

Version: 30 March 2023

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## 1. Introduction

### 1.1 Context

This document sets out the Terms of Reference (ToR) for the governance of the Finance for Biodiversity Foundation (referred to as “FfB Foundation”), which was launched in March 2021. It applies to the partner organisations involved and to the whole community of members and adds to the Deed of Incorporation of FfB Foundation that have been executed on February 25<sup>th</sup>, 2021. In case of any conflicting issues between the ToR and the Deed of Incorporation, the Deed of Incorporation is to be prioritised.

This document outlines the proposed structure of the FfB Foundation and the tasks of the different governance bodies: the Board and Secretariat, the Advisory Board, and the Working Groups.

The ToR is defined by the FfB Foundation Board together with the Advisory Board and approved by the Board on 30 March 2023.

### 1.2 Description of the FfB Foundation

The FfB Foundation aims to support a call to action and collaboration between financial institutions via working groups to which signatories and partner organisations can contribute. Each working group is connected to the mission of the FfB Foundation.

### 1.3 Governance key principles

Concerning this ToR the FfB Foundation operates under the following key principles:

- Establishing a strong and transparent governance;
- Providing a governance framework to maximise member participation;
- Supporting the efficient development and organisation of activities to reach the objectives of the FfB Foundation’s mission; and
- Being cognisant of the resource limitations of the FfB Foundations at this stage - processes and structures must be reflective of that.

These processes and structures will be kept under review and amended if developments mean that changes are required to deliver the commitments for a strong governance and high-quality of work. Any change will be advised by the Advisory Board and approved by the Board.

## 2. Role, vision and purpose of Finance for Biodiversity Foundation

The aim of the FfB Foundation is to support a call to action as defined in the Finance for Biodiversity Pledge (FfB Pledge) and to support collaboration between financial institutions via working groups, the organisational body where signatories of the Finance for Biodiversity Pledge and partner organisations contribute to.

The FfB Pledge refers to the need for financial institutions to act and reads as follows: *“We as financial institutions recognise that the Earth’s biosphere is the foundation of human resilience and progress and that it is under increasing stress. We are calling for and commit to take ambitious action on biodiversity.”*

**The FfB Foundation’s mission is to support a call to action and collaboration among financial institutions to reverse nature loss in this decade.**

The goals for financial institutions are to establish flourishing ecosystems by engaging with governments on effective biodiversity policies and also to encourage nature-positive businesses by engaging with companies on restorative value chains.

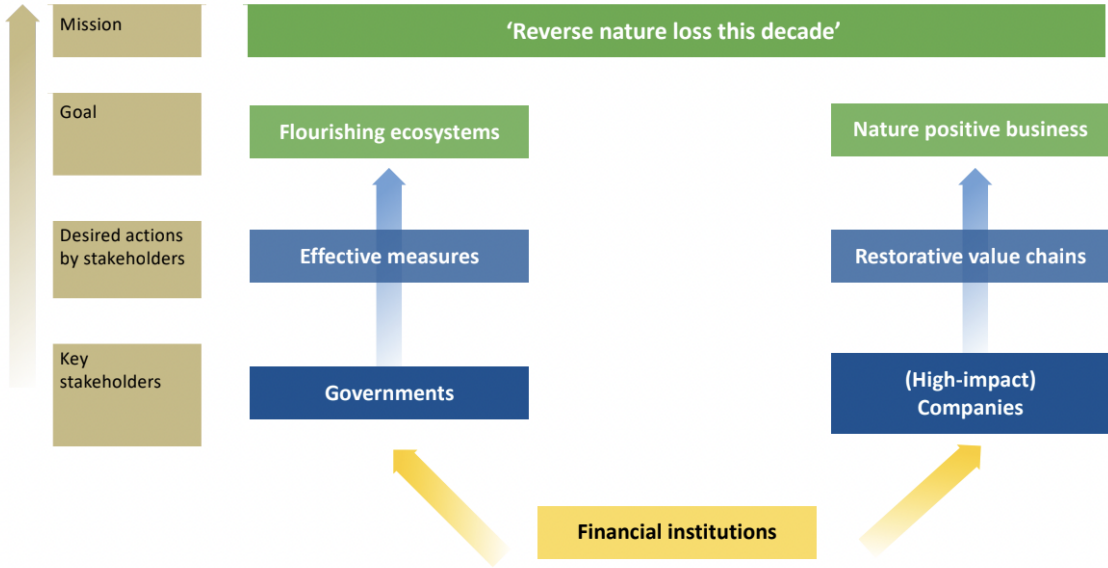


Figure 1: Theory of change of the FfB Foundation

The FfB Foundation aims to achieve its mission and goals by enabling financial institutions to collaborate and share knowledge and to get active on biodiversity via working groups that are connected to the FfB Foundation’s overall mission.

Its goal is to expand the Pledge signatory community, support working groups, connect with other initiatives, communicate on its activities and to report on its progress.

### 3. Membership of FfB Foundation

#### 3.1 Membership requirements

Members of the FfB Foundation should fulfil the following requirements:

1. Your organisation needs to sign the FfB Pledge.
2. Your organisation commits to paying an annual membership fee. The amount payable is determined by the amount of total assets (assets under management for investors), and the type of membership your organisation chooses (see fee chart in the information pack).
3. Collaborating members and impact members are welcome to take part in one or more of the FfB Foundation's working groups, committees, or the advisory board, as described in the Action Plan, which is updated annually. More information on the different membership types and responsibilities is provided in section 3.2.
4. If your organisation wishes to change the selected type of membership in the following year, please contact [info@financeforbiodiversity.org](mailto:info@financeforbiodiversity.org) to notify us of the change.
5. Members can join by 31 December 2024. However, it is possible to cancel the membership up to three months before the end of every year.
6. Once you have joined, your organisation commits to having a representative participate in a minimum of one of two annual members calls.

The FfB Foundation reserves itself the right to review these conditions in the future, to reflect on market developments and rising levels of ambition to achieve its mission. Members are to be informed if any of the membership requirements is modified.

#### 3.2 Membership types and responsibilities

Members can apply for different types of membership. The membership types differ in benefits and responsibilities:

##### **Responsibilities/benefits of supporting members:**

- Receive updates on Pledge events, new signatories, launches and working group activities
- Get newsletters with news and events on biodiversity and finance from members and partner organisations
- Receive promotion on the Pledge website and social media channels
- Are included in the annual progress report
- Participate in two conference calls per year with all other members

Estimated participation time as supporting member is 8 to 10 hours per year

Membership fee: highest

##### **Responsibilities/benefits of collaborating members:**

Same as supporting member plus:

- Contribute actively to the working group(s) and committee(s) of your choice
- Gain essential knowledge of and expertise on biodiversity
- Co-develop publications with lessons learned and best practices
- Support events and seminars on biodiversity and finance

Estimated participation time as collaborating member: 2 to 4 hours per month

Membership fee: moderate

**Responsibilities/benefits of impact members:**

Same as collaborating member plus:

- Contribute actively as a (co-)chair of a working group
- Contribute actively to the advisory board

Estimated participation time as impact member: 4 to 8 hours per month

Membership fee: lowest

**3.3 Types of membership and annual fees**

- As the FfB Foundation is supporting collaboration and collective action, the amount of membership fee is adjusted according to a member’s overall activity: the more a member does, the less it pays. Furthermore, a tiering system is in place.
- Once the type of membership is decided, the Board determines based on a member’s skill set if it can fill other open roles, for example as an advisory board member or as co-chair member.
- The membership fee can be adjusted by the Board on a yearly basis and is communicated via e-mail to all members by August 1<sup>st</sup> before the year when fees are changed.

**4. Composition, tasks & duties and operational procedures per governance body**

The FfB Foundation consists of three different governance bodies: working groups, the Advisory Board and the Board. A Secretariat can be appointed by the Board to assist with supporting the working groups. The Advisory Board advises the Board.

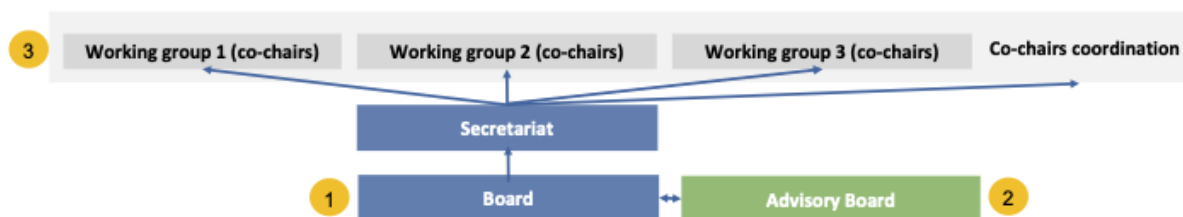


Figure 2: Governance structure of the FfB Foundation outlining the relationships between the different bodies.

**4.1 Board**

**4.1.1 Nomination and composition**

The FfB Foundation has at least two board members. Responsibilities of the board members are described in the FfB Foundation Deed of Incorporation. The Board may appoint a Secretariat to assist with the organisational and administrative functions of the Foundation.

## **4.2 Secretariat**

### **4.2.1 Responsibilities of the Secretariat**

The responsibilities of the Secretariat are the following:

- Organising the operations and activities of the FfB Foundation
- Ensuring membership fees, funds, work and activities are in line with the policies of the FfB Foundation

## **4.3 Advisory Board**

### **4.3.1 Nomination and composition**

The Chair and Vice-Chair of the Advisory Board are appointed by the Board for the first two years; the roles can be reappointed one time for two additional years. The Chair and Vice-Chair of the Advisory Board will be appointed by its members based on a consensus or, alternatively, a majority voting.

The Advisory Board members consist of 11-12 members of the FfB Foundation with jobs at management level.

The Advisory Board representatives are exchanged by 1/3 per year during a 2-4 years' time period, to ensure rolling capacities, representation and diversity. When replaced the Advisory Board may advise the Board on the required skill set of a new member.

Temporary and subject-preparing subgroups are possible.

### **4.3.2 Meetings**

The meetings of the Advisory Board are held 2-3 times per year and include the Board. The Secretariat of the FfB Foundation organises and supports the meetings in collaboration with the chair and vice-chair. Advisory Board representatives cannot be replaced by colleagues for such meetings.

### **4.3.3 Responsibilities**

The responsibilities of the Advisory Board are to advise on the strategic direction, governance, decisions and financial planning of the FfB Foundation.

Advisory Board members are expected to provide advice to ensure the quality of deliverables from the FfB Foundation and its working groups:

- Advisory Board members are invited to participate occasionally in working group meetings to get a hand-on experience on activities and progress.
- Advisory Board members are to receive regular input from the Coordination Group, composed of the working group co-chairs.
- Advisory Board members are expected to join the members' calls, also for updates on the working groups.

#### **4.4 Working groups: co-chairs and members**

##### **4.4.1 Nomination and composition**

The co-chairs of the working groups are appointed by the Board for two years and can be reappointed one time for two additional years, if approved by the Board.

Representatives of the working groups are members of the Finance for Biodiversity Foundation and not selected. Members only need to apply to participate in these.

##### **4.4.2 Meetings**

Meetings of the working groups happen 5-6 times per year. Subgroups can be established for specific projects. Coordination between the working groups takes place in quarterly co-chair coordination calls, and is supplemented by additional ad-hoc calls if needed. The co-chair calls are organised by the Secretariat.

##### **4.4.3 Responsibilities**

The responsibilities of the co-chairs are the following:

- Ensure the effectiveness of the working groups and the quality of deliverables
- Coordinate work of the working group and subgroups
  - Prepare the calls and the agenda together with the Secretariat; check the minutes of the Secretariat
  - Moderate the working group call
- Contribute to and participate in quarterly co-chair calls in order to identify overlaps or gaps and secure synergies; applicable for at least one co-chair per working group
- Develop annual work plans per working group and secure alignment via coordination

The responsibilities of the members in the working groups are the following:

- Share knowledge under Chatham House Rule
- Contribute to meeting discussions
- Co-develop collective actions in line with the FfB Foundation's mission
- Represent the FfB Foundation externally in line with the mission and the topic of the working group, after having been approved by the Board

## **5. Partnerships**

Partner organisations of the FfB Foundation agree to the following conditions and principles:

- Activities of the partnership support the FfB Foundation's mission and its members in reversing nature loss in this decade
- Partnerships are amplified by not duplicating or replicating the work of others, but supporting the initiatives that have the best potential to help protect and restore nature
- Our messages are fully and unequivocally supported, including the high-level Global Biodiversity Framework policy recommendations (Aligning public and private financial flows [position papers](#))
- Agreements with partner organisations are made on an equal basis, unless advised differently by the FfB Foundation Advisory Board, e.g. additional dues or membership fees will be raised

This FfB Foundation ToR was

approved by the Advisory Board on 20 March 2023  
and by the Board on 30 March 2023

#### Signatures

Anita de Horde  
Board member

Anne-Marie Bor  
Board member