GUIDELINES ON ETHICAL ENGAGEMENT WITH FOR-PROFIT ENTERPRISES

1. Overview

Eradicating poverty requires commitment and resources of government, civil society and business. Business undeniably has an impact on both local and global communities, and multi-national for-profit enterprises can have significant influence in global debates of relevant to AOP's mission.

For-profit enterprises can provide valuable financial support for AOP's global activities, contribute advice and technical expertise to the organisation, and act as program partners. Based on over 50 years of international development experience, AOP can provide advice and expertise to for-profit enterprises on how they can improve their business practices for the benefit of their employees, local communities and, ultimately, their shareholders.

AOP's engagement with the for-profit sector may include:

- Receiving donations from corporates or their trusts/foundations
- Workplace giving programs, including matched giving
- Advising on Corporate Social Responsibility (CSR)
- Fee-for-service or consultancy arrangements
- Cause-related marketing
- Contributions in-kind
- Licencing
- Marketing
- Event sponsorship

At times, AOP may advocate for improvements in corporate practice with individual companies or industries to address inequities in the developing world.

AOP's policy is to only enter into corporate partnerships with the end goal of building a world where all people live in dignity and security. AOP will partner with for-profit enterprises concerned about the impact of their business on local communities, as well as those for-profit enterprises that demonstrate openness to changing potentially harmful business practices or improving the overall social impact of their operations. We will develop partnerships which allow us to achieve our mission while also protecting the quality of our work in the field.

2. Decision-Making Checklist

The following guidelines are intended to apply as the minimum standard for engaging with the corporate sector for program, marketing and/or advocacy purposes.

If you answer no to any of the following, the partnership should be referred to the Senior Leadership Team for review.

GUIDING PRINCIPLES		
Question	**Guidance**	**Yes/No**
Will the relationship enhance AOP's ability to achieve its mission?		Yes ☐ No ☐
Does the for-profit enterprise have a history of open dialogue with NGOs and a stated commitment to corporate	Where such a history cannot adequately be demonstrated, AOP may still engage with a corporation	Yes ☐ No ☐

social responsibility that is borne out in its business practices?	that clearly intends to build such positive practices.	
Will the partnership be based on transparency and mutual benefit?	All costs for implementing and sustaining the partnership, including staff time, but be covered by the corporate.	Yes ☐ No ☐
Is the corporate partner willing to build a sustainable and long-term relationship?		Yes ☐ No ☐
Does the corporate want AOP to endorse a product(s)?	AOP will not endorse the company's product and provides no guarantee or preferences for procuring a company's product(s)	Yes ☐ No ☐
Will these guiding principles be shared with corporate partners, as appropriate?		Yes ☐ No ☐

INDUSTRIES WITH WHICH AOP WILL NOT ENGAGE

AOP will not engage with industries where the product produced, or service offered, is antithetical to our vision of a world where all people live in dignity and security. However, AOP may engage with industries seeking to improve their products or services to address their impact on underprivileged communities.

AOP will not engage with enterprises that engage in harmful practices such as child exploitation material, drugs, tobacco, and weapons.

Question	Yes/No
The for-profit enterprise's material business manufactures and/or distributes weapons.	Yes ☐ No ☐
The for-profit enterprise produces and/or distributes pornography.	Yes ☐ No ☐
The for-profit enterprise produces and/or distributes illicit substances or tobacco products.	Yes ☐ No ☐

FEE-FOR-SERVICE OR CONSULTING ARRANGEMENTS

On occasion, AOP may engage for-profit enterprises on a consultancy basis if it assists local communities. For example, AOP may assist a corporate that is developing programs addressing HIV/AIDS in the workplace.

Question	Yes/No
Does the partnership demonstrate real potential for improving the lives of those we serve?	Yes ☐ No ☐
Is there a clear commitment to achieving socially responsible and sustainable business practices?	Yes ☐ No ☐

CONVERSATIONS WITH MULTI-NATIONAL FOR-PROFIT ENTERPRISES

AOP expects mutual transparency, open dialogue and meaningful engagement with corporates. The following questions may be posed to the corporate to gauge their commitment to CSR.

Question	Yes/No

Does the company have policies dedicated to ensuring corporate social responsibility and are staff members actively engaged in their implementation?	Yes ☐ No ☐
Are policies consistently followed in business activities?	Yes ☐ No ☐
Does the company monitor and meet the challenges of implementing such policies?	Yes ☐ No ☐
How the company engage with NGOs and the broader community?	Yes ☐ No ☐
Does a parent company directly control the business activities of local subsidiaries?	Yes ☐ No ☐
Is the company obliged to uphold and report on adherence to corporate social responsibility policies?	Yes ☐ No ☐

DUE DILIGENCE AND RISK ASSESSMENT

AOP seeks to balance adequate due diligence and risk management with speed and flexibility to build effective relationships with partners. Risk assessment is based on the potential impact and opportunity for AOP as a whole. (AOP's Risk Assessment Policy is available for further guidance.)

Question	Yes/No
There is no potential risk to AOP's image and reputation with the broader public, our donors and existing partners based on negative publicity about the corporation or current allegations of harmful business practice.	Yes ☐ No ☐
No company activities and alleged activities are being carried out which may reflect poorly on AOP or be explicitly counter to our mission of ending poverty (e.g. allegations of illegal labour practices). This includes risks that may be outside of a corporation's control but still have a harmful impact on poor and marginalised communities	Yes ☐ No ☐
Can the corporate partner commit financially to a sustainable partnership and sustain costs associated with the partnership?	Yes ☐ No ☐
Is there a conflict of interest for either AOP or its for-profit partner when considering possible partnership or collaboration?	Yes ☐ No ☐

CONTRACTS

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Question	Guidance	Yes/No
Is AOP required to sign an agreement to work with the for-profit enterprise?	AOP will seek advice from the Senior Leadership Team prior to the formulation of any agreements with for-profit enterprises.	Yes ☐ No ☐

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