

Ethical giving policy

1. What this policy does

The following policy outlines:

- which organisations and individuals from whom RCEM would consider accepting monetary sponsorship, donations or partnerships that provide financial support.
- and non-financial reciprocal arrangements that RCEM would consider entering into.
- the process for deciding and managing the above

2. Why this policy is needed

This policy is designed to protect RCEM's reputation, ensure that all partnerships and sponsorship agreements are aligned to the College's own values, and ensure RCEM retains its independent voice as a leading expert in the sector.

This policy is vital as a number of major charities, including higher education bodies, have been very widely and publicly criticised for accepting support from individuals or organisations considered to be inappropriate (for example Shell's support of the Natural History Museum, or the Gaddafi family support of the London School of Economics). This is increasingly leading to reputational damage as well as directly to financial loss, with other supporters withdrawing their backing and the organisations often forced to return the original donation/sponsorship or cease the partnership.

At the same time, partnerships and financial support form a vital part of any charity's funding and operational mix. The right framework can help a charity to access the 'best of both worlds' by achieving the right balance between ethical and financially sustainable practice.

3. Who this policy applies to

Although this policy has arisen in response to recent discussions and common fundraising issues relating to support from the private sector it is not limited to the private sector (including companies, High Net Worth Individuals – their personal and/or business activities, trusts and foundations – whether based on their current activities or the original source of their investments), and may include partnerships, donations or sponsorships from other sectors.

It could also apply to a legacy pledged or received from a donor, especially where the legator is expecting the legacy to be restricted to a particular area of work.

Principles of Practice

Organisations and individuals from whom *we will not accept any partnership, money or legacy in any circumstances:*

- Those in or directly benefiting from the tobacco industry
- Those in or directly benefiting from the alcohol industry

- Those in or directly benefiting from fast-food brands
- Those whose public reputation has been damaged significantly that association with it would impact RCEM negatively, e.g.:
 - makers of OxyContin (drug scandal), their founding family (the Sacklers) or their charitable trusts (e.g. the Sackler Trust);
 - companies suspected of money laundering/unclear source of money (can in particular include some international sources);
 - companies apparently connected to war and/or terrorism;
 - oil companies;
 - payday loan companies;
 - betting companies;
 - brands associated with child labour;
 - brands associated with the sex industry;
 - organisations that do not align with the mission, vision and values of RCEM.

The above list and criteria will be revisited annually by the Engagement and External Affairs directorate and reviewed by the College Executive Committee to ensure this list remains relevant.

4. How we will apply this policy

All potential donors or supporters will be subject to an appropriate management review. This review will consider:

- Whether they meet our criteria above and are acceptable to work with
- Whether any other concerns arise relating to ethics, reputational issues or other conflicts

The methods to establish the above will include, but not necessarily be limited to:

- General internet searches
- Examination of organisation/company accounts / Companies House and annual reports
- Consultation of professional networks
- Sensitive enquiries directly of the party concerned, where appropriate – which include requests to review their existing policies e.g. modern day slavery policies

The outcome of the above research will be recorded by the CEO or nominated Deputy and shared with the Corporate Governance Committee annually.

Should the research raise any questions or be inconclusive then advice may be sought from the Executive and Corporate Governance Committees.

All potential supporters giving over £50,000 within a 12 month period, whether meeting the above criteria or not, will be subject to appropriate review and due diligence by Corporate Governance Committee who will make appropriate recommendations to the Trustee Board as to whether or not to accept the funding.

5. How we will manage partnerships and supporters

Once it has been decided that RCEM may in principle accept a gift, grant or sponsorship from the relevant parties, the appropriate terms (including boundaries around decision making, use of logo and brand, termination clauses, etc) will be negotiated, agreed and managed through one of the following:

- Companies: <https://rcem.ac.uk/marketing-sponsorship-opportunities/> or <https://rcem.ac.uk/friends-of-rcem/>
- Individuals over £5k: Gift agreement – *to be prepared as required*

- Legacies: <https://rcem.ac.uk/support-rcem/#legacies>
- Trusts and Foundations: Grant agreement – usually supplied by the supporter
- Bespoke partnership agreement

Corporate Governance Committee to annually receive a list of all current sponsors/donors and summary of funding commitments and activities.

Appendix - Decision making flow chart:

