



FNFN/NRRM Community Forest Board Conflict of Interest Policy

Date Approved: November 14, 2024

Date Reviewed:

Date Updated:

Policy Objectives

The Board expects of itself and its directors conduct that is ethical and that does not violate the integrity of itself or the organization.

The board has a responsibility for compliance with the Business Corporations Act under which it was created. This accountability supersedes any responsibility to staff and to conflicting loyalties to family, friends, business associates, advocacy or interest groups and membership on other boards or organizations.

Conflict of interest is a breach of an obligation to the organization that has the effect or intention of advancing one's own interest or the interest of others in a way detrimental to the interests or potentially harmful to the integrity or fundamental mission of the organization. Conflicts of interest and the appearance of conflicts of interest must be avoided. Board members and staff are responsible for seeking guidance from the appropriate source before embarking on activities, which might be questionable.

Board members will declare any possible conflicts of interest, real or perceived, with respect to their fiduciary responsibility according to the organization's constating documents.

Conflict of Interest Defined

1. Where, as a result of a decision of a Director at a Board meeting that person stands to gain financially (either directly or indirectly).
2. Where a Director's private affairs or financial interests are in on-going conflict with his/her duties and responsibilities as a Director.
3. Where a Director's actions compromise, or undermine the trust which the public and Board members place in the organization or may be viewed as corrupt.
4. Where a Director does something that could impair his or her ability to act in the organization's best interests in the future.



5. Accepting gifts or money in return for favours, or accepting gifts that may make it look like they are acting in return for favours.
6. Giving other people confidential information about the organization.

When a Conflict of Interest May Occur

1. Conflict of interest occurs when a director participates in discussion or a decision about a matter, which may benefit that director directly or indirectly.
2. A director is in a conflict of interest when there exists a personal interest that could influence his or her decisions and impair his/her ability to act in FNFN/NRRM CF's best interest.
3. A director must not use their positions to obtain for themselves, family members or close associates employment within the organization
4. A conflict of interest also exists when the interest of a friend, a family member, a business associate, an employer or other person with whom the director is associated or owes an obligation, or an entity in which the director holds a significant interest, could impair the director's ability to act in FNFN/NRRM CF's best interest.
5. Conflict of interest includes a perceived conflict of interest. A director has a perceived conflict of interest when a reasonable person could perceive that the director might make or influence a Board decision in the director's personal interest or in the interest of a person or entity described above.

Managing Conflict of Interest

1. Should a board member be considered for employment/contracting with the FNFN/NRRM CF, s/he must temporarily withdraw from board deliberation, voting and access to applicable board information.
2. If a director thinks he/she has a conflict of interest it is their obligation to inform the other directors of the potential conflict. Directors are obligated to be aware of any real or perceived conflict of interest they might have with respect to any matters relating to the organization and to declare this conflict to the board.
3. Directors who have knowledge of another director's conflict of interest (real or perceived) have an obligation to bring this to the attention of the director in question. If the director in question does not declare their conflict,



then the director with the knowledge of the conflict is obligated to alert the board to the potential conflict of interest.

4. The board may acknowledge a conflict of interest of one of its directors and act to allow the conflict if it acknowledges the conflict and deems it to be acceptable.

Procedure When Conflict Arises

1. Individual directors present will voluntarily disclose any possible conflicts of interest annually through the submission of a Disclosure Statement.
2. Should a dispute over the existence of conflict of interest arise, the Board will settle the dispute. The Board's decision will be final.
3. A conflicted person will, when requested by the Board to do so, leave the room and will not participate in any discussion of the topic at any time.
4. The temporary absence of a conflicted director will not affect the meeting's quorum.
5. Notwithstanding any of the above, a person who leaves the meeting for conflict of interest reasons may be recalled by the President to answer questions of fact when his or her knowledge of the matter will assist the Board or Committee.
6. Declarations and subsequent absences will be noted in the minutes of the meeting.
7. A person deemed to be conflicted will refrain, at all times, from attempting to exert any influence on the issue.