Mangrove Foundation of India

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MANGROVE FOUNDATION OF INDIA (MFI)

Educate | Restore | Sustain

CONFLICT OF INTEREST POLICY

Document Title	Conflict of Interest Policy
Applicable To	Governing Board / Trustees, Advisory Board, Employees, Volunteers, Consultants, and Contractors of Mangrove Foundation of India
Approved By	Governing Board of MFI
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1. Purpose and Objectives

Mangrove Foundation of India ("MFI" or the "Foundation") is committed to conducting its affairs with integrity, transparency and accountability, in a manner that protects and advances its mission of community-based mangrove restoration, ecological conservation and inclusive climate-resilient development. The trust of MFI's beneficiaries, communities, donors, corporate and institutional partners, government agencies and the public depends on decisions being made solely in the best interests of the Foundation and the communities it serves.

This Conflict of Interest Policy ("the Policy") sets out the principles and procedures by which actual, potential and perceived conflicts of interest are identified, disclosed, evaluated and managed. The objectives of this Policy are to:

- Protect the integrity of MFI's decision-making, governance and programme implementation;
- Ensure that no individual associated with MFI uses their position, influence or access to information for improper personal, financial or third-party gain;
- Provide a clear, consistent and fair mechanism for disclosing and managing interests that may conflict, or appear to conflict, with the interests of MFI;
- Safeguard MFI's reputation with donors, corporate partners (including CSR partners), government departments and regulatory authorities; and
- Ensure compliance with applicable Indian laws and regulations governing non-profit organisations, including but not limited to the Income Tax Act, 1961, the Foreign Contribution (Regulation) Act, 2010 (where applicable), and the provisions of MFI's governing instrument (Trust Deed / Memorandum of Association / Bye-laws, as applicable).

2. Scope and Applicability

This Policy applies to all "covered persons" of MFI, including:

- Members of the Governing Board / Board of Trustees and the Advisory Board;
- The Founder, Executive Director / Chief Functionary, and all full-time, part-time, and contractual employees;
- Volunteers, interns and fellows engaged in MFI's programmes and field offices;
- Consultants, vendors, contractors and service providers engaged in an advisory, decision-influencing, procurement, or fiduciary capacity; and
- Any other individual acting on behalf of MFI in an official capacity, including at project or field offices (Chittoor, ASR, Nellore, Kadapa, Prakasam, Ponneri, Kurnool, Anantapur, and any future locations).

This Policy applies to all activities of MFI, including governance and Board decision-making, programme design and implementation, procurement and vendor selection, human resources decisions, fundraising and donor/CSR partnerships, grant-making and sub-granting (where applicable), research and monitoring & evaluation, advocacy, and engagement with government departments, academic institutions and community-based organisations.

3. Definitions

Conflict of Interest (COI): A situation in which a covered person's personal, professional, financial or other interest — or that of a Related Party — could improperly influence, or reasonably appear to influence, the judgment, decisions or actions that person takes on behalf of MFI.

Related Party: A spouse, parent, child, sibling, or other close relative or dependent of a covered person; any entity in which a covered person or their close relative holds a significant ownership, directorship, partnership,

employment, or advisory interest; or any individual or entity with whom the covered person has a close personal or business relationship.

Material Interest: A financial or non-financial interest that a reasonable person would consider significant enough to influence, or appear to influence, objective judgement — whether or not it in fact does so.

Related Party Transaction: Any transaction, contract, grant, donation, procurement, employment, or partnership arrangement between MFI and a Related Party of a covered person.

Gift and Hospitality: Any item, service, favour, entertainment, travel, hospitality or benefit of more than nominal value offered to, or by, a covered person in connection with their role at MFI.

Disclosure: The act of formally informing MFI, through the prescribed process, of an actual, potential or perceived conflict of interest.

4. Guiding Principles

- The interests of MFI, its beneficiary communities and its mission must always take precedence over the personal or private interests of any covered person.
- A conflict of interest is not, in itself, wrongdoing. Failing to disclose a conflict, or allowing an undisclosed conflict to influence a decision, is a violation of this Policy.
- Transparency is the first line of defence — when in doubt, covered persons must disclose.
- Decisions affected by a conflict of interest must be made, reviewed, or approved by persons who do not have a competing interest in the outcome.
- This Policy applies equally regardless of seniority, tenure, or role, including the Founder and members of the Governing Board.

5. Situations That May Give Rise to a Conflict of Interest

Without limiting the general scope of this Policy, conflicts of interest commonly arise in the following circumstances:

5.1 Financial Interests

- A covered person, or a Related Party, holds a financial or ownership interest in a vendor, contractor, consultant, landowner, or service provider being considered for engagement by MFI;
- A covered person stands to receive a personal financial benefit (fees, commission, referral payment, equity, or in-kind benefit) from a decision, contract, or transaction involving MFI;
- A covered person uses MFI funds, assets, land-use rights, carbon credit entitlements, or intellectual property for personal benefit or the benefit of a Related Party.

5.2 Personal and Family Relationships

- A covered person participates in a hiring, promotion, performance evaluation, procurement, grant, or vendor-selection decision involving a Related Party;
- A covered person supervises, or is supervised by, a Related Party without disclosed and approved reporting arrangements;
- A covered person's Related Party is engaged as a beneficiary representative, SHG office-bearer, community mobiliser, or in any role where undue influence over programme benefits could arise.

5.3 Outside Positions, Employment and Affiliations

- A covered person holds a board position, advisory role, employment, or consultancy with another non-profit, company, academic institution, or government body that does business with, competes with, regulates, or funds MFI;
- A covered person represents MFI in a government, statutory, or advisory capacity (for example, membership of a District Coastal Zone Management Authority, wetland or green-champion committees, or similar bodies) where a decision made in that capacity could affect MFI's interests, or vice versa. Such roles must be disclosed, and the covered person must recuse themselves from any MFI-side decision connected to a matter before that body;
- A covered person engages in outside paid or unpaid work, including with corporate CSR partners, donor agencies, or academic/research institutions, that could reasonably be seen to compete with or compromise their duties to MFI.

5.4 Procurement, Partnerships and Corporate/CSR Engagement

- Selection of vendors, contractors, nursery suppliers, transport providers, or field partners in which a covered person or Related Party has an interest;
- Negotiation or approval of corporate CSR partnerships, sponsorships, donations, or carbon-credit / carbon-financing arrangements where a covered person has a personal, family, or financial connection to the counterparty;
- Awarding of sub-grants, honoraria, stipends, or livelihood-scheme benefits (e.g., to Self-Help Groups, nurseries, or micro-enterprises) to entities connected to a covered person.

5.5 Use of Position, Information and Opportunities

- Using one's position at MFI to obtain personal advantage, or to direct a business, donor, or partnership opportunity properly belonging to MFI toward oneself or a Related Party;
- Disclosing or using confidential, proprietary, or donor-related information (including beneficiary data, project sites, carbon-credit methodologies, or funder details) for personal gain or the benefit of a third party;
- Accepting gifts, hospitality, travel, or favours from current or prospective donors, vendors, partners, or government officials that could influence, or appear to influence, official decisions (see Section 8).

6. Disclosure Requirements

6.1 Initial Disclosure. Every covered person shall, at the time of joining the Governing Board, taking up employment, or commencing an engagement with MFI, complete and submit a signed Conflict of Interest Declaration (Annexure A) disclosing any existing interests, relationships, or affiliations that may give rise to a conflict.

6.2 Annual Disclosure. All covered persons shall renew their Conflict of Interest Declaration annually, and the Governing Board shall additionally reconfirm disclosures at the start of each financial year or Board term.

6.3 Event-Based Disclosure. A covered person who becomes aware of an actual, potential, or perceived conflict of interest at any time — including during a meeting, procurement process, hiring decision, or partnership negotiation — must disclose it promptly and in writing (email is acceptable in the first instance) to their reporting authority, and in the case of Board members, to the Chairperson of the Governing Board (or, where the conflict involves the Chairperson, to another designated senior Board member).

6.4 Standing Item at Meetings. Conflict of interest shall be a standing agenda item at every Governing Board and relevant management/committee meeting. Members shall declare any interest in matters under discussion before deliberation begins.

A covered person who is uncertain whether a situation constitutes a conflict of interest should err on the side of disclosure. Disclosure itself carries no adverse consequence; non-disclosure of a genuine conflict does.

7. Procedure for Managing Disclosed Conflicts

1. Recording: All disclosures shall be recorded in a Register of Interests, maintained by the person designated under Section 9 (the "Compliance Focal Point"), and shall be made available to the Governing Board and, where legally required, to statutory auditors and regulators.
2. Assessment: The relevant authority (Governing Board, or a Sub-Committee it designates) shall assess whether the disclosed interest constitutes a conflict, and if so, its materiality and the appropriate management response.
3. Recusal: A covered person with a disclosed conflict shall not participate in the discussion, deliberation, negotiation, or vote/approval relating to that matter, and shall withdraw from the relevant part of the meeting unless specifically invited to provide factual information.
4. Independent Review: Any transaction, contract, or decision involving a Related Party of a covered person shall be reviewed and approved only by persons free of that conflict, on terms no less favourable to MFI than would be available from an unrelated third party (arm's-length basis), and shall be documented with reasons for the decision.
5. Alternative Arrangements: Where a conflict is ongoing or structural (for example, a reporting relationship between relatives), MFI shall implement alternative supervision, approval, or reporting arrangements to eliminate or mitigate the conflict.
6. Escalation: Conflicts involving the Executive Director/Chief Functionary or a Governing Board member shall be escalated to, and decided by, the Governing Board (excluding the conflicted member(s)).
7. Documentation: Minutes of any meeting where a conflict was declared shall record the nature of the interest, the recusal (if any), and the basis on which the matter was decided.

8. Gifts, Hospitality and Favours

Covered persons shall not solicit, accept, or offer any gift, payment, hospitality, or other benefit that is intended, or could reasonably be perceived, to influence a decision relating to MFI's programmes, procurement, partnerships, or regulatory dealings. In particular:

- Gifts or hospitality of nominal/token value (e.g., promotional items, modest working meals) customary in professional courtesy may be accepted, but should be disclosed if received from a current or prospective donor, vendor, or government official with whom the covered person has dealings on behalf of MFI;
- Cash or cash-equivalent gifts (vouchers, gift cards) must never be accepted;
- Gifts, hospitality, or favours from vendors or contractors during an active tender, procurement, or selection process must be declined;
- Any gift or hospitality offered in connection with dealings with government officials, regulators, or statutory bodies must be handled with particular caution and disclosed to the Compliance Focal Point, consistent with applicable anti-corruption laws.

9. Roles and Responsibilities

Role	Responsibility
Governing Board	Approves and periodically reviews this Policy; manages conflicts involving the Executive Director, Founder, or Board members; serves as the final escalation authority.
Chairperson of the Board	Receives disclosures relating to conflicts of Board members; ensures COI is a standing agenda item at Board meetings.
Executive Director / Chief Functionary	Implements this Policy across staff, volunteers, and field offices; ensures disclosures are collected and reviewed; reports material conflicts to the Board.
Compliance Focal Point (HR / Finance)	Maintains the Register of Interests; administers annual and event-based disclosure processes; flags related-party transactions for independent review; retains records for audit.
All Covered Persons	Proactively disclose actual, potential, or perceived conflicts; recuse from affected decisions; comply with this Policy and cooperate with any review.

10. Related Party Transactions

All transactions between MFI and a Related Party of any covered person — including procurement of goods or services, land or asset use, employment, consultancy, grants, donations, or CSR/partnership arrangements — shall be: (a) disclosed in advance wherever practicable; (b) approved only by persons independent of the conflict; (c) conducted on arm's-length, fair-market terms; and (d) documented in the minutes of the approving body and, where applicable, reported in MFI's statutory filings and annual report. Related party transactions shall further be reviewed to ensure compliance with the Income Tax Act, 1961 (including provisions relating to application of income and prohibited benefits to interested persons), the Foreign Contribution (Regulation) Act, 2010 and rules thereunder where foreign funds are involved, and MFI's governing document.

11. Confidentiality

Disclosures made under this Policy, and the deliberations of the Governing Board or committees in managing a conflict, shall be treated as confidential and shared only with those who need to know in order to assess or manage the conflict, except where disclosure is required by law, a regulator, or a statutory auditor.

12. Reporting Concerns and Protection Against Retaliation

Any covered person, beneficiary, partner, or member of the public who becomes aware of an undisclosed or improperly managed conflict of interest may raise the concern with the Compliance Focal Point, the Executive Director, or directly with the Chairperson of the Governing Board. MFI shall ensure that no covered person is subjected to retaliation, victimisation, or adverse treatment for raising a concern in good faith under this Policy. Concerns of a more general ethical or financial-misconduct nature should be raised under MFI's Whistleblower / Grievance Redressal Policy, where such a policy exists.

13. Non-Compliance

Failure to disclose a known conflict of interest, participation in a decision despite a disclosed conflict, or retaliation against a person who raises a concern in good faith, shall be treated as a breach of this Policy and MFI's Code of Conduct. Depending on the severity and nature of the breach, consequences may include a formal warning,

mandatory recusal from future decisions of that category, reversal or renegotiation of the affected transaction, disciplinary action up to and including termination of employment or engagement, removal from the Governing Board in accordance with MFI's governing document, and, where warranted, referral to statutory authorities.

14. Review and Amendment

This Policy shall be reviewed by the Governing Board at least once every two years, or earlier if warranted by changes in applicable law, MFI's scale of operations, or lessons learned from its implementation. Amendments shall be approved by the Governing Board and communicated to all covered persons.

15. Related Policies and Governing Documents

- MFI Trust Deed / Memorandum of Association and Bye-laws (as applicable)
- Code of Conduct and Ethics Policy
- Procurement Policy
- Human Resource Policy
- Whistleblower / Grievance Redressal Policy
- Anti-Fraud and Anti-Corruption Policy
- Child Protection / Safeguarding Policy (relevant to CRC and school-engagement programmes)



Annexure A: Conflict of Interest Declaration Form

To be completed at onboarding, annually, and whenever a new conflict arises.

Name	
Role / Designation	
Department / Project Office	
Date	

1. Do you, or any Related Party, hold a financial, ownership, employment, advisory, or governance interest in any vendor, contractor, donor, CSR partner, or organisation that has, or may have, dealings with MFI?

☐ No ☐ Yes — if yes, provide details below:

2. Do you have a Related Party who is, or may be, an employee, volunteer, consultant, Board member, or beneficiary representative of MFI?

☐ No ☐ Yes — if yes, provide details below:

3. Do you hold any outside position (board membership, employment, consultancy, government committee/authority membership, etc.) that could reasonably intersect with MFI's work?

☐ No ☐ Yes — if yes, provide details below:

4. Are you aware of any other actual, potential, or perceived conflict of interest not covered above?

☐ No ☐ Yes — if yes, provide details below:

I confirm that the information provided above is complete and accurate to the best of my knowledge, and I undertake to promptly disclose any change in circumstances to the Compliance Focal Point.

Signature: _____ Date: _____

Annexure B: Register of Interests (Template)

Maintained by the Compliance Focal Point and reviewed by the Governing Board / relevant committee.

Date Disclosed	Name / Role	Nature of Interest	Management Action / Recusal	Reviewed By