Value-For-Money Policy





ClientEarth is committed to meeting the highest standards of integrity and accountability. Like any organisation, ClientEarth has finite capacity and resources. We must thereby ensure that our resources are used economically, efficiently, and effectively. We measure value-for-money throughout the organisational strategy cycle, including our annual plans and monitoring and evaluation systems. We measure our social value through our procurement decisions, as well as the principles embedded in our Equality, Diversity and Inclusion Strategy. These are complementary approaches meant to support us and our Partners in demonstrating our collective contribution to impact within our ecosystem.

This Policy sets out the process by which ClientEarth makes decisions on spending, and monitors results to support learning for future decisions.

| Values | Application in this Policy | | | | | |
|----------------------------|--|--|--|--|--|--|
| Acting courageously | We challenge decisions on spending funds that are not in line with value-for-money considerations | | | | | |
| Prizing diverse experience | We recognise that staff, Partners, and Funders have views on the way we spend our funds and encourage their input to inform our decision- making in this respect | | | | | |
| Embracing collaboration | • We acknowledge that everyone at ClientEarth has a role to play in ensuring that we use our funding in the best way possible - from the planning stage to implementation | | | | | |
| Learning continuously | We review guidance provided by regulators and practices of other organisations within the charitable sector to inform and shape our value-for-money policy and practices | | | | | |
| Opposing injustice | • We ensure we spend funds in a way that is aligned to our vision, mission, or values, to achieve the greatest impact we can | | | | | |
| Focusing on impact | • We maximise impact by ensuring our resources are used economically, efficiently, effectively, equitably, in a cost-effective way, and ensuring social value | | | | | |

This Policy has been approved by ClientEarth's Executive Team, and reflects our values.

What is the Scope of this Policy?

This Policy applies to all ClientEarth entities and staff worldwide, including governance and management board members of all ClientEarth entities, who are expected to use best judgment in applying this Policy, and to play an active part in preventing non-compliance and in promoting best practices.

This Policy is also intended to provide a benefit for those associated with ClientEarth or those who work for ClientEarth in some way, e.g., Partners or Funders, and our reporting channel is open to them, as well as to the public at large. This Policy is publicly accessible to all, as well as our reporting channel via the **TellUs** tab, on our <u>Transparency | ClientEarth</u> webpage.

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ClientEarth's Principles-Based Approach to Value-For-Money

Principle 1: ClientEarth embeds value-for-money and social value principles in its strategic approach, decision-making, and measurement and evaluation of impact

Value-for-money is not about doing the cheapest thing – it is about ensuring that we are well set up to measure and contribute to short-term, and longer-term results and benefits in a way that maximises the value of our investment. Value-for-money (as well as social value through procurement) must be considered from the strategic planning stage (*what are the goals*? *what are the relevant outcomes and targets*?), but also in the funding and annual planning stage (*what must we deliver to meet the goals*? *how do we allocate our resources*?), the project initiation stage (*what is the business case*? *what tools and systems can support the project*?), the procurement and due diligence stage (*what are the options*? *what and to whom do we outsource or subgrant to*?), to the impact and learning stage (*what were the actual benefits and outcomes against proposed targets*? *what can we learn and improve on*?).

Value-for-money includes deciding to spend funds in a way that balances economy with efficiency, and effectiveness (known as the '3Es approach'). Economy, efficiency, and effectiveness refer to minimising waste of resources and inputs, and maximising outputs and outcomes within available resources. Ensuring social value through procurement decisions is in line with our vision for the future (*a healthy planet where nature and all people can thrive together*), which we seek to achieve by delivering on our mission.

Principle 2: All concerns in relation to the spending of funds should be reported immediately, and these reports will be investigated and managed in a timely, diligent, and impartial manner

Where staff, Partners, Funders, or any member of the public are aware or have complaints or concerns in relation to the spending of funds, they should report these immediately through our reporting channel accessible via the **TellUs** tab on <u>Transparency | ClientEarth</u>. The reporting channel is ClientEarth's single repository of reports. Anyone who raises a complaint or concern in relation to this Policy is protected under our Whistleblowing Policy. Reports should be acknowledged and resolved promptly. Reports shall be investigated by (an) impartial and competent investigation officer(s) and reported to the proper authorities, if and as necessary.

Principle 3: More stringent, or different, Funder requirements in relation to value-for-money or social value must be complied with, where applicable

If in doubt about the requirements that apply, consult the relevant Development staff overseeing the agreement with the Funder.

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