

# CDUK Business & Industry Engagement Policy



## Vision

CDUK – Compassion Direct UK sees a future in which business makes a net positive contribution to the well-being of society and the planet, benefiting both the recipients of assistance and the business organization.

## Strategy

To achieve this, CDUK will engage in challenging and innovative partnerships with business to drive change and generate income.

## Business Sustainability

Business and industry groups are increasingly recognizing their responsibilities to society and the environment. For example, former HSBC Chairman Sir John Bond said, "companies as well as individuals have a responsibility for the stewardship of this planet, which we hold in trust for the future".

CDUK also believes that it is the health of our natural world and the education and development of our children that determines the health of our economy and in turn that it is the activities within our economy, in particular business, that determines the health of our planet. There is an essential link between education, development, the environment and the economy and business competitiveness must encompass developmental educational, financial and environmental costs.

In an increasingly carbon and natural resource-constrained world, developmental, educational, & environmental leadership will be a key differentiator. Investors, consumers and policy makers are driving greener production of goods and services for a healthy and well educated population and so those companies that choose to set the agenda rather than be led by it, will gain the edge on their competitors via a more committed staff team, taxation reductions and enhanced marketing opportunities.

## Working with business and industry

CDUKs approach to business is constructive, collaborative and challenging as we are convinced that the business community offers one of the most effective routes to finding sustainable solutions to the world's pressing developmental & environmental challenges. We believe our vision can be achieved to maximum effect by working in partnership with business and by harnessing the influence,

expertise, and financial support of companies committed to developmental & sustainable business practices.

CDUK will enter into partnership if the engagement provides a 'strategic fit' to CDUK's key objectives and if we are convinced there is real commitment to progress, which is both 'monitorable' and 'communicable'.

CDUK will set clear and measurable objectives to provide a framework for corporate developmental & environmental improvement as part of the decision making process for agreeing a new engagement.

CDUK reserves the right to criticize a company's behaviour where there is disagreement and to challenge a company that fails to meet the pre-agreed engagement targets. We also reserve the right to withdraw from any relationship at the CDUK Chairman's discretion in the event of unresolved disagreements, if we believe that the relationship will compromise the attainment of the original objectives with that company.

CDUK will exclude investing in or taking money from companies whose core business is: -

- Armaments (offensive armaments and weapons systems)
- Tobacco
- Trade in *CITES Appendix 1* listed flora and/or fauna
- Animal testing for cosmetic or other non-medical products
- Medical testing on endangered species
- Nuclear power

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

## **Extreme Caution**

Extreme caution is applied where investing in or taking money from companies might result in an overall conflict of interests, offend our supporters and partners, and damage CDUK's brand and reputation.

Trustees have to strike a balance between managing brand risks and fulfilling our obligations to maximize charitable income.

*Ros Grant – Chairman of Trustees Compassion Direct UK*

*Wednesday, April 20, 2011*