

# Rules and Procedures for the GRI

## Board of Directors

### 1. Responsibilities

Key responsibilities:

- Determine the GRI's mission and purpose;
- Approve the GRI's strategy and business plans;
- Select the Chief Executive;
- Support the Chief Executive and review his or her performance;
- Ensure effective organizational planning and succession planning of key positions;
- Ensure adequate financial resources to run the organization;
- Manage resources prudently and effectively;
- Determine, monitor and strengthen GRI's programs and services;
- Receives and responds to GRI Stakeholder Council recommendations
- Be an advocate for the GRI and enhance its public standing;
- Ensure legal, ethical and financial integrity and accountability;
- Recruit and orient new Board members;
- Regularly assess Board performance;
- Oversee internal controls and audit – internal and external.

### 2. Structure and Membership

#### 2.1 Election of Board Members

The Stakeholder Council appoints all the members of the Board except the Chief Executive, based on the nominations received from the GRI Nominating Committee.

#### 2.2 Chair and Member Term Limits

A Director's term on the Board is three years, with a maximum of two consecutive terms. Thereafter, a Director may be considered for re-election after being off the Board for at least one year.

One-third of the Board of Directors will be up for consideration (to be replaced or re-elected) every year. When a Board member transitions from a Director role to the Chair position, periods served as a regular Board member shall not count towards the term limitation. The Chair cannot serve more than two consecutive terms of two years each.

## **2.3 Resignation and Expulsion**

If a Director chooses to leave his/her position on the Board, then the Director will submit a written resignation to the Chair. The resignation takes effect once the Chair has responded to the Director, which the Chair should aim at doing within a week of receipt of the resignation. If the behavior, activities, or absence of a Board member becomes an issue of concern, then the Chair can put a special resolution to the Board seeking a Board resolution to expel the Board member. Before taking effect, any such resolution must be ratified by the Stakeholder Council in a formal session or outside a formal session. The subject member of an expulsion resolution has the right to be heard during related discussions.

All Board members will inform the Board Chairman in writing of a change in his/her professional position irrespective of the stakeholder constituency pertaining to the new position. If a Board member changes to a professional position in a different stakeholder constituent category the member will offer his/her resignation to the Board Chair. Upon receipt of an offer of resignation the GRI Nominating Committee should make a recommendation to the Board Chair and the SC Chair as to whether the member could remain on the Board. This recommendation should be based on an assessment of whether the resulting stakeholder balance in the Board's membership would be significantly disturbed. If the Board Chair and the SC Chair agree that the GNC's recommendation is sound and does not fundamentally disturb the principle of the stakeholder balance they can proceed and decide accordingly to accept or reject the offer of resignation. If one of the Chairs has concerns regarding the resulting stakeholder balance the recommendation should be referred to the SC, which under the GRI's constitution is responsible for the appointment of board members.

Casual vacancies caused by the resignation or expulsion of a Board member should be filled during the following SC meeting for the remainder of that term. In line with the Rules and Procedures of the SC and GNC, nominations of Board members for casual vacancies should be provided by the GNC to the SC. The SC will then formalize the appointment of Board members during the next SC meeting.

In case the remainder of the term of the casual vacancy is shorter than one year the newly appointed Board member should be eligible to be re-appointed to the Board for two consecutive times.

## **2.4 Position Description for Chair and Members**

Board members have specific obligations, duties, and expectations. Further, the Chair has additional obligations. Please see Annex 33 for Director and Chair position descriptions.

## **2.5 Committees**

To fill committee positions, the Chair must seek input from Directors about the committees in which they are interested and suggestions about where other Directors might serve. After consulting with each Director, the Board Chair then proposes Directors for committees and bring this proposal to a Board meeting for its consideration. The Board then comes to a consensus on the slate of appointments. All Directors are expected to be active participants on at least one committee.

Committees will operate until disbanded by Chair. A move to disband must be addressed at a regular Board meeting and be made by consensus. New committees must be established in the same manner.

All committees are responsible for maintaining minutes on file for each committee meeting, and providing them to any Director upon request. The Secretariat staff is responsible for producing and keeping on file all such minutes. Minutes will be distributed to Committee members in an expedient manner.

## **3. Operations**

### **3.1 Regular Operations**

#### **3.1.1 Interpretation of Articles of Association**

The Board is the final arbiter, within GRI, regarding interpretations of the GRI Articles of Association. The Chair may retain the services of a legal consultant to provide advice on interpretations of the Articles of Association.

#### **3.1.2 Delegation of Authority**

Delegation of authority is permitted in the following manner:

- Board to Finance and Remuneration Committee
- Board to Audit Committee
- Board to Board Sub-Committee
- Board to other Committees or other Board member(s)
- Finance and Remuneration Committee to Chair
- Audit Committee to Chair

Delegation of authority will be handled on a case-by-case basis and should be addressed through the normal resolution process (see 3.2.5). The Chief Executive may make a submission to the Board to have authority delegated to him/her on a specific matter.

#### **3.1.3 Financial Matters**

Following presentation at a regular Board meeting by the Chief Executive, the Board discusses, amends (if necessary) and approves the GRI annual budget and accounts

If the budget is not discussed and approved by the Board prior to the commencement of the applicable financial year, the Finance and Remuneration Committee is asked to form an opinion on the draft budget and to agree on the draft budget being the working budget for the Secretariat to execute on until it is approved by the Board.

The Board has full fiduciary responsibility for the funds of the GRI.

The following decision-making structure shall be used regarding proposed sponsorships or donations from GRI to third parties:

- Value greater than €50,000 – Board
- Value of €25,000 - 50,000 – Chair
- Value less than €25,000 – Chief Executive

GRI may accept financial support in the form of cash, in-kind contributions, or goods or services, from a variety of organizations. The GRI will not accept a donation where it could be considered to compromise GRI's objectivity and neutrality.

#### **3.1.4 Legal Matters**

Please see the limitation of liability for Directors set forth in the GRI Articles of Association and further detailed in the memorandum on Director Liability (June 2006).

On all legal matters affecting GRI the Chief Executive will serve as the initial contact within GRI. The Chief Executive will consult with the Chair immediately upon receipt of legal notice to determine if outside legal advice is necessary. For all routine legal matters, such as trademark and real estate issues, the Finance and Remuneration Committee does not need to be immediately consulted; however, the Chief Executive should inform the Committee at the next scheduled meeting.

#### **3.1.5 Amending Rules and Procedures**

The Board must undertake a full review of these and other GRI governance bodies Rules and Procedures every three years. Amendments should be made through the normal resolution procedure.

### **3.2 Meetings**

#### **3.2.1 Scheduling Meetings**

Regular meetings of two days duration of the Board of Directors will be held at least two times a year unless a modified schedule is agreed to by consensus at a previous Board meeting. With input welcomed, the Chief Executive, through the Chair, will propose locations and dates for Board meetings one year in advance.

#### **3.2.2 Establishing Meeting Agendas**

The Chair, in consultation with the Chief Executive, will propose an agenda. It will be circulated to Board members for comment at least one month before the Board meeting. Any Board Member may propose an agenda item by writing to the Chair. The final agenda will be circulated with Board materials approximately two weeks in advance of the meeting, as set out in 3.2.10.

#### **3.2.3 Considering Last-minute Agenda Issues**

Although it is preferable to finalize the agenda two weeks before the meeting it is acceptable to present an agenda amendment at the Board meeting. Unless agreed

otherwise by consensus the new item will be added to the end of the agenda under “Any Other Business” and addressed if time permits. If the new item warrants particular attention earlier in the agenda this must be agreed by consensus by the Board.

### **3.2.4 Conducting Meetings**

The Chair shall preside at Board meetings.

A Board meeting will not be held unless there is a quorum present. “Quorum” is defined as 9 (nine) Board members in person or by virtual link, which includes the Chair and Chief Executive, at the time of the meeting. If the Chair is not present 30 minutes after the time set for the meeting, or it is known that the Chair will not be able to attend, the meeting can still be held under the following conditions: if the Board Members present comprise a quorum, they may hold the meeting with the Vice Chair (see 3.2.8) presiding or appoint amongst themselves a Member to chair the meeting.

If items or circumstances that are not covered in these Rules and Procedures should arise at a meeting, then the Board is free to determine an appropriate course of action.

### **3.2.5 Proposing and Passing Resolutions**

Any Board member or the Chief Executive may propose a resolution. All resolutions must be seconded by another Board member.

It is the Board’s goal to pass resolutions by consensus. Following discussion of the resolution, if applicable, the Chair must determine if there is significant consensus before calling the resolution to a voice vote.

Amendments to resolutions being considered are acceptable but must be seconded by another Board member.

The Chair will endeavor to bring the Board to consensus, and each Board member will employ his/her best effort to come to a consensus (e.g., by means of amendments), but at some stage the Chair must decide whether further efforts would be productive or futile. The Chair, or 5 Board members, can call for a vote to be taken.

When a resolution is to be determined by a vote, a simple majority of the full Board (i.e., not just those in attendance) is required to pass the resolution. When the vote concerns a matter of principle, the vote shall normally be a show of hands or by open ballot and the votes recorded. When voting concerns a matter of a person or persons (e.g. appointment), such vote must be by secret ballot and the Chair shall employ an independent verifier. If there is no challenge to the ballot results by the time that Board meeting terminates, the ballot papers shall be destroyed.

When a Member casts a vote, s/he may state reasons and such reasons shall be recorded in the minutes of that meeting. A Board member may also wish to abstain from a vote.

If a Board member cannot attend a meeting and has an interest in submitting a vote despite their absence, s/he can provide written authorization to another Board member

to act as his or her proxy. The authorization must state the resolution(s) upon which the absent Board member wishes to submit a vote and must state the actual vote.

As much as possible, simple and clear language should be used in the wording of resolutions. Resolutions shall be numbered and named according to the following format: Year: sequential number starting with 01: short title.

### **3.2.6 Executive Session**

Following the open portion of the Board meeting, a closed executive session may be held at the discretion of the Chair. Only Directors and the Chief Executive may attend the executive session. Like the open portion of the Board meeting minutes must be taken during the executive session.

The Chair calls an executive session if any of the following matters needs to be discussed:

- Chief Executive's remuneration and/or performance assessment
- Any other matter so deemed by the Chair as confidential

The Chair should provide an explanation why certain business needs to be transacted in an executive session. If the attendance of any member of the Board, including the Chief Executive, at the executive session would put him/her in a conflict of interest due to the subject matter he/she should not attend.

### **3.2.7 Attendance and Representation**

Board members should make their best effort to attend all Board meetings. If the absence of a Board member at meetings becomes an issue of concern, then the Chair should confer with the absent member to determine a corrective course of action.

A Board member is not permitted to have a representative or another Board member to serve in his/her role generally at Board meetings or for other Board matters, except in the case of specific votes as described in 3.2.5. Absent members can submit formal written opinions on agenda items for reading by the Chair at the meeting.

Members who are unavoidably absent should send in their written views to the Chair preferably before the meeting so her/his views can be made known, recorded and taken into account by those present when making decisions. Members are encouraged to phone in and take part in discussions, particularly when they may have contrary views.

### **3.2.8 Vice Chair**

A Vice Chair will be chosen by the Board at the final in-person meeting of the year, to serve in the event the Chair cannot attend to matters at any point during the next year. The Vice Chair does not automatically become the next Chair upon retirement or incapacity of the existing Chair.

### **3.2.9 Role of Chief Executive and Secretariat Staff**

The Chief Executive attends Board meetings to present resolutions and background on discussion items, and to voice opinion on issues up for vote. The Chief Executive has no vote when passing resolutions.

At minimum, one Secretariat staff member other than the Chief Executive will attend Board meetings to take notes. Other Secretariat staff members may attend to present and address discussion items, or attend to logistical matters.

No Secretariat members other than the CE as necessary will attend the executive session of the Board meeting.

#### **3.2.10 Adequate Notice of Meetings**

For preparation purposes the following materials should be distributed to Board members in a timely fashion, at a minimum of one week before each Board meeting:

- Final Agenda
- Information about issues for discussion
- Identification of actions needed by the Board
- Financial information
- Committee reports

#### **3.2.11 Meeting Minutes**

A Secretariat staff member will attend all meetings of the Board, including Committee meetings, to take notes. Meeting minutes will be approved via electronic communications as expeditiously as possible, with a target of within two weeks of the meeting.

Meeting minutes will describe what was discussed and what was agreed. Minutes will not be a verbatim transcription of a meeting.

Board resolutions will be posted on the GRI website.

#### **3.2.12 Intervening Meetings**

In the event that a full Board meeting is required between regularly scheduled meetings it shall be conducted in one of the following ways (in order of preference):

- In person
- Conference call
- Other virtual means (i.e., via e-mail)

Decisions will be made in the same manner as at regular Board meetings. To ensure timely resolution of Board matters, adequate notice of intervening meetings might not meet the two-week target. However, relevant meeting materials should be distributed as expeditiously as possible.

### **3.2.13 Conflict of Interest Statement**

All Directors must sign the Conflict of Interest Statement, which can be found in Annex 44. This signed statement must be submitted annually. This statement is intended to supplement but not replace any laws governing conflict of interest applicable to non-profit organizations.

At any time, if a Director realizes that s/he has or may have a position of conflict, s/he must immediately bring this to the attention of the Chair who will then decide on the appropriate course of action.

## **3.3 Reimbursement of Meeting Expenses**

All GRI governance bodies, including the Board of Directors, apply the GRI Travel Policy for the reimbursement of meeting expenses.

# **4. Relations with other Governance Bodies**

## **4.1 General**

### **4.1.1 Communications**

Notice shall be given when actions are taken by any of the governance bodies mentioned in this section that affect any other body. Communications should occur between the chairs of each body.

### **4.1.2 Attendance at Meetings**

Chairs of governance bodies may invite members (chairs and regular members) of other governance bodies to attend meetings of their respective governance body.

## **4.2 Secretariat**

### **4.2.1 Chief Executive**

As specified in other sections of these Rules and Procedures, the Chief Executive whilst attending Board meetings other than those executive sessions in which he/she has a conflict, assists in determining the agenda and can propose resolutions.

- The Chief Executive must consult the Finance, Audit and Remuneration Committee on management decisions that are material to GRI's financial management and not included in the approved annual budget. For these purposes material is if the total commitment is estimated to be more than € 25,000.

The Chief Executive must present an annual work plan and budget for the succeeding year for approval by the Board no later than the final Board meeting of the financial year. If the budget is not discussed and approved by the Board prior to the commencement of the applicable financial year, the Finance and Remuneration Committee is asked to form

an opinion on the draft budget and to agree on the draft budget being the working budget for the Secretariat to execute on until it is approved by the Board  
The Chief Executive reports at each Board meeting on progress of the work plan and other relevant (strategic) matters. The Chief Executive and the Chair report together annually to the Stakeholder Council.

The Chief Executive is hired by the Board through a process developed by the Chief Executive Search Committee of the Board.

#### **4.2.2 Other Staff**

Secretariat staff members interact with the Board through the following channels:

- as liaisons to Board committees
- when coordinating Board member participation in external events

All direct communications between the Board members and the Secretariat must first be approved by the Chair and Chief Executive.

### **4.3 Stakeholder Council**

#### **4.3.1 General Relations - Accountability**

To demonstrate that it has discharged its stewardship properly the Board must present the annual report and sustainability report of the GRI to the Stakeholder Council at its annual general meeting.

The Stakeholder Council makes broad strategic recommendations to the Board, and advises on the objectives of the organization and with regards to the GSSB consults with the Board on matters defined in the GRI Due Process Protocol. Such advice can be solicited by the Board or be provided unsolicited but should be provided in writing.

The Stakeholder Council Chair shall be an observer at the Board meetings.

Based on recommendations from the GRI Nominating Committee, the Stakeholder Council elects the Board of Directors. If the Stakeholder Council does not accept the recommendations of the GRI Nominating Committee in its entirety it must propose an alternate course of action and put the matter back to the GRI Nominating Committee.

#### **4.3.2 Extraordinary General Meetings**

The Board may request an Extraordinary General Meeting to consider issues of significant importance (e.g., expulsion of a Board member – see 2.3), or matters in which the Stakeholder Council has an advisory capacity. An Extraordinary General Meeting should only be called if the matter cannot wait to be considered at the regular general meeting. An Extraordinary General Meeting can be held via conference call or through electronic communications.

## 4.4 GRI Nominating Committee

### 4.4.1 Appointment of GRI Nominating Committee Members

The Board appoints two members (2) of the GRI Nominating Committee and a further two (2) members are appointed by the Stakeholder Council. The Chair of the GRI Board and the Chair of the Stakeholder Council serve as additional voting member of the GRI Nominating Committee. Appointment is made at the last Board meeting of a calendar year with membership starting the calendar year thereafter. Board members can be nominated for consideration by the outgoing GRI Nominating Committee for appointment to the subsequent Nominating Committee. Open nominations, including self-nomination, can also occur at the Board meeting that addresses GRI Nominating Committee appointments. The Board must approve their portion of the GRI Nominating Committee through the normal resolution process. Board members serve on the GRI Nominating Committee concurrent with their Board membership term.

For coordination and management of the annual appointment process for the Independent Appointments Committee (IAC), 3 external individuals are to supplement the membership of the GRI Nominating Committee in accordance with the provisions of the IAC Terms of Reference.

See the Rules and Procedures for the GRI Nominating Committee for more details.

### 4.4.2 Selecting Board Members

The GRI Nominating Committee shall follow the process for identifying and proposing Board members as set out in the Rules and Procedures for the GRI Nominating Committee. Approval of the slate of recommended Board members occurs at the annual general meeting of the Stakeholder Council.

## 4.5 Global Sustainability Standards Board

A minimum period of twelve months, following a person's most recent period of service on another GRI Governance Committee – including the GRI Board of Directors and SC – shall elapse before a person is eligible for appointment to the GSSB.

Except where expressly allowed by another constituent document establishing a governance body, a minimum period of twelve months, following the expiry of a person's most maximum term on a governance body shall elapse before a person is eligible for appointment to the GSSB.

The *Terms of Reference of the GSSB* set out the authority and the nature and remit of the GSSB's responsibilities. Changes to the *Terms of Reference of the GSSB* may only be made with the approval by the GRI Board of Directors.

The GRI Board of Directors should provide input and advice to the GSSB on major matters defined in the GRI Due Process Protocol.

The GSSB shall seek comment from the GRI Board during the development and finalization of a Sustainability Reporting Standard (SRS) as set out in the GRI Due Process Protocol.

The views of the GRI Board are to be sought and considered but are not binding on the GSSB.

The Chair of the Board or his/her delegate and minimally one other Board member shall meet annually with the Chair of the GSSB or his/her delegate, and the Chair of GRI Finance and Remuneration Committee to review the Standards Department's accounts and proposed budget and to decide on a rolling basis on the budgetary allocation for the standards work for the following three years. The Chief Executive, Head of the Standards Department and Chief Financial Officer should be in attendance.

The GSSB Chair shall be an observer at the Board meetings.

#### **4.6 Due Process Oversight Committee**

The Terms of Reference of the DPOC set out the nature and remit of the DPOC's responsibilities. Changes to the Terms of Reference of the DPOC may only be made with the approval of the GRI Board of Directors.

#### **4.7 Independent Appointments Committee**

The Terms of Reference of the IAC set out the nature and remit of the IAC's responsibilities. Changes to the Terms of Reference of the IAC may only be made with the approval of the GRI Board of Directors.

For appointing 'ordinary members' (not the Chair or Vice-Chair) to the GSSB and DPOC, the IAC will seek a number nominations (specified below) from the Board:

- GSSB 5 nominations (1 nomination per constituency as listed in Annex 1)
- DPOC 2 nominations

When making nominations to the IAC for labor representatives on the GSSB the GRI Board should do so on the basis of nominations received from the Council of Global Unions.

The process for providing the IAC with nominations:

1. Open nominations are requested via the GRI website and notified to all Board, SC, IAC, GSSB and DPOC members (and media outlets, as needed) – minimum of 60 days' notice period required.
2. All nominations must be in writing and submitted together with consents and curriculum vitae/resume to the Secretary of the IAC.
3. Nominations are compiled and a summary report is shared with Board
4. The Board shall review all nominations and evaluations submitted
5. Deliberations on nominations to the GSSB and DPOC will result in the production of slates to be submitted to the IAC

The Board will aim to achieve its decisions by consensus, and each member will employ their best effort to come to a consensus.

When a slate is to be determined by a vote, a simple majority is required to pass the slate. All members shall strive to vote in a manner that mutually supports the long-term interests of the GRI and undertake to abide by the majority decision and will support that result.

## 5. External Relations

### 5.1 Official Working Language

The official working language of the Board is English. All communications will be prepared in English.

### 5.2 Confidential Matters

The following are considered confidential issues of the Board and cannot be discussed externally (verbally or in written form):

- Board member assessment
- Legal matters
- Chief Executive remuneration and performance assessment
- Any other matter declared by the Chair to be of a confidential nature

### 5.3 Role of Board Members Externally

#### 5.3.1 Designated Spokespersons

The Chair and Chief Executive are the designated GRI spokespersons. They will provide official GRI input on matters with media, governments and other stakeholders requiring formal input, observing the principles of the Public Communications Protocol (see Annex 2). This authority can be delegated as specified in 3.1.2.

#### 5.3.2 Interactions with Stakeholders

The Chair is to be consulted and must approve on the inclusion of Board members in all non-board meeting related travel, meeting or other requests from the Secretariat or Chief Executive.

Board members are free to speak with the media, government, and other stakeholders about non-confidential Board and GRI matters but must clearly explain that s/he does not speak on behalf of the GRI. Unless specifically authorized and prepared, if pressed for a GRI view, especially if there is no official line to take, then the enquiry should be directed to either the Chair or the Chief Executive.

If for any reason a Board member is unable to support a consensus-based decision externally, s/he must give prior notice to the Chair.

### 5.4 Board Resolutions

Board resolutions are posted on the GRI website.

## ANNEX 1: Definition of Constituencies

Constituency	Definition
<b>Business Enterprise</b>	<p>a) an enterprise (other than a Mediating or Investment Institution) that has been established in order to generate a profit for the benefit of its investors or owners or,</p> <p>b) an organization representing the collective interests of those falling into category 'a'.</p>
<b>Investment Institution</b>	<p>an enterprise that is primarily concerned with the direct or indirect, long-term investment of funds in business - including, but not limited to, asset owners, asset managers, development banks, exchanges, ratings agencies and market information brokers.</p>
<b>Labor</b>	<p>an organization established independently of employers and governments to represent the interests of workers.</p>
<b>Civil Society Organization</b>	<p>an organization established in order to promote or secure a public good relating to sustainability (environmental, social and governance) and that does not fall into any of the categories defined above.</p>
<b>Mediating Institution</b>	<p>an individual or organization that provides goods and/or services associated with the reporting process and derives benefit from doing so.</p>

## ANNEX 2: Public Communications Protocol

The standard-setting activities of the GSSB have the ability to affect the standing of the GRI Board and SC (more generally) and *vice versa*. The purpose of this protocol is to ensure that public communications made in relation to the overall GRI brand and GRI's overall public positioning (which incorporates the GSSB and the GSSB brand) will be consistent and in line with agreed policy and strategy.

1. Public communications on issues related to its standard development role, including the Standard and the standard setting process, are the responsibility of the GSSB, including in relation to:
  - its work plan;
  - its current projects;
  - standard-setting policy; and
  - standard-setting process.
2. The Chair of the GSSB and the Head of the Standards Department are the only persons empowered to speak on behalf of the GSSB. Members of the GSSB may express their personal opinions and views only, and may not represent the GSSB's views unless expressly mandated to do so by the Chair or by the Head of the Standards Department on a specific occasion.
3. Public communications on matters concerning the wider GRI organization, organizational relations, organizational strategy, and organizational activities are the responsibility of the Chair of the GRI Board and the Chief Executive.
4. GRI's management, under the responsibility of the Chief Executive, is charged with the development of a Communications Strategy for the GRI organization as a whole. The GSSB is to approve the Communications Strategy that relates to the Standard and the standard-setting process as explained under paragraph 1 above.
5. Where the public communications described in point 3 are identified by the Chief Executive, the Chair of the GRI Board, the Head of the Standards Department, or the Chair of the GSSB as having the potential significantly and directly to harm the public positioning of GRI's Standard or standard-setting process, the Chief Executive or the Chair of the GRI Board shall consult with and shall obtain agreement of the Chair of the GSSB prior to such communications. An exception to this requirement may be made in circumstances of exceptional urgency and importance.
6. Where the public communications described in point 1 are identified by the Chief Executive, the Chair of the GRI Board, the Head of the Standards Department, or the Chair of the GSSB as having the potential significantly and directly to harm the public

positioning of the wider GRI organization, the Chair of the GSSB shall consult with and shall obtain agreement of the Chief Executive or the Chair of the GRI Board prior to such communications. An exception to this requirement may be made in circumstances of exceptional urgency and importance.

# Annex 3: Position Descriptions for Board Members and Chair

## *Duties of Board Members*

- Regularly attend scheduled meetings and conference calls
- Participate on committees and working groups
- Attend special events as possible
- Accept the organization's mission, services, policies and programs
- Review agenda and supporting materials prior to Board and committee meetings
- Recognize and value in-kind contributions of Directors
- Assist in fundraising
- Follow conflict of interest and confidentiality policies
- Refrain from making personal and unwarranted requests of the Secretariat staff; and
- Assist the Board in carrying out its fiduciary responsibilities, such as reviewing the organization's annual financial statements
- Act in good faith
- Disclose all relevant information to the Board
- Uphold and practice of good governance

## *Duties of Board Chair*

- Consult with Chief Executive in preparation of agenda for Board meetings
- Chair Board meetings
- Provide guidance to the Board regarding good governance practices, in conformance with the organization's Articles of Association and established policies
- Ensure that all Board members are enabled, encouraged to participate fully, and collectively are in full control of the organization's affairs
- Ensure that Board members receive timely, relevant information tailored to their needs, and that they are briefed properly on agenda items and other issues that may arise at Board meetings
- Provide guidance and help to mediate Board actions with respect to organizational priorities and governance concerns
- Ensure that the separation of the Board's and Chief Executive staff's function is maintained
- Assist in the organization's fundraising/development programs
- Monitor financial planning and reports
- Evaluate annually the organization's performance in carrying out its mission
- Serve as GRI representative in relations with governmental agencies, non-governmental organizations, business, and the environmental, labor, and social advocacy communities
- Is a key external face and voice of GRI

# Annex 4: Conflict of Interest Policy and Statement

## Conflict of Interest Policy

### Purpose

The purpose of the conflict of interest policy is to protect GRI's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of a director of GRI. This policy is intended to supplement but not replace any applicable laws governing conflicts of interest applicable to non-profit and charitable associations.

All directors are asked to sign the Conflict of Interest Statement, which can be found in the appendix. This signed statement must be submitted annually at the first meeting.

### Definitions

#### 1. Interested Person

Any director who has a direct or indirect interest, as defined below, is an interested person. If a person is an interested person with respect to any entity of which GRI is a part, he or she is an interested person with respect to all such entities.

#### 2. Interest

Interest means any commitment, investment, relationship, obligation, or involvement, financial or otherwise, direct or indirect, that may influence a person's judgment, including receipt of compensation from GRI, a sale, loan, or exchange transaction with GRI.

### Procedures

#### 1. Duty to Disclose

In connection with any actual or possible conflicts of interest, an interested person must disclose the existence and nature of his or her interest to the Board and members of committees considering the proposed transaction or arrangement.

#### 2. Determining Whether a Conflict of Interest Exists

The extent and the seriousness of the conflict of interest shall be determined by the Board and it shall be left to the Board to decide if the Conflict of Interest shall just be recognized as such or if further action is required. In the latter case the interested person shall leave the Board or committee meeting while the interest is discussed by the remaining Board or committee members.

#### 3. Procedures for Addressing the Conflict of Interest

- a. The Chair of the Board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- b. After exercising due diligence, the Board or committee shall determine whether GRI can obtain a more advantageous transaction or arrangement with reasonable efforts from a person or entity that would not give rise to a conflict of interest.
- c. If a more advantageous transaction or arrangement is not reasonably attainable under circumstances that would not give rise to a conflict of interest, the Board or

committee shall determine by consensus of the disinterested directors whether the transaction or arrangement is in GRI's best interest and for its own benefit and whether the transaction is fair and reasonable to GRI and shall make its decision as to whether to enter into the transaction or arrangement in conformity with such determination.

4. Violations of the Conflict of Interest Policy
  - a. If the Board or committee has reasonable cause to believe that a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
  - b. If, after hearing the response of the member and making such further investigation as may be warranted in the circumstances, the Board or committee determines that the member has in fact failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

### **Records or Proceedings**

The minutes of the Board and all committees shall contain –

- a. the names of the persons who disclosed or otherwise were found to have an interest in connection with an actual or possible conflict of interest, the nature of the interest, any action taken to determine whether a conflict of interest was present, and the Board's or committee'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 transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection therewith.

**Paid Consultancy to GRI** In principal, GRI does not engage Directors in the capacity of paid consultants. However, an exception to this policy will be considered when such a contractual agreement is deemed to be in the best economic or programmatic interest of the organization. If such a case were to arise, GRI would implement the following process:

- the Chief Executive will prepare a memorandum specifying the reasons why GRI should engage the Director as a consultant;
- the Board of Directors will review this memorandum at the next scheduled Board meeting or special meeting; and
- the Director involved will recuse her/himself from the Board's discussion of the memorandum.

This process is designed to encourage transparency rather than constrain daily or timely operations. Therefore, if a situation arises in which the Chief Executive needs to act expeditiously, the Chief Executive would seek input from the Sub-Committee and then proceed. Subsequently, and in the spirit of full disclosure, the Chief Executive would report these special circumstances to the Board.

### **Annual Statements and Curriculum Vitae**

Each director shall annually sign the statement below. Furthermore each director shall annually submit his/her updated curriculum vitae to the GRI Secretariat.

## Conflict of Interest Statement

I have read and am familiar with GRI's policy concerning conflicts of interests.

I affirm that neither I nor, to the best of my knowledge, any member of my immediate family has had any interest in or taken action which would contravene this policy, except such interest or action which has been fully disclosed in line with this policy since my Board membership or during the preceding year, whichever occurred the latest.

In line with GRI's Conflict of Interest Policy I will disclose any actual or potential Conflict of Interest that may occur.

I affirm that I will act in the best interest of GRI. I will serve as Board member to the best of my abilities, and pledge that I will not submit to improper influence from any source, whether firm, organizational, national, regional or other.

I will notify the GRI Nominating Committee and the GRI Secretariat as soon as reasonably possible if my employer, employment status or country of residence changes.

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Board Member's signature

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Date

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Board Member's name