

PEAS Ethical Fundraising Policy

Intent – what the policy is

This policy outlines PEAS' starting point for ethical fundraising in compliance with PEAS Global Policies such as our Policy on Criminal Practices and Whistle-blowing, Risk Management, Adult Safeguarding, Child Protection, Conflict of Interest, Anti-corruption and Anti-terrorism PEAS believes that the practices covered in these policies are not only practices where we have a legal duty to dissociate ourselves, but also ones that undermine the prospects for achieving a world where all children enjoy an education that unlocks their full potential.

Our Policy on Ethical Fundraising considers any further limits on our fundraising activity from this perspective and identifies circumstances where we would not wish to accept funds even if compatible with PEAS' Global Policies. It applies to fundraising from the private sector – specifically from the corporate sector; high-net worth individuals; and trusts and foundation

Finally, this Policy describes our decision-making processes where judgement needs to be exercised in the decision on whether to accept funds/engage with a particular entity. Ultimate authority is vested in GST chaired by the CEO. The CEO will escalate this to the Board if required. PEAS reserves the right to refuse donations or terminate partnerships where the activities, the individual or organisation conflict with our mission.

All due diligence should be undertaken on funders giving more than £5,000. Due diligence should be logged on the Go/No Go Checklist (see appendix 3) and saved on SharePoint in the funder folder

1. The Corporate Sector

This section sets out a global ethical policy on who PEAS will and will not partner with in the corporate sector and sets out the process for decision-making on how such partnerships are developed and agreed. It aims to ensure that corporate partnerships are managed consistently, to avoid partnerships with companies that do not share our values and to maximise benefit and minimise risks to PEAS and the communities it supports. The procedure on employee fundraising activities is also included.

1.1 Strategy – how we will work and partnership criteria

PEAS will adopt a 'pro-active and selective approach' to corporate sector partnership, targeting businesses and industries that have the potential to deliver impact in the countries and sectors in which we operate.

PEAS has an ambition to engage with business as a key strategic international partner to achieve shared development goals in the following ways:

- As funding partners
- Through the provision of pro-bono support
- As providers of services or equipment (procurement relationships)
- Through employee fundraising schemes
- To raise PEAS' profile with target audiences and in the areas in which we operate
- As programme implementation partners
- By promoting responsible business behaviour and practices

In all cases decisions about whether to partner, and the type of partnership, will be informed by the following criteria:

- The company's commitment to corporate social responsibility
- What the impact of the relationship is likely to be on PEAS ability to deliver on its Mission; including the impact for our brand and reputation in the eyes of the general public, our supporters and the people and partners we work with
- Whether the relationship can be seen to uphold PEAS' values
- Whether due diligence processes satisfy PEAS that the company applies principles of transparency and good governance in its commercial operations.

1.2 Sectors and business practices

Exclusion

PEAS will not, in any circumstances, work with the arms, gambling or pornography industries.

Where a company, which would otherwise meet PEAS' partnership criteria, is a subsidiary of a conglomerate whose core business falls into these categories, that subsidiary shall be treated with extreme caution.

This exclusion does not extend to a company which during normal business either has an investment portfolio that includes investments in these sectors or provides services (e.g., banking, insurance etc) to these sectors. Where a company chooses to focus its investment and/or service provision on these sectors, it will be treated with extreme caution.

Extreme caution

PEAS will treat with extreme caution:

- subsidiaries meeting our partnership criteria but where the parent conglomerate derives more than 10 percent of their turnover through subsidiaries whose core business is directly associated with the arms, gambling or pornography industry.
- any company whose core business is directly involved in the tobacco or extractive industries (including oil, gas, and mining); or could be harmful to the communities in which PEAS operates.
- companies not directly associated (as conglomerate or subsidiary) with the arms, gambling pornography, tobacco, or extractive industries but which choose to focus their investment and/or service provision on one or more of these sectors.

In these cases, more extensive due diligence will be undertaken and more challenging commitments to change will be required from the company in question as part of the partnership agreement.

1.3 Due diligence and decision-making responsibilities

PEAS will conduct due diligence on all companies we have, or plan to have, a partnership with. See appendix 2 for tools and areas to be covered in this due diligence process.

PEAS' GST holds automatic and ultimate decision-making responsibility for potential partnerships valued at either £500k and above or with organisations that fall within the Extreme Caution category.

For national companies (i.e., operating, and present in one country only)

- The PEAS business unit (either Country Office or PEAS UK) proposing the partnership is responsible for conducting the due diligence process. The due diligence process, which is in addition to the procedure set out in PEAS' Criminal Practices Policy is:
 - Independent screening where possible using the resources mentioned in Appendix 2
 - Desk review using the company's website, national and regional news sources, and other relevant resources such as those provided in Appendix 2
 - Consultation with key stakeholders
- Where the company proposed for partnerships falls outside of the Exclusion and Extreme Caution categories and is valued at less than £100k, decision-making responsibility sits with the most senior representative of that business unit (e.g., Country Director), in consultation with:
 - Key stakeholders such as local partners and communities
 - Line management
 - Head of Partnerships
- The decision should be based on the information gathered through the due diligence process and made in the context of the criteria set out in section 1.2.
- Should there be disagreement or challenge over this decision, a proposal for partnership, together with a report based on the due diligence and a strong rationale for the challenge can be presented for consideration by GST.

For multi-national companies (i.e., present across a region or globally)

- PEAS UK is responsible for conducting the due diligence process, having established that there is no pre-existing relationship between the proposed partner and PEAS. The due diligence process, which is in addition to the procedure set out in PEAS' Criminal Practices Policy, for international companies is:
 - Independent screening where possible using the resources mentioned in Appendix 2
 - Desk review using the company's website, national and regional news sources, and other relevant resources such as those provided in Appendix 2
 - Consultation with key stakeholders, including local partners and communities, relevant Country Teams, line management, Head of Partnerships
- Where the company proposed for partnerships falls outside of the Exclusion and Extreme Caution categories and is valued at less than £500k, decision-making responsibility sits with:
 - Head of Partnerships
- The decision should be based on the information gathered through the due diligence process and made in the context of the criteria set out in section 1.2.
- Should there be disagreement or challenge over this decision, a proposal for partnership, together with a report based on the due diligence, and a strong rationale for the challenge can be presented to GST.

1.4 Employee fundraising

PEAS recognises that corporate sector employees may wish to fundraise for our work even if there is not a partnership in place between our two organisations. PEAS will accept funds raised through such activities but will not endorse, support, or accept matched funding from those companies set out in the Exclusion list. This will also apply to employee fundraising activities with companies set out in the Extreme Caution list when there is not a partnership in place.

2. High Net Worth Individuals

In accepting gifts from high-net-worth Individuals PEAS needs to consider:

- compliance with PEAS' Policy on Criminal Practices and Whistleblowing; and
- any reputational risks – specifically what the impact of the gift is likely to be for the ability of PEAS to deliver on its mission; including the impact for our brand and reputation in the eyes of the general public, our supporters and the people and partners we work with.

Research will be conducted on every prospective high net worth individual. PEAS will consider whether, should a donation become known, it would result in the following:

- undue adverse publicity.
- undue negative impact on the opinion of supporters and volunteers which is judged likely to negatively impact levels of support.
- undue negative impact on beneficiaries and their opinion of PEAS.
- reduced likelihood of donations from other sources.

In addition, the following questions will be considered:

- are conditions too onerous or counter to PEAS' objectives?
- is there a risk of the donation compromising PEAS' integrity/freedom?

Should research reveal a potential for reputational risk to PEAS in the association, the case will be referred to GST. Clear sign off procedures will be developed with final judgement on sensitive or contentious donations sitting with the CEO. The CEO will escalate this to the Board if required.

3. Trusts and Foundations

PEAS includes trusts and foundations within the Ethical Policy, making the distinction between corporate foundations where there are links at governance and management level with companies, and private foundations where there are no links with a company at governance or management level.

3.1 Corporate foundations

For corporate foundations, PEAS will verify the independence of the foundation from the company. If there are clear links at a governance or management level, foundation screening should be undertaken according to the ethics of the company and using similar tools as set out in the corporate engagement section above.

For those corporate foundations that are independent of the company, PEAS adopts procedures identical to those for private foundations, set out below.

3.2 Private foundations

Private foundations can be defined as trusts and foundations that do not have formal corporate or statutory affiliation. They may be established by individuals or families.

In accepting gifts from private foundations, PEAS will consider:

- compliance with PEAS' Policy on Criminal Practices and Whistleblowing.
- any reputational risks – specifically what the impact of the relationship is likely to be for the ability of PEAS to deliver on its mission; including the impact on our brand and reputation in the eyes of the general public, our supporters and the people and partners we work with.

Research will be conducted on every prospective foundation. Reputational risk around accepting donations or grants from foundations will be considered in the same way and according to the same criteria that will be used for high-net-worth individuals, namely consideration of whether, should a donation become known, it would result in the following:

- undue adverse publicity.
- undue negative impact on the opinion of supporters and volunteers which is judged likely to negatively impact levels of support.
- undue negative impact on beneficiaries and their opinion of PEAS.
- reduced likelihood of donations from other sources.

In addition, the following questions will be considered:

- are conditions too onerous or counter to PEAS' objectives?
- is there a risk of the donation compromising PEAS' integrity/freedom?

Should research reveal a potential for reputational risk to PEAS in the association, the case will be referred to GST for assessment. Clear sign off procedures will be developed with final judgement on sensitive or contentious donations sitting with the CEO. The CEO will escalate this to the Board if required.

Appendix 1 – Due Diligence Process and Tools

1. Corporate sector due diligence process and tools

PEAS will conduct due diligence on all companies we have, or plan to have, a partnership with.

In the first instance, this will involve ensuring compliance with PEAS Criminal Practices and Whistleblowing policy.

In addition, PEAS recognises the set of set of ten core values in the areas of human rights, labour standards, the environment and anti-corruption that the [UN Global Compact](#) asks companies to embrace, support and enact, within their sphere of influence. Employing the resources and tools below, PEAS will use available information and perceptions of key stakeholders to satisfy itself that the business in question:

- supports and respects the protection of internationally proclaimed human rights and is not complicit in human rights abuses.
- upholds freedom of association and the effective recognition of the right to collective bargaining.
- does not engage in discrimination in respect of employment and occupation; supports a precautionary approach to environmental challenges.
- undertakes initiatives to promote greater environmental responsibility.
- where relevant, encourages the development and diffusion of environmentally friendly technologies.
- does not engage in unethical marketing practices aimed at exploiting developing country markets (e.g., alcohol, some drugs)
- works against corruption in all its forms, including extortion and bribery

In the case of companies that fall within the Extreme Caution category, additional checks should be undertaken to explore reputational risk and potential impact on PEAS' relationship with other key stakeholders.

The following are useful sources of free information:

- [Corporate Human Rights Benchmark](#) - Measures 230 global companies on their human rights performance
- [System for Award Management \(SAM\)](#) – US Government systems which lists companies and individuals that the US government suspects have acted in an unethical manner
- Companies House – useful source for financial information for UK companies
- Wikipedia – useful for reputational risk and highlighting negative media coverage
- Google news articles – useful for reputational risk and highlighting negative media coverage

2. High-net-worth individuals' due diligence process and tools

If, while researching a high net worth individual, potential for reputational risk is identified, PEAS will use the following free resources to conduct further research:

- [System for Award Management \(SAM\)](#) – US Government systems which lists companies and individuals that the US government suspects have acted in an unethical manner
- Companies House – useful source for financial information individuals linked to companies in the UK
- Wikipedia – useful for reputational risk and highlighting negative media coverage
- Google news articles – useful for reputational risk and highlighting negative media coverage

If additional research is deemed necessary, we will undertake further research using the paid for service below. Use of the service needs to be approved by Head of Partnerships.

- [Factory](#)

3. Trusts and foundations due diligence process and tools

Where corporate foundations have a clear governance and/or management link to a company PEAS will employ similar due process and tools as will be employed for corporate screening.

For private, family, or independent foundations, and if, during the course of researching the foundation, potential for reputational risk is identified; PEAS will use the following free resources to conduct further research:

- [Charity Commission](#) to confirm charitable registration (UK based Foundations only)
- Wikipedia – useful for reputational risk and highlighting negative media coverage
- Google news articles – useful for reputational risk and highlighting negative media coverage
- US and European Foundation networks and directories where they exist
- NGO trust funding networks where appropriate

If additional research is deemed necessary, we will undertake further research using the paid for service below. Use of the service needs to be approved by Head of Partnerships.

- [Factory](#)

Appendix 2 - Guidance on Anonymous Donations

On occasion PEAS may have a funder who wishes to remain anonymous. In these instances, it is important that key people within PEAS are aware of, and comfortable with, the origin of the funds.

PEAS adheres to The Charity Commissions 'Know your Donor' principles which can be found in ['Protecting Charities from Harm Compliance Toolkit'](#). These guidelines are designed to help organisations know how they can be assured of the provenance of the funds and know that people and organisations they work with.

The guidance below relates to donations of £5,000 or higher.

The 'Know your donor' principle does not mean organisations cannot accept anonymous donations. It is perfectly acceptable providing organisations look out for suspicious circumstances and put adequate safeguards in place. It is not an organisations responsibility to work out if a donation is illegal or if it is being asked to use a donation for illegal purposes. However, the organisation should carry out good due diligence and report concerns and suspicious activities.

Even with anonymous donations, there is usually some indication of who/where the donation came from. In this instance, these are the following steps that should be taken.

- 1) Inform the funder who will know about the donation (internal only) and how information regarding the donor and donation will be stored. This is usually a maximum of four people such as the CEO, Head of Partnerships, Chief Operations Officer and Country Director. The folder, in which soft copies of documents relating to the donation are saved, is marked as 'Anonymous' and access is restricted to people agreed in advance with the funder.
- 2) Inform the funder that some top line research would be carried out to confirm the provenance of the donation in line with Charity Commission guidelines. This due diligence will be the same procedure outlined above.
- 3) If there is a red flag during the due diligence process, it should be immediately escalated to the Head of Partnerships and/or CEO for decision making. The CEO will escalate this to the Board if required. It is not necessary to the share the name, so the funder can remain unidentifiable.
- 4) Ultimately it is the CEO and Board who will make the decision on whether to accept the final donation

Sometimes, third parties can make donations on behalf of a funder who wishes to remain anonymous. In this instance, the following steps to take are:

- 1) Carry out due diligence on the third-party. If the third party is reputable or allows staff or Directors to know the name of the funder with the proviso that this is not made public, it is highly unlikely that the donation will be from an unethical source.
- 2) Send a letter to the third party to confirm the provenance of the donation e.g. *Before we can accept this donation, can you confirm to the best of your knowledge that this donation is not associated with 1) money laundering 2) crime 3) terrorism 4) pornography etc.* – This information can be found in the ['Protecting Charities from Harm Compliance Toolkit'](#).

Appendix 3 - PEAS Go/No Go Checklist

Part 1 – Factual Information

Title and/or description of project	
Source of information	
Funder	
Application date	
Country	
Brief description of project	
Amount of funding available	
Duration and timings of the project	
Other information	

In parts 2-4 please add brief details to the table where you think it will assist in making a Go/ No Go decision.

Part 2 – Compatibility with PEAS’ aims and objectives and ways of working

The aim of this Part 2 is to check that the project is a suitable one for PEAS to undertake. Please add brief details in each section to aid decision making.

		Yes/No?
2.1	Does this project fit within PEAS’ Business Plan and/or have a good fit with the general theme of our work?	
2.2	Does it have a strategic fit with “the PEAS brand”?	
2.5	Is there any other good reason why taking on this project would be to PEAS’ advantage? <i>(If so, give brief details)</i>	

If the answer to one or more of these questions is ‘No’, the project should not be considered any further. Otherwise proceed to Part 3.

Part 3 – The Value of the Project.

The aim of Part 3 is to establish whether the project is sufficiently attractive in financial terms to make the application worthwhile.

		Yes/No
3.1	Is the (financial) value of the available funding significant enough to make an application worthwhile?	
3.2	Is the value enough to be attractive compared with the likely complexity of the application process?	
3.3	Will the funding be of sufficient duration to achieve a meaningful result?	
3.4	What type of contract is it? Payment by results, milestone payments, fee-based or cost-recoverable? Are there any terms and conditions we should be aware of?	
3.5	Are payments from the funder structured so that we would not have an adverse cash flow?	
3.6	Would we value having a relationship with this funder?	
3.7	Are we likely to have a fair and reasonable chance of being successful in our bid?	
3.8	Are there other 'value' considerations that make this an attractive project? (e.g., reputation, future funding, referrals etc). <i>(If so, give brief details)</i>	

If the answer to three or more of these questions is 'No', the project should not be considered any further. Otherwise proceed to Part 4.

Part 4 – The Risks in the Project

The aim of Part 4 is to establish that there are no risks inherent in the project that make it unattractive. Have we the experience and resources to do what the funder expects us to do?

		Yes/No
4.1	If we have worked with this funder before, was the relationship satisfactory? If we have not worked with this funder before, do they have a reasonable reputation and a good track record? Please details	
4.2	Do we have sufficient time and resources to submit a high-quality application? From funding team and other contributors	
4.3	If we expect to be working with partners to implement the project, do we expect to be able to identify them in time to submit a joint application?	
4.4	Will the PEAS' teams that would be involved in implementing the project have the necessary resources available i.e., they are not already fully committed?	
4.5	Can we realistically expect to be able to achieve the required outputs within the defined timescale?	

4.6	Can we manage the requirements for reporting, monitoring and evaluation?	
4.7	Are we confident that the project (and the parties involved) will pose no risks to our reputation or our ethical methods of operation?	
If we are a 'sub-grantee' (not directly working for the funder but for a third party that dispenses the funder's money)		
4.8	If we have worked with this organisation before, was the relationship satisfactory? If we have not worked with them before, do they have a reasonable reputation and a good track record?	
4.9	Do we have reasonable control over the application process?	

If the answer to question 4.2 or 4.4 is 'No', do not proceed with the application.

If there are two or more answers of 'No' to the other questions, do not proceed with the application.

Part 5 - Additional Information

Please add any additional information that would be helpful to aid the Go/No Go decision.

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Part 6 – Questions for GST

Please add any questions for GST that need answering/approving before PEAS can proceed with the application/partnership