



# Nature (as) Director Legal Templates Handbook

This booklet is presented by the [Earth Law Center's Nature Governance Agency](#).

This is a repository of open source templates for the Nature (as) Director initiative, that were developed following the advice of [Shearman & Sterling LLP](#), partners of the Earth Law Center, for the purpose of designing a way to bring Nature On The Board, in collaboration with [Faith in Nature](#) and [Lawyers for Nature](#).

The templates are not for commercial use. You can access each template individually for personal use on the [Earth Law Portal](#) and on the [Nature Governance Agency](#) website.

Please bear in mind the templates are not legal advice. For legal support and consultancy services, please reach out to us at [team@naturegovernance.org](mailto:team@naturegovernance.org).

Learn more about our Nature governance framework by reading our [Conceptual Lite Paper](#).

Nature (as) Director.....	2
Nomination Policy Template.....	2
1. Introduction.....	2
2. Eligibility.....	2
3. Nomination and Appointment Process.....	3
4. Reporting Obligations.....	3

*This template can be used to formalise the integration of Nature on your board by nominating a proxy for Nature (as) Director within your organization.*

Nature (as) Director Initiative.....	4
Structural Changes Examples.....	4

*This template provides an overview of the elements and steps that may be required/needed/desired to include Nature (as) Director in your organisation (with some examples to get you started).*

Nature (as) Director Initiative.....	5
Document List Tracker Template.....	5

*This template can be used to help you strategize and track your progress regarding the changes and amendments necessary to bring Nature on your board.*

Nature (as) Director Initiative.....	6
Commitment Level to Implementation Matrix (CLIM).....	6
Role of Nature (as) Director.....	6
Onboarding of Nature (as) Director.....	7
Decision-making.....	8
Reporting & Accountability.....	9

*This matrix provides guidance on the structural changes and constitutional amendments required for implementation, corresponding to your preferred level of commitment to a Nature-positive system of governance.*



# Nature (as) Director

## Nomination Policy Template

### 1. INTRODUCTION

- 1.1 The board of directors (the “Board”) of [•] (the “Company”) has resolved on [date] to adopt this nomination policy in relation to the Nature Director (this “Policy”), as defined in [the relevant constitutional or governance documents, e.g. articles of association of the Company (the “Articles”)].
- 1.2 This Policy may be amended from time to time by the Board in accordance with [the Articles].
- 1.3 Pursuant to Article [•] of the Articles, the Company shall appoint at least one Nature (as) Director (the “NaD”) on the Board who would direct the deliberations of the Board to [“Nature-related” and/or and “environmental impact”] issues in the decision making process of the Board for the purpose of achieving the objects of the Company.
- 1.4 “Nature related and/or Environmental impact” issues relate to conduct, intentional or negligent, that transgress planetary boundaries, affect internal and external stakeholders of the Company (including Company employees, Company contractors, future generations in society and nonhuman species within and around the global ecological habitat), effects to existing and future biodiversity, and regenerative methods to interact with the Earth.
- 1.5 This Policy sets out the eligibility of the candidates for the office of a Nature Director and Nature Director nominee evaluation process.

### 2. ELIGIBILITY

- 2.1 The Board shall be responsible for setting and overseeing the nomination and appointment of the Nature Director and ensure that such is in accordance with [diversity and inclusion policies of the Company (amongst other things)].
- 2.2 The Board considers the following minimum criteria to be [required / expected / for the consideration] of a Nature Director nominee:
  - (a) [relevant / professional / sector expertise and background];
  - (b) [Nature-related Knowledge, Insight, Experience, Understanding and Wisdom (KIEUW expertise)];
  - (c) [commitment to achieving the objects of the Company];
  - (d) [commitment and track record of demonstrating Nature-conscious thought leadership and principles]
  - (e) [commitment to the highest standards of personal and professional integrity, ethical behaviour and ecological culture]
- 2.3 The Board shall consider all candidates with respect with the principles of equality, equity and fairness its assessment.



### 3. NOMINATION AND APPOINTMENT PROCESS

3.1 The [Nomination Committee] [shall / may]:

- (a) be responsible for identifying and nominating candidates when vacancy of the office of the Nature Director arises. Prior to the appointment of a director, the proposed appointee should be required to disclose any other business interests that may result in a conflict of interest and be required to report any future business interests that could result in a conflict;
- (b) before any appointment is made by the Board, evaluate the balance of skills, experience, independence, knowledge and diversity on the Board; in light of the company's Nature-positive purpose, vision and values
- (c) following this evaluation (section b above), prepare a description of the role and capabilities required for a particular appointment and assess the time commitment expected;
- (d) in identifying suitable candidates the Board [shall / may]:
  - (i) solicit advice and recommendations from [experts / advisors / consultants]; and/or
  - (ii) use open advertising or the services of external advisers to facilitate the search; and
  - (iii) consider candidates from a wide range of backgrounds; and
  - (iv) appraise candidates on merit and against objective criteria, with due regard for the benefits of diversity on the Board, and taking care that appointees have enough time available to devote to the position;
- (e) arrange for the Nature Director nominee to receive [a formal letter of appointment to the Board / employment contract], on their appointment, containing details of remuneration, expected time commitment, service expected of them, and their involvement outside Board meetings.

3.2 [Internal / External] advisors may be formally invited to attend Board meetings in relation to the nomination of the Nature (as) Director, as and when needed, provided that such an advisor brings relevant knowledge, skills and expertise, as is required in order to assist the Board in their consideration of the nomination of the Nature Director. Advisors may be from outside the Company, being neither affiliated persons nor employees of the Company.

### 4. REPORTING OBLIGATIONS

4.1 The Board shall produce a report to form part of, or be annexed to, the Company's annual report that shall

- (a) describe the actions taken by the Board to discharge the responsibilities, including the process it has used in relation to appointment of Nature (as) Director.
- (b) identify and give an explanation of a different selection process if neither an external search consultancy nor open advertising has been used in the appointment of the Nature Director.
- (c) identify any expert or advisor who was involved in the process and include a statement as to whether it has any other connection with the Company.
- (d) list the number of board meetings and attendance by each director in relation to the nomination process.



# Nature (as) Director Initiative

## Structural Changes Examples

Key Changes	Suggested Exemplar (England & Wales jurisdiction)
Purpose clause	<input type="checkbox"/> Objects of the company <input type="checkbox"/> Board directors' duties & obligations
Board of Directors Composition	<input type="checkbox"/> Composition of the Board <input type="checkbox"/> Board quorate composition <input type="checkbox"/> Determination of director status (e.g. non-executive) <input type="checkbox"/> Terms for delegation of voting rights
Role of Nature (as) Director	<input type="checkbox"/> Create "Nature Director Nomination Policy" <input type="checkbox"/> Define "Nature (as) Director"
Decision making of directors involving Nature (as) Director	<input type="checkbox"/> Quorum for directors' meetings; <input type="checkbox"/> Define "Nature Director Reserved Matter"; <input type="checkbox"/> Include any material decision pertaining to supply chain management, corporate waste disposal, company investment profiles, environmental impact assessments for projects, and energy consumption; <input type="checkbox"/> Include matters pertaining to material adverse impact on the natural environment <input type="checkbox"/> Nature (as) Director right to submit written material for discussion at board meetings <input type="checkbox"/> Duty to provide reasons when the Board makes any decision contrary to the advice of the Nature (as) Director.
Removal of Nature (as) Director	<input type="checkbox"/> Removal by Board chair; or <input type="checkbox"/> Ordinary resolution of company/board members; or <input type="checkbox"/> Formal removal policy & protocol (mechanism under the section 168 (special notice by 28 days) and section 169 (right to protest by the director) of the Companies Act 2006 to provide for a fair procedure governing the removal process of the Nature (as) Director
Reporting Obligations	<input type="checkbox"/> Nature Director Report prepared by board of directors - subject to Nature (as) Director's approval - pertaining to: <ul style="list-style-type: none"> <li>○ environmental impact</li> <li>○ Nature-related matters</li> <li>○ decision-making processes involving Nature</li> </ul>



# Nature (as) Director Initiative

## Document List Tracker Template

Implementation	Preferred Commitment Level	Documents for amendment	Status/ comments
<b>Role of Nature (as) Director</b>			
Entrenchment of the appointment of NaD in the constitutional documents of the company			
Involvement of the NaD			
<b>Onboarding of Nature (as) Director</b>			
<b>Appointment</b> <ul style="list-style-type: none"> <li>Degree of independence of the NaD</li> </ul>			
<b>Removal of NaD</b> <ul style="list-style-type: none"> <li>Degree of protection for NaD</li> <li>Degree of transparency and accountability</li> </ul>			
<b>Employment and remuneration</b> <ul style="list-style-type: none"> <li>Degree of protection for NaD</li> <li>Degree of transparency and accountability</li> </ul>			
<b>Decision-making</b>			
Attendance at Board meetings			
Participation in types of decision making			
Disagreement between NaD and other Board members			
Delegation of authority			
Voting rights			
<b>Reporting &amp; Accountability</b>			
Internal Reporting mechanism			
External and other accountability tools			



# Nature (as) Director Initiative

## Commitment Level to Implementation Matrix (CLIM)

Implementation	Integral	Mature	Learning
<b>Role of Nature (as) Director</b>			
Entrenchment of the appointment of NaD in the constitutional documents of the company	<ul style="list-style-type: none"> <li>- Comprehensive provisions in the Company's Articles of Associations</li> <li>- Amendment of the purpose clause of the Articles</li> <li>- Provisions in the shareholders agreement</li> <li>- Detailed company policy, purpose and value statements, etc.</li> <li>- Addition of specific Nature-positive/environmental objectives to achieve</li> </ul>	<ul style="list-style-type: none"> <li>- Detailed key provisions in the Company's Articles of Association, leaving the details to be provided for in informal documents of the company</li> </ul>	<ul style="list-style-type: none"> <li>- No provisions in "official" constitutional documents of the company</li> <li>- General decision-making policy or internal documents of the company</li> </ul>
Involvement of the NaD	<ul style="list-style-type: none"> <li>- No distinction with the other board directors</li> </ul>	<ul style="list-style-type: none"> <li>- Executive or non-executive advisor with specific responsibilities</li> </ul>	<ul style="list-style-type: none"> <li>- Non-executive director / environmental consultant</li> </ul>



Implementation	Integral	Mature	Learning
<b>Onboarding of Nature (as) Director</b>			
<b>Appointment</b> <ul style="list-style-type: none"> <li>Degree of independence of the NaD</li> </ul>	<ul style="list-style-type: none"> <li>Independent nomination committee consisting of experts and/or representatives from independent CICs / charities to incorporate a wide range of voices for Nature.</li> <li>The background of the nominee or appointee candidates should be open to non-business focus areas so as to introduce expertise, diversity and perspectives on the Board</li> </ul>	<ul style="list-style-type: none"> <li>Appointment by the Board on the recommendation of independent experts and/or advisors</li> </ul>	<ul style="list-style-type: none"> <li>Appointment and selection by the Board</li> <li>Certain expertise required but not necessarily independent from the Board</li> </ul>
<b>Removal of NaD</b> <ul style="list-style-type: none"> <li>Degree of protection for NaD</li> <li>Degree of transparency and accountability</li> </ul>	<ul style="list-style-type: none"> <li>Special removal procedures following investigation and recommendation of an independent board committee / nomination committee</li> <li>Super majority approval by the Board or shareholder approval requirement</li> <li>Requirement by the Board to explain the reasons for removal</li> </ul>	<ul style="list-style-type: none"> <li>No independent removal process but a transparent process setting out objective considerations taken into account with respect to the removal decision of the board</li> <li>Super majority approval by the Board or shareholder approval requirement</li> </ul>	<ul style="list-style-type: none"> <li>Removal decision by the board</li> <li>Simple requirement for the Board to provide clear reasons for the removal decision</li> </ul>
<b>Employment and remuneration</b> <ul style="list-style-type: none"> <li>Degree of protection for NaD</li> <li>Degree of transparency and accountability</li> </ul>	<ul style="list-style-type: none"> <li>Equal treatment of all directors</li> <li>Independent remuneration committee making recommendations on the remuneration and employment matters with respect to the NaD</li> <li>Employment contract that clearly provides for the company's contractual obligations owed to the NaD, including reasonable remuneration</li> <li>Director indemnity / insurance for additional protection</li> </ul>	<ul style="list-style-type: none"> <li>A transparent decision making process by the Board, as specified in the Company's Articles</li> <li>Employment contract preferred</li> </ul>	<ul style="list-style-type: none"> <li>Equal treatment of all directors</li> <li>At least a simple appointment letter</li> </ul>



Implementation	Integral	Mature	Learning
<b>Decision Making</b>			
Attendance at Board meetings	<ul style="list-style-type: none"> <li>- Attendance of NaD count as quorum</li> </ul>	<ul style="list-style-type: none"> <li>- Quorum requirement linked to the types of decision making required from the NaD</li> </ul>	<ul style="list-style-type: none"> <li>- No special quorum requirement</li> </ul>
Participation in types of decision making	<ul style="list-style-type: none"> <li>- Day-to-day decisions</li> <li>- Aligned decision making – qualitative practice informed to establish Nature conscious responses</li> <li>- Opportunity for the NaD to provide reasons representing the environmental interests and make recommendations at board meetings</li> </ul>	<ul style="list-style-type: none"> <li>- No day-to-day, operational or management decisions</li> <li>- Strategic and significant decisions, e.g. types of decisions that are usually shareholder reserved matters or decisions that involves certain monetary value in terms of consideration or impact</li> <li>- Detailed approval matrix indicating the involvement of the NaD</li> </ul>	<ul style="list-style-type: none"> <li>- Decisions that have special significance on Nature and the environment</li> </ul>
Disagreement between NaD and other Board members	<ul style="list-style-type: none"> <li>- Compulsory for the Board to provide reasons when deviating from the recommendation of the NaD</li> <li>- Requirement for the Board to reconsider in case of important decisions for the company</li> </ul>	<ul style="list-style-type: none"> <li>- Best practice for the Board to provide reasons when deviating from the recommendation of the NaD</li> </ul>	<ul style="list-style-type: none"> <li>- Simple documentation of the disagreement</li> </ul>
Delegation of authority	<ul style="list-style-type: none"> <li>- A Board sub-committee led by the NaD with inputs of independent advisers or experts for determining and evaluating Nature-related and/or environmental matters for the company</li> </ul>	<ul style="list-style-type: none"> <li>- An internal management team for determining and evaluating Nature-related and/or environmental matters for the company</li> </ul>	<ul style="list-style-type: none"> <li>- No separate sub-committee</li> </ul>





Implementation	Integral	Mature	Learning
<b>Reporting &amp; Accountability</b>			
Internal Reporting mechanism	<ul style="list-style-type: none"> <li>- Quarterly or half-yearly report on the performance of duties by the NaD</li> <li>- Specific, genuine detailed disclosure, including the board's reasoning and relevance to the long term Nature-related and environmental interests, evaluation of the previous strategies / decisions and future planning</li> <li>- Information not only on the positives but the information on trade-offs</li> <li>- Provide case studies on principal decisions</li> <li>- Public inspection of the report</li> <li>- The Board's review of the report</li> </ul>	<ul style="list-style-type: none"> <li>- Half-yearly on the performance of duties by the NaD with detailed discussion and material KPIs</li> <li>- Board's review of the report</li> </ul>	<ul style="list-style-type: none"> <li>- Annual report on the performance of duties by the NaD with sufficient details</li> <li>- Comply voluntarily with the existing regulatory reporting obligations</li> </ul>
External and other accountability tools	<ul style="list-style-type: none"> <li>- The Board's remuneration can be linked to the performance of the company from the Nature-related and/or environmental perspective (can be achieved through the remuneration policy of the company and having NaD as a member of the sub-committee)</li> <li>- Accountability reporting and disclosure practice through key frameworks (TFND, TCND, EBF, SDG, IDG)</li> <li>- Inner development goals highlighting interpersonal transformation for an ecocentric definition of success</li> </ul>		