PROCUREMENT POLICY

Approved by the TAF Board of Directors November 3, 2026

1. Purpose

This Policy establishes the principles, requirements, and authorities governing the procurement of goods and services by TAF. It is intended to:

- Protect the interests of TAF, the public, and participants in the procurement process.
- Ensure procurements are conducted in a fair, open, transparent, and effective manner that promotes best value.
- Maintain the integrity of the procurement process through clear ethical standards and the avoidance of actual, perceived, or potential conflicts of interest.
- Promote access, equity, inclusion, innovation, and environmental sustainability in procurement decisions where appropriate.
- Support efficient and effective procurement practices that are proportionate to risk, value, and organizational needs.

2. Scope

This Policy applies to the procurement of goods and services by TAF, regardless of funding source, and must be followed by all employees, contractors, consultants, and others authorized to procure goods or services on TAF's behalf.

TAF will conduct procurement activities in accordance with applicable law, this Policy, and any Procurement Procedures established by management.

This Policy does not apply to:

- the acquisition, lease, or disposal of land, buildings, or other real property interests;
- employment contracts and employment-related arrangements;
- grants other forms of non-repayable financial assistance provided by TAF;
- loans, guarantees, securities, financial instruments, investments and related financial services;
- partnership and collaboration agreements where TAF and one or more organizations work together to achieve a shared objective, whether or not the arrangement includes the exchange of funds between the parties, subject to a written agreement setting out the terms and conditions between the parties;
- agreements between TAF and governments, municipalities, Crown corporations, public bodies, or other prescribed public-sector entities;
- procurements undertaken by TAF on behalf of another organization where this Policy would not apply to that organization;
- accommodations, honoraria, and similar payments made under Board-approved programs;

- legal services that may only be provided by licensed lawyers or notaries, and expert or factual witnesses retained for legal proceedings;
- payments or services required under statutory authority;
- goods or services where pricing is established by a regulatory authority or where there is no practical opportunity for competition, including utilities, permits, licenses, and similar services;
- reimbursable expenses, including travel, meals, accommodation, and related expenses;
- professional development and membership expenses, including conferences, seminars, workshops, training, publications, and professional association memberships; and
- other expenditure categories specifically approved by the CEO where application of this Policy is impractical, provided the rationale is documented and reported to the Board annually.

3. Definitions

For the purposes of this Policy:

Award means the notification to a Supplier of acceptance of a Bid that brings a Contract into existence.

Best Value means the optimal combination of performance, quality, service, sustainability, risk, and cost that best meets TAF's requirements, as determined through the applicable procurement process.

Bid means a proposal, quotation, or tender submitted in response to a Solicitation.

Board means the Board of Directors of the Toronto Atmospheric Fund.

BPS means the Ontario *Broader Public Sector Accountability Act, 2010* and any applicable procurement directive issued under that Act.

Competitive Procurement means a procurement process that provides suppliers with an opportunity to compete through an open or invitational solicitation process.

Competitive Threshold means the procurement value at or above which an open competitive procurement process is required under the applicable Broader Public Sector Procurement Directive, trade agreements, or other legal requirements, as amended from time to time.

Contract means a written agreement between TAF and a supplier for the provision of goods, services, or both.

Non-Competitive Procurement means a procurement process in which TAF acquires goods, services, or both directly from one or more suppliers without conducting a competitive procurement process.

Procurement means the acquisition of goods, services, or both by any contractual means, including purchase, lease, rental, or other arrangement.

Procurement Lead means the individual designated by the CEO to oversee and support procurement activities under this Policy and related Procurement Procedures.

Procurement Procedures means the procedures, guidance, templates, and related requirements established by TAF to implement this Policy.

Solicitation means a written notice to Suppliers.

Supplier means an individual, business, organization, or other entity that provides or may provide goods or services.

TAF means the Toronto Atmospheric Fund, operating as The Atmospheric Fund.

Trade Agreements means any applicable domestic or international trade agreements that govern TAF procurements.

Value or **Procurement Value** means the estimated maximum total value of a procurement over its entire term, including all optional extensions, renewals, amendments, and other forms of compensation.

4. Empowering Documents

The TAF Relationship Framework with the City of Toronto grants the Board authority to adopt purchasing policies in consultation with the City's Purchasing and Materials Management Division.

The Ontario Transfer Payment Agreement between the Province of Ontario, TAF, and the City requires that TAF use a Broader Public Sector (BPS)-compliant procurement process when acquiring goods and services using transfer payment funds or the proceeds of those funds. Such procurements must promote best value for money.

5. Governance

5.1 Board of Directors

The Board is responsible for:

- approving and periodically reviewing this Policy;
- providing oversight of TAF's procurement framework; and
- receiving reports on procurement activities, exceptions, and significant procurement matters.

5.2 Chief Executive Officer

The CEO is responsible for:

- ensuring the implementation and administration of this Policy;
- establishing and approving Procurement Procedures and related guidance;
- approving exceptions and exclusions as authorized by this Policy;
- designating a Procurement Lead; and
- reporting significant procurement matters to the Board.

5.3 Procurement Lead

The Procurement Lead is responsible for:

- supporting the implementation of this Policy and related Procurement Procedures;
- providing procurement advice, guidance, and training;
- promoting consistent and compliant procurement practices;
- reviewing procurements required to be submitted for Procurement Lead review under TAF's Procurement Procedures;
- maintaining procurement records, templates, and tools; and
- monitoring procurement activities and advising on procurement-related risks and improvements.

5.4 Staff with Procurement Responsibilities

Staff involved in procurement activities are responsible for:

- ensuring procurements are necessary, appropriately planned, and aligned with approved budgets;
- complying with this Policy and applicable Procurement Procedures; and
- obtaining required approvals before commitments are made.

6. Competitive Procurement Thresholds and Non-Competitive Procurement

TAF's procurement thresholds and procurement methods will align with the requirements of the BPS Procurement Directive, as amended from time to time, and are set out in Annex A. The CEO may update Annex A to maintain alignment with the BPS Procurement Directive, provided such changes remain consistent with this Policy.

Procurements at or above the applicable open competitive procurement threshold must be conducted through an open competitive procurement process unless the procurement is excluded from the application of this Policy (see Section 2. Scope) or a non-competitive procurement circumstance described in Annex B applies.

It is recommended that goods and services below the open competitive procurement threshold be procured through a competitive process, taking into consideration best value, competition, supplier participation, risk, and TAF's organizational objectives.

TAF will not reduce the procurement value or subdivide the procurement into multiple procurements in order to avoid any competitive procurement threshold.

7. Procurement Processes

7.1 Procurement Procedures

TAF must establish and maintain Procurement Procedures that set out how TAF:

- conducts competitive procurements;
- evaluates bids;
- grants awards;
- negotiates, approves, and executes contracts;
- manages pre- and post-award bid disputes;
- manages contracts;
- conducts supplier debriefings;
- conducts non-competitive procurements, including the circumstances in which they are permitted and the authorization process; and
- manages supplier conduct.

TAF may seek advice, guidance, or other procurement support from the City of Toronto's Purchasing and Materials Management Division (PMMD) where appropriate to support effective procurement practices or compliance with applicable requirements.

7.2 Solicitation Requirements

All competitive solicitations must clearly identify, as applicable:

- the procurement requirements or scope of work;
- the evaluation criteria;
- the evaluation methodology and weighting of criteria; and
- any mandatory requirements, technical requirements, and other information necessary to support a fair and transparent procurement process.

- **Supplier Fairness and Confidentiality**

TAF will treat suppliers fairly, consistently, and transparently throughout the procurement process and will protect confidential supplier information except where disclosure is required by law or is necessary for the administration of the procurement process.

7.4 Cancellation of a Solicitation

TAF may cancel a solicitation at any time before contract award where:

- the procurement is no longer required;

- the scope, specifications, budget, or business requirements have materially changed;
- there are insufficient qualified responses or competition;
- proceeding with the procurement would not be in TAF's best interests; or
- a material issue has arisen that compromises the integrity, fairness, or effectiveness of the procurement process.

Where a solicitation is cancelled due to a material issue that compromises the integrity of the procurement process, the Procurement Lead will advise the CEO and, where significant, the matter will be reported to the Board.

Where a competitive solicitation does not result in sufficient qualified responses or competition, TAF may cancel and reissue the solicitation, revise the procurement requirements, pursue an alternative competitive procurement approach, enter into negotiations with one or more qualified proponent, or proceed with a non-competitive procurement where permitted by applicable legislation, trade agreements, procurement directives, and Procurement Procedures.

7.5 Negotiation

TAF may negotiate contract terms with a preferred supplier unless negotiations are expressly prohibited by the solicitation. If negotiations with a preferred supplier are unsuccessful, TAF may terminate negotiations and, where permitted by the solicitation and Procurement Procedures, enter negotiations with another evaluated supplier.

Negotiations must be conducted fairly and must not disclose confidential information relating to any other supplier.

7.6 Contract Execution and Management

All contracts and contract amendments must be approved and executed in accordance with TAF's Approval Authority Schedule.

Contracts must clearly establish the scope of work, deliverables, performance expectations, responsibilities of the parties, compensation, and other applicable terms and conditions.

TAF will monitor contract performance and compliance with contractual requirements throughout the term of the contract.

8. Procurement Standards

8.1 Ethical Procurement Standards

All individuals involved in procurement activities on behalf of TAF must comply with the BPS Supply Chain Code of Ethics and with applicable TAF policies, including the TAF Conflict of Interest and Confidentiality Policy and any policies governing standards of conduct.

Individuals involved in procurement activities must act with integrity, fairness, transparency, and accountability and must disclose and appropriately manage any actual, potential, or perceived conflicts of interest in accordance with the TAF Conflict of Interest and Confidentiality Policy.

8.2 Equity, Innovation, and Sustainability

TAF is committed to promoting access, equity, inclusion, innovation, and environmental sustainability in its procurement activities where appropriate and consistent with achieving best value. TAF may establish Procurement Procedures, evaluation criteria, or other procurement practices to support these objectives.

8.3 Forced Labour and Child Labour

TAF is committed to responsible procurement practices and to reducing the risk of forced labour and child labour within its supply chains. Where appropriate and proportionate to the procurement, TAF may include supplier requirements, certifications, declarations, or contractual commitments.

9. Administration and Oversight

9.1 Authority to Commit TAF

No employee, contractor, consultant, or representative of TAF may make, offer to make, or otherwise commit TAF to a contract, procurement, or expenditure except as authorized by this Policy, applicable Procurement Procedures, or TAF's Approval Authority Schedule.

9.2 Monitoring and Reporting

Management will monitor compliance with this Policy and Procurement Procedures and will periodically report to the Board on significant procurement matters, material exceptions, non-competitive procurements, and overall compliance with this Policy.

TAF will maintain procurement records sufficient to demonstrate compliance with this Policy, Procurement Procedures, applicable legislation, trade agreement obligations, and funding requirements, and to support appropriate audit, oversight, and reporting activities.

9.3 Conflict Between Documents

If there is a conflict or inconsistency between this Policy and any Procurement Procedures or related procurement guidance documents, this Policy prevails.

9.4 Policy Review

This Policy will be reviewed at least every two years and updated as necessary to reflect legislative, regulatory, organizational, or operational changes.

TAF will periodically review its procurement practices and Procurement Procedures and make improvements as appropriate to support supplier participation, competition, fairness, and effective procurement outcomes.

10. Related Documents

BPS Procurement Directive
TAF Approval Authority Schedule
TAF Conflict of Interest and Confidentiality Policy
TAF Procurement Procedures
TAF Relationship Framework with the City of Toronto

ANNEX A: PROCUREMENT THRESHOLDS AND PROCUREMENT METHODS

The procurement thresholds and procurement methods set out in this Annex align with the requirements of the BPS Procurement Directive and may be updated by the CEO from time to time, provided any changes remain consistent with this Policy.

Applicable legislation, trade agreements, and procurement directives prevail in the event of a conflict with this Annex.

Total Procurement Value	**Procurement Approach**	**Procurement Lead Consultation**
Less than $10,000	Direct purchase or other procurement approach in accordance with the Procurement Procedures	Not required
$10,000 to less than $139,000	Competitive procurement is recommended. Invitational or open competitive procurement may be used, taking into consideration best value, risk, competition, supplier participation, and TAF's organizational objectives.	Required
$139,000 or more	Open Competitive Procurement	Required

ANNEX B: NON-COMPETITIVE PROCUREMENT EXCEPTIONS

Non-competitive procurement may only be used in the exceptions described below and in accordance with applicable legislation, trade agreements, procurement directives, and TAF's Procurement Procedures.

A non-competitive procurement may be considered where:

- only one supplier is capable of providing the required goods or services and no reasonable alternative exists;
- compatibility, interoperability, warranty, maintenance, licensing, or technical requirements necessitate the use of a particular supplier;
- the supplier holds exclusive rights, including intellectual property rights, and no reasonable alternative exists;
- an unforeseeable situation of urgency exists and the goods or services cannot be obtained in time through a competitive procurement process. Failure to adequately plan or allow sufficient time for a competitive procurement process does not constitute urgency;
- conducting a competitive procurement would compromise confidentiality, legal privilege, security, public safety, or the public interest;
- additional goods or services are required from an existing supplier and changing suppliers would create significant technical, operational, service delivery, or financial risks;
- a short-term bridging contract is required while a competitive procurement process is completed;
- a competitive procurement process did not result in sufficient competition, compliant bids, or an acceptable procurement outcome;
- the goods or services are available under exceptionally advantageous circumstances, including bankruptcy, receivership, or liquidation;
- the procurement relates to an original work of art, a prototype, or research and development activities; or
- another circumstance expressly permitted under applicable legislation, trade agreements, or procurement directives applies.

Additional Approval Requirements

In addition to any approvals required under the Approval Authority Schedule, the following additional approval authorities apply to non-competitive procurements:

Procurement Value	Approval Authority
At or above the applicable open competitive procurement threshold and less than $500,000	CEO and an Officer of the Board
$500,000 or greater	Board