



**boann**  
SOCIAL IMPACT

# Advisory Council Terms of Reference

Approved with revisions by Board October 25, 2023

## Background

The launch of a catalytic Social Finance Fund (SFF) was a key recommendation of the Federal Social Innovation and Social Finance co-creation steering group, appointed in 2017. Representing financial, non-profit, philanthropic, cooperative, research and community economic development interests, and drawing from in-person and online consultations with thousands of Canadians, the Steering Group's report recommended the launch of a made-in-Canada-for-Canada Social Finance Fund to support social purpose organizations *“by making repayable capital available to newly created and existing funds in the social finance market, as well as attract[ing] new private sector investment to the social finance sector.”* The first of 12 recommendations to be formally adopted, the Social Finance Fund was announced in the 2018 Fall Economic Statement (FES) along with a two-year Investment Readiness Program, intended to build the capacity of social purpose organizations and expand the existing marketplace of investable social purpose ventures.

Boann Social Capital, a partnership between Encasa Impact and the Table of Impact Investment Practitioners (TIIP), whose members had for several years advocated for a “social finance acceleration fund” as the biggest bang-for-buck investment the Federal Government could make in a more resiliently inclusive, socially cohesive, environmentally sustainable economy, was selected as one of three wholesalers tasked with the deployment of the SFF, on the basis of a proposal that reflected its longstanding commitment to a “big tent, deep impact,” model for a made-in-Canada, for Canada Social Finance Fund.

From inception, Boann's model assumed that a broadly representative advisory body of ecosystem experts and community voices would advise on the implementation of investment strategy, market opportunity, impact measurement and the achievement of SFF outcomes.

## Mandate and purpose

- **Deep impact advice:** The Advisory Council provides advice on market-building activities and ecosystem outreach initiatives, offering diverse perspectives rooted in lived experience, social finance expertise and community insights to assist in developing long-term strategies that support the emergence of new intermediaries, innovative models, and amplified social and environmental outcomes, especially in underserved, remote and equity-deserving communities.
- **Big tent stakeholder engagement:** Advisory Council members' active participation and leadership roles in communities and ecosystem networks informs their advice on the fostering of stakeholder partnerships, enrichment of knowledge-exchange opportunities and strategies to attract resources and expand engagement across the social finance ecosystem.
- **Additional roles and responsibilities** The Advisory Council is an integral part of Boann governance structure and accountability systems. It supports Boann in achieving its targets (financial and impact) and provides a sounding board for the Boann Board and, through the CEO, for the management team. The Advisory Council reflects and enhances Boann's commitments with respect to:
  - **Ecosystem transparency and confidence:** The lived experience, relevant expertise, mission-alignment, and representativeness of Council members underscores and promotes enduring trust-based relationships with stakeholders and communities.
  - **Risk management:** Embracing Boann's greater risk appetite – consistent with its deep impact mission - the Council's broad ecosystem-monitoring capacity proactively identifies and offers guidance on navigating market challenges and responding to emerging opportunities.
  - **Mentorship for Boann team:** Advisory Council members model and foster a culture of continuous learning and development within the organization, and in its collaborations with shareholders, key partners, and communities.
  - **Long-term sustainability:** A diverse and expert Council provides continuous insights into the cultivation of a regenerative economy, and support for the achievement of ambitious social and environmental objectives, using the tools and capital of social finance.

## Selection, composition, and appointment

The Advisory Council comprises between 9 and 15 community leaders, social finance innovators, and impact investment practitioners contributing valuable insight, experience, and expertise to Boann in meeting and exceeding its objectives as a Social Finance Fund (SFF) manager.

The Boann Board will make appointments to the Advisory Council from a longlist of candidates advanced by shareholders, stakeholders, networks, and community partners.

To ensure an extensive reach and inclusive capture of potential candidates, mechanisms for identifying candidates for the inaugural Council will include an open call for nominations undertaken by Boann shareholders, the Table of Impact Investment Practitioners (TIIP) and Encasa Impact. Community partners, key stakeholders and the network of SF/SI ecosystem networks may also canvass, nominate, and submit potential candidates. Self-identified candidates are warmly welcome to apply directly or through any of these channels.

Both a brief summary of germane experience and a short statement of interest will be requested, to be compiled into a longlist for review and selection by the Board.

The Advisory Council membership will be comprised of:

- Community-informed and -rooted perspectives regarding challenges experienced by racialized, remote, and underserved communities in accessing social finance capital and tools, to shape and support the most effective strategies for the deployment of the SFF.
- A spectrum of subject matter experience and expertise across impact investment asset classes, tools, structures, sectors, and approaches: including social entrepreneurship and procurement, microlending, cooperative and community economic development strategies, impact measurement and management, policy and regulatory monitoring and analysis, stakeholder outreach, research, communications, and engagement.
- An intentional diversity of demographic, geographic, sectoral, and structural representation, collectively offering rich and diverse insights and analysis regarding market context and trends in the evolving

social finance landscape, and its most exemplary practices, promising innovations and emerging opportunities.

- The Board, in appointing Advisory Council members (as with all Boann governance structures and staff) will expect to consistently meet and exceed Boann’s baseline commitment to 50:30<sup>1</sup> representation with respect to gender equality and inclusion of equity deserving groups, as well as modelling a desirable breadth of lived experience, subject matter expertise and regional perspectives. A comprehensive representation and skills matrix will be developed by the inaugural Council in collaboration with the Board, and available to the public once adopted. This matrix will be maintained and updated by the Advisory Council with support from the management team and consulted in making recommendations to the Boann Board regarding the recruitment and appointment of new Council members.

## Term

Advisory Council members will be appointed for a term of three years, renewable for two terms (two terms total).

Initial Advisory Council appointments may be for a shorter term and staggered, to ensure a continuity of experience among Council members.

Resignation: Members of the Advisory Council who miss two consecutive meetings of the Council without reasonable cause will be considered to have resigned their seat. In case of resignation or removal, the Boann Board will consult with the Advisory Council regarding candidates to fill vacant positions.

1 The 50 – 30 policy asks that organizations aspire to two goals: 1) Gender parity (50% women and/or non-binary people) on Canadian boards and/or in senior management; and 2) Significant representation (30%) on Canadian boards and/or senior management of members of other equity-deserving groups, including those who identify as Racialized, Black, and/or People of colour (“Visible Minorities”), People with disabilities (including invisible and episodic disabilities), 2SLGBTQ+ and/or gender and sexually diverse individuals, and Aboriginal and/or Indigenous Peoples. The program and participants recognize Indigenous Peoples, including First Nations, Métis and Inuit, as founding Peoples of Canada and underrepresented in positions of economic influence and leadership.” <https://ised-isde.gc.ca>

## Committee operations

The Advisory Council provides strategic advice to the Boann Board and management team regarding stakeholder engagement and knowledge exchange, market-building, investor outreach and education, and impact measurement, monitoring, and reporting. The Council does not advise on specific Investment Committee decisions.

Advisory Council members are subject to all relevant Boann operating and corporate policies, including but not limited to the Boann Code of Business Conduct; Advisory Council Code of Conduct is pending. Compensation for participation in the Advisory Council is governed by the Boann Board and Committee compensation policy. Advisory Council members will be reimbursed for expenses related to their role on the Committee, in accordance with Boann policies governing expenses.

Advisory Council members agree that their names may be made public by Boann upon appointment.

The Board will appoint the Advisory Council's Chair from among the Council members, in consultation with the Council.

The Advisory Council will meet a minimum of four times annually. Meetings will generally take place virtually, for optimal inclusiveness and accessibility, with Council members having input into and receiving a schedule of meetings no less than one month before the first meeting of each annual series.

Boann will seek to accommodate all Advisory Council members who may require assistance to participate in the deliberations of the Committee.

Boann's management team will provide support for the operations of the Advisory Council, including scheduling and logistical support for Council meetings.

Representatives from Employment and Social Development Canada (ESDC), the Federal Department responsible for the Social Finance Fund, will be welcomed to attend meetings of the Advisory Council as observers, to facilitate knowledge-exchange and co-creation.

### **Conflict of interest:**

While it is Boann's practice to assume a confluence of interest among all parties striving to advance a robustly inclusive, sustainably regenerative social finance marketplace, candidates for the Advisory Council are asked to disclose any potential real or perceived impediment to the exercise of their unbiased judgement and guidance as members of the Advisory Council.

## **Advisory council annual continuous improvement report/annual progress review**

The Council will conduct an annual review of the implementation of Boann's stakeholder outreach and market-building strategies and present these findings to the Boann Board.

## **Advisory council mandate review**

The Board will annually review the Advisory Council's mandate, in collaboration with the Council.