreed to comply with the policy.

Review & Approval

APPROVED BY EFC’S BOARD OF DIRECTORS ON: July 18, 2023

This Conflict of Interest Policy will be updated on an as needed basis, should new categories of conflicts arise that are not addressed in the current policy or if the application of this policy proves ineffective in addressing conflicts of interest.