

# NONVIOLENT PEACEFORCE

## CORPORATE PARTNERSHIP POLICY

### September 2020 \_ v3

#### I. Introduction – Overall Approach

To be responsible, the private sector must enter into dialogue with its stakeholders and actively address the social, environmental, ethical and human rights impacts of their businesses, in alignment with internationally agreed standards and principles for responsible business such as the United Nations Guiding Principles on Business and Human Rights (UNGPs)<sup>1</sup> and the Organisation for Economic Co-operation and Development (OECD)<sup>2</sup>.

#### II. Purpose of the Policy

NP aims for a co-ordinated engagement approach in a world where partnerships and brand reputation are not limited by national geography. Therefore, this policy has been developed to support a global approach that will enable NP to take advantage of opportunities; mitigate risk and provide better global coordination of our corporate engagement activities.

These guidelines are intended to be used by all NP staff, Board members and volunteers involved in engagement decisions with the private sector, regardless of position or geography.

#### III. Minimum Standards of Engagement

Any engagement or potential partnership with corporations should be considered carefully and in line with NPs mission. NP should never enter a private sector engagement that will result in:

- Anticipated negative impact on our mission (from household and community to national and global levels).
- Unacceptable risk to our brand and/or reputation (not only sectors and companies at odds with NP's mission).
- Unacceptable financial risk.
- Unacceptable risk of low returns on investment of NP's time, energy and money.

In any relationship, NP's independence must be protected, retaining the right to disagree or publicly criticise companies with whom we engage. Where our relationship is formally documented or contracted, the Memorandum of Understanding/contract should contain a clause to this effect.

#### IV. Other Key Considerations

NP will not endorse any product(s) or provide guarantees or preferences for procuring a company's product(s). Nor will NP agree to wide-ranging exclusivity deals with any company, group of companies, or industry.

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<sup>1</sup> [http://www.ohchr.org/Documents/Publications/GuidingPrinciplesBusinessHR\\_EN.pdf](http://www.ohchr.org/Documents/Publications/GuidingPrinciplesBusinessHR_EN.pdf)

<sup>2</sup> <https://www.oecd.org/corporate/principles-corporate-governance.htm>

## V. Roles and Responsibilities

As stated in the “Gift Acceptance Policy”, gifts from and partnerships with corporations shall be reviewed and accepted by the Gift Acceptance Committee (GAC). Any NP office that seeks to engage with a business must perform a risk and value assessment (unless the partnership value is less than \$10,000 in total in which case this is not necessary). Only after completion and approval of this assessment should relationships be entered into if the benefit is seen to outweigh the risks.

Each NP office must use the same process to conduct corporate background check and ensure adequate decision-making and risk mitigation planning for private sector engagement.

## VI. Assessing the risk and value of a Private Sector Engagement Opportunity

To help assess and mitigate risk and provide better global coordination of our private sector engagement activities, NP has developed the following system which includes classification of potential partners, a decision-making flow chart and a range of engagement categories.

### 1. Classification of Industry Sectors/Companies

As a minimum, NP offices must conduct a background check to understand and document into which of the following broad categories the proposed corporate partner complies with.

#### **BLACK**

No engagement can be undertaken with sectors/companies directly engaged in:

- Arms or weapons manufacturing or sales.
- Pornography & prostitution.
- Intentional use of exploitative child labour or forced labour in production or sourcing processes.
- Selling pesticides outside the WHO 1A and 1B guidelines for pesticide retailing.<sup>3</sup>
- Fossil fuel companies (balancing potential to benefit low-income communities through partnership with negative impact of fossil fuels on climate change and poverty).
- Companies involved in alcohol production or sales.
- Companies involved in tobacco production or sales.

If the sector/company is assessed as Black, you must not proceed with any form of partnership.

#### **RED**

If the sector/company is assessed as Red, refer the case to the Gift Acceptance Committee, to consider the nature of the engagement, benefits vs. known reputation/conduct of the company and risk. Examples include (but are not necessarily limited to):

- Companies with Black category investments of more than 20% of their total investments or production<sup>4</sup>
- Sectors/companies involved in any other activity which might bring NP into disrepute if associated with it

#### **ORANGE**

Many potential engagements will be rated as Orange which indicates certain levels of risk and the requirement of a mitigation plan (including the public nature of the relationship) and close monitoring. Orange classification is for any engagement where there are potential benefits to NP’s mission, but some concerns in terms of possible risks. Examples include (but are not limited to):

- Companies involved in gambling.
- Companies with a reputation for poor or discriminatory employment practices (even if proposed benefit of potential engagement is to positively influence company behaviours and practices).

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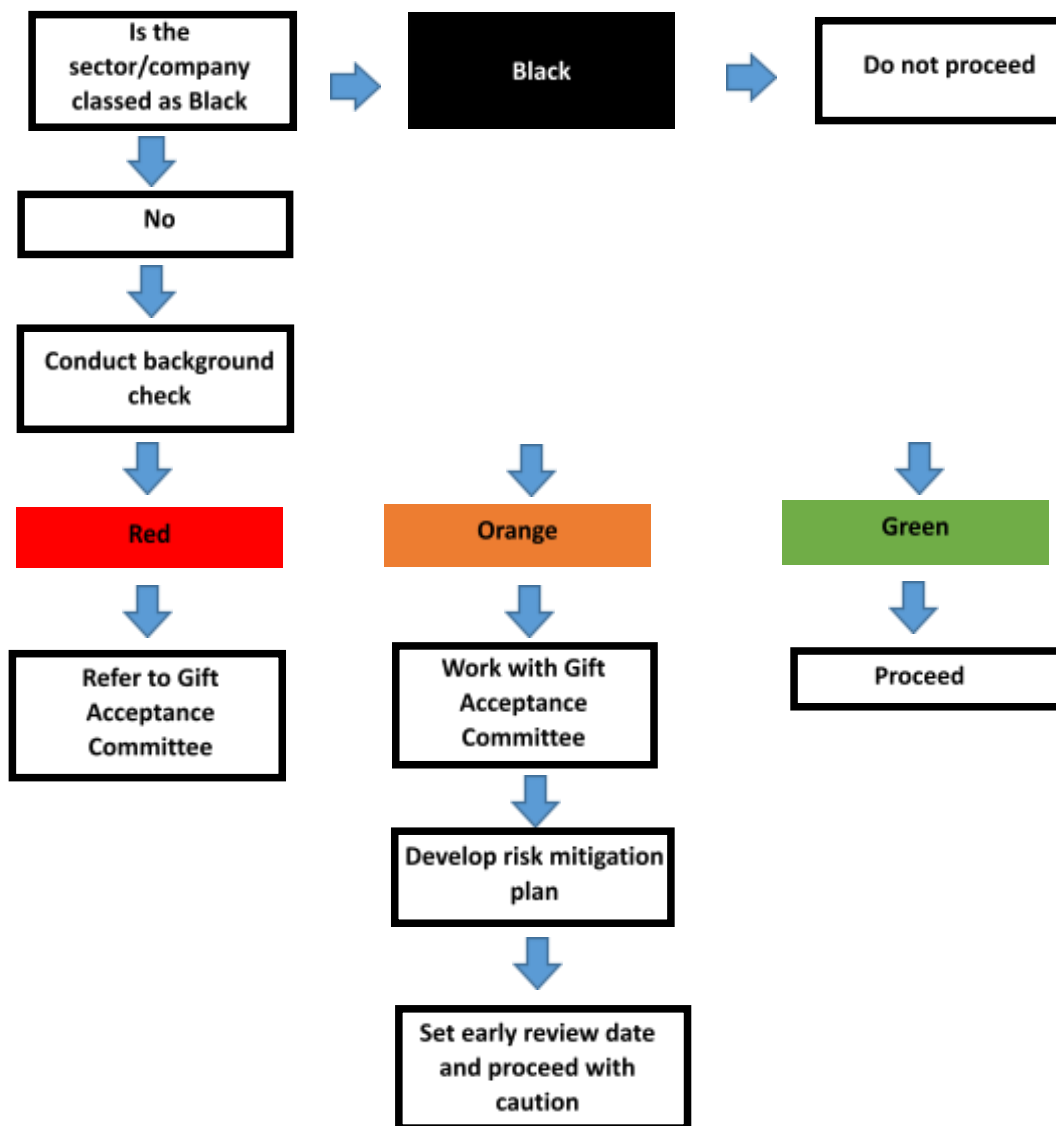
<sup>3</sup> [http://www.who.int/ipcs/publications/pesticides\\_hazard/en/](http://www.who.int/ipcs/publications/pesticides_hazard/en/)

<sup>4</sup> Where this is not clear – NP needs to assess this to the best of its ability.

## GREEN

The sector, the company and nature of the engagement are sufficiently low risk that NP can proceed to engagement after conducting a background check.

### 2. Risk Assessment Flow Chart



### 3. Types of Engagement

NP can engage in a wide range of relationships with sectors/companies, leading to different levels of risk. The following table has examples of such engagements, whilst not being exclusive.

TYPE OF ENGAGEMENT	RISK LEVEL *
Initial private conversations	Low
Public discussions	Medium
Joint programme work	High

Providing advice on a fee for service basis	Low to Medium
Accepting donations from a company Such as unrestricted funds or support for programmatic work or in-kind donations.	Under \$10,000 = low risk level Otherwise Medium to High
Accepting donations from company foundations <sup>5</sup> Such as unrestricted funds or support for programmatic work	Under \$10,000 = low risk level Otherwise Medium to High
Engaging with a company's employees such as payroll giving, challenge events, volunteering/pro bono etc.	Low
Cause-related marketing or consumer engagement	High
Sponsorship (i.e. events)	Medium
Research partnership	Low
Joint investment into social enterprises and accepting impact Investments	High
Joint advocacy campaigns	High

**\* The risk level always depends on the sector the company works in as well as the company itself (i.e. its reputation etc).**

#### 4. Background Check

A background check refers to the research and consultation necessary to make an informed decision about engaging with a company. This process needs to assess the potential risk for NP before proceeding with any engagement. It should look at a company's global footprint. A range of criteria determines the level of check required, including industry sector, corporate behaviour, public nature of engagement, length of engagement, closeness to core business, and level of funding.

NP should create a dialogue with the company about areas of concern. This enables gathering of information to assess the company's openness to NP's values and establishes the foundation for a strong, transparent engagement. This conversation should remain private and confidential until a decision is made on whether or not to proceed with engagement.

This same level of review will be given for high profile individuals or celebrities for whom their association with NP would be widely known and could enhance or damage NP's organization.

However, the background check should answer the following questions so that an appropriate, informed decision can be made. This should include:

- Does the corporation have an activity or practice that could reflect poorly on NP? If Company activities and alleged practices reflect poorly on NP or be counter to our mission and/or our agreed policy positions we should not enter a partnership.
- Is there a potential risk to NP's image and reputation by engaging with this company, if yes, in one or several countries? We need to protect NP's image and reputation with the public, our donors and existing

<sup>5</sup> Note that the status of corporate foundations varies in different jurisdictions with companies having greater or lesser control of funds. A background check therefore needs to take into account the legal and actual level of independence of the foundation from the company in order to determine the risk.

partners from negative publicity and risk about the company or allegations of harmful business practice. This could not only harm our image but also our programming if donors stop supporting NP.

- Has the corporation enough money to engage in this partnership? It is important to check financial resources of the corporate partner to cover sustainably the costs associated with the partnership.
- Is the benefit big enough for NP? An unacceptable risk of low returns on investment of NP's time, energy and resource could harm NP.

NP should carry out a light-touch review and refresh background check for existing engagements on at least an annual basis, but this should also be triggered after a significant negative publicity incident and prior to expansion of the engagement. The Gift Acceptance Committee should be kept up to date through a refreshed version of a background check.

## **VII. Use of NP Name and Logo**

Any engagement in which a company seeks to use NPE's logo externally requires extra scrutiny. NP's brand and logo have a monetary value and should not be under-sold. It is therefore critically important to have a licensing agreement in place which protects and prescribes the use of the marks. NP should seek legal guidance before establishing a licensing agreement with a corporation for NP name & logo.

## **VIII. Risk Mitigation Planning**

NP should review and refresh a background check for existing engagements on at least an annual basis. If it identifies any level of material risk (note that even for sectors/companies classified as Green there may be some level of potential risk), NP must make appropriate risk mitigation plans in advance of proceeding with the engagement. Examples of risk mitigation plans include a Q&A document that explains the rationale for the engagement, talking points for senior leadership, and metrics for the on-going engagement.

## **IX. Governance and Accountability**

The Gift Acceptance Committee will report on any decisions it makes and the rationale behind them to the NP offices on a regular basis. In the spirit of transparency, it is strongly recommended that an overview of NP's partnerships and partnership policy should be published on the NP website and in annual reviews.

## **X. For Further Information Please Contact**

Director of U.S. Office: Marna Anderson NP USA ([manderson@nonviolentpeaceforce.org](mailto:manderson@nonviolentpeaceforce.org))

Director of Organisational Advancement: Anna Zaros NP USA ([azaros@nonviolentpeaceforce.org](mailto:azaros@nonviolentpeaceforce.org))

NP/ma/kb  
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