

Greenpeace Nordic Financial Assets Policy

Policy Category:	Nordic Policy
Written by:	Magali Reyes Henkel, Technology & Finance Director
Policy Owner:	Mads Flarup Christensen, Executive Director
Applicability:	All Greenpeace Nordic People
Approval Path:	Senior Management Team > Board of Directors
Approved on:	2021-04-17
Next Review:	2024-04

Introduction	2
Definitions	2
Detailed policy statement	3
Monitoring and documentation	4
Validity and revision status	4

Introduction

The Greenpeace Nordic Board of Directors (hereafter referred as the Board) decides the planned financial position for the organisation through approving the 3 Year Strategic Plan (3YSP), and the annual Organisational Development Plan (ODP). Additionally, the Board approves the organisational financial statements annually, after the regular external audit. These reporting mechanisms are the main point of reference for the Board to oversee the organisational assets, and ascertain its degree of financial health.

Amongst the information reported, a key indicator to assess the organisational financial position is the *financial assets* – defined for the purposes of this policy as cash at the bank, investments funds, and any other form of financial instruments. This policy provides the framework under which the Board delegates authority to the management to invest such assets and safeguard them from risk.

According to the categories outlined in the [Greenpeace Nordic Policy Framework](#), this is a Nordic Policy, and hence there are other management policies, procedures and guidelines that derive from and link with it. Those are an integral part of the internal control of the organisational resources and thus need to be read and understood by all Greenpeace Nordic people.

Definitions

The **organisation** in the context of this policy refers to Greenpeace Nordic, including all of its constituting legal entities.

The **management** is defined as the group of directors, also known as the Senior Management Team (SMT) in charge of steering implementation of the organisational strategy under the leadership of the Executive Director (ED).

A **budget** is an estimate detailing the income expected during a certain period of time and the expenditure that will be incurred, should such income be materialised. Budgets are captured in the **3 Year Strategic Plans (3YSP)**, and the annual **Organisational Development Plans (ODP)**.

Income is defined as all sources of revenue attributed to the organisation, including but not limited to: individual donations, foundation grants, contributions, gifts in kind, legacies, interests gained and royalties.

The term **financial assets** is defined in broad sense, as a subgroup of current assets, which include cash at the bank, investments funds, and any other form of financial instruments.

An **asset** is defined as any resource owned by the organisation, whether tangible or intangible. For the purposes of this policy, assets are understood in their main 2 accounting categories: current assets (those that are cash or cash equivalents, and other assets convertible to cash with relative ease), non-current assets (mainly equipment and intangible assets that tend to be harder to convert to cash).

Detailed policy statement

1. The management is mandated by the Board to ensure the organisational financial assets are managed in line with financial best practices, to minimise risks, and to ensure their choices do not undermine Greenpeace Nordic's reputation, moral authority or ability to exert campaigning pressure.
2. Greenpeace Nordic will not hold investments that are speculative by nature, or that may involve inherent financial risks.
3. Sufficient bank balances must be kept on current accounts in order to meet the operational liquidity requirements.
4. The bank accounts used must be interest-bearing, as much as possible, acknowledging the extremely low or even negative interest rates prevalent at the time of writing this policy. Additionally, balances kept in those bank accounts must be adequately diversified, avoiding excessive accumulation of balances in a single financial institution or group.
5. The financial institutions used must have a credit rating of at least A or equivalent by the major credit rating institutions. Additionally, it is desirable they meet the following criteria:
 - 5.1. Have not been involved in the last 3 years in unethical scandals of public knowledge.
 - 5.2. Have publicly declared their intention to dissociate from funding the oil and other non-environmentally sound industries.
 - 5.3. Be "green" banks, featuring proactive positions towards funding renewable energy and other sustainable projects, and having a solid corporate social responsibility framework.

In the event a "green" bank did not have a credit rating of at least A. The management shall conduct an analysis, and present the method and criteria used in the analysis for consideration and approval by the Board.
6. The management shall continuously monitor the stability of the banks used, as well as their investment policies and practices. Should there be any indications of risk of bank failure the management will minimise or fully withdraw the balances held at the respective banking institution.
7. Greenpeace Nordic shall not invest in corporate shares of any kind.
 - 7.1. The only exception where corporate shares may be purchased is for campaign purposes, where access to shareholder information or meetings may be necessary. In that situation, only the lowest number possible of shares can be purchased. In this context, the lowest number is defined as the minimum requirement that will enable the campaigning purposes. Any shares purchased must be sold as soon as their purpose is fulfilled.
 - 7.2. A different scenario where corporate shares may be temporarily held is when they are received as part of a legacy. In line with the principle of no speculation outlined in section 2 above, once ownership over the inherited shares is transferred to the organisation they must be sold immediately after.
8. The regional nature of Greenpeace Nordic implies an exposure to exchange rate risks. Nonetheless, while the management will minimise operational costs derived from exchange rates (e.g. by prioritising payment of invoices issued in a certain currency from a bank

account in a matching currency), it may not engage in hedging exchange rates through instruments such as future contracts, warrants or swaps.

9. For all the investment mechanisms and bank accounts a general principle of *ethical Investment* shall apply, whereby the management will seek to deposit resources with institutions that actively minimise their contribution to harmful social, environmental and economic impacts or conflict and that are not promoting, supporting or operating activities that are inconsistent with the aims, objectives or activities of Greenpeace.

Monitoring and documentation

The ED is responsible for monitoring implementation of this policy, with the support of the SMT, and in particular from the Technology and Finance Director with regards to monitoring of the financial management controls, procedures, and operation deriving from this policy.

Any deviations from the directives outlined in this policy must be approved by the Board prior to taking action.

Validity and revision status

To be reviewed every three years, or sooner, when necessary.