

FINANCE

Centralized Banking, Borrowing, and Investment Policy

I. PURPOSE

To enable the Conservancy to centrally manage its assets and debt to provide control of the Conservancy's funds needed to conduct business worldwide.

II. POLICY

The Nature Conservancy shall pool and centrally manage and invest all its assets and shall also centrally manage its debt. The Chief Finance and Administrative Officer is authorized to execute all borrowings on behalf of the Conservancy, subject to the overall limits established by the Finance Committee of the Board of Directors. The Chief Finance and Administrative Officer is also authorized to designate financial institutions as depositories of Conservancy funds, to open accounts therein in the name of the Conservancy, to invest short-term cash, and to take any and all actions necessary to prudently manage the Conservancy's short-term cash, foreign currency, and debt.

The Investment Committee of the Board of Directors oversees the Conservancy's investment portfolio. The Vice President and Chief Investment Officer is authorized to take all actions necessary to manage the investment portfolio in accordance with the broad policy direction established by the Investment Committee. The intent of the Investment Committee is reflected in a separate and more detailed Investment Policy Statement, which is maintained and updated by the Vice President and Chief Investment Officer and approved by the Investment Committee.

The Board of Directors must approve changes to the Time Horizon, Return Objective, Risk Tolerances, and Liquidity objectives within the Investment Policy Statement. Additionally, Asset Allocation Targets, which are documented in the organization's Investment Policy Statement, must be within 'Allowable Ranges,' which are approved by the Board. Board discussion regarding changes to the above investment objectives or Allowable Ranges should include consultation with the Chief Executive Officer and Chief Finance and Administrative Officer to provide management's perspective on such changes.

The Chief Finance and Administrative Officer and the Vice President and Chief Investment Officer may further delegate this authority, where appropriate. Such authority, unless otherwise stated in writing, also includes the authority to delegate to any person the ministerial duties necessary to implement this Policy.

III. ORIGIN

This Policy combined the "Investment Policy" (originally approved on March 15, 1996) and the "Centralized Banking and Signature Authority Policy" (approved initially on March 15, 1996).

Revised and approved by the Board of Directors: January 30, 2009. Reference Section Updated: October 2017. Revised and approved during the Board of Directors meeting held June 6-8, 2018. Revised and approved by the Finance Committee: February 16, 2023.

Technical Corrections: March 2012, June 2016, June 2017 (title change from “Chief Financial and Administrative Officer” to “Chief Financial Officer”). January 2018, (title change from “Chief Financial Officer” to “Chief Financial and Administrative Officer”).

IV. REFERENCES, RESOURCES, & EXPLANATORY NOTES

Other Resources

To understand who has the principal authority to engage in interest rate derivative transactions on behalf of TNC as an Authorized Trader, please see the [Authorized Trader Statement](#) in the [Finance Reference Library](#).

Note: The Conservancy’s officers and employees shall inform the Authorized Trader of all relevant communications with Derivative Transaction counterparties to the extent that such communications involve:

- (a) recommendations for Derivative Transactions or trading strategies for a Derivative Transaction, or
- (b) the terms and conditions of Derivative Transactions the Conservancy is entering into as a result of a recommendation from a Derivative Transaction counterparty.

For information about the Investment Committee’s oversight of the Conservancy’s investment portfolio, see the most current Board approved “[Investment Policy Statement](#)” (“IPS”).

V. RESPONSIBLE PARTIES

Chief Finance and Administrative Officer