



Himalayan Trust UK Commercial Relationship Policy

The Himalayan Trust UK (“HTUK”) has a long history of working for the betterment of lives in the mountain regions of Nepal. The reputation of HTUK and the legacy of the work first established by Sir Edmund Hillary, which we continue today, is of the utmost importance to us. This policy sets out the principles under which HTUK may enter commercial partnerships thereby protecting our brand and our values.

A commercial partnership is one where a party (the “partner”) seeks to enter a relationship with HTUK and in return HTUK may allow use of its name and/or logo as well as a description of our work. A partner is a person (be it an individual or a business) who:

- Carries on for profit a business that is not a fundraising business.
- In the course of that business, engages in any promotional venture representing that charitable contributions will be given to, or applied for, the benefit of a specific charity.

Typically, in our case, the benefit to us is that the partner will undertake to supply some form of service or benefit which may be financially advantageous to HTUK. This could be in the form of services or goods. For example, a percentage of profits from the sales of goods by the partner may be stated as being for the benefit of HTUK e.g. Christmas cards with the HTUK logo. From the partner’s perspective it is important that their customers are properly informed of the relationship. From our perspective HTUK welcomes the opportunities provided by working with a range of external organisations and individuals to achieve shared objectives that align with those of HTUK, and believe that working together with companies is one of the ways in which we can better achieve our aims. It is vital that we maintain our independence and do not allow any corporate partnership to bring the name of HTUK into disrepute.

It is a requirement in law¹ that charities undertake due diligence before engaging in a partnership and must ensure that there are no conflicts of interest relating to the partnership and that entering the partnership is in the best interests of HTUK. As a principle, all charities should be careful to ensure that they avoid associating with a company that engages in unethical practices, criminal or other activities that are harmful to the charity’s values or purposes.

¹ The Charitable Institutions (Fund-Raising) Regulations 1994
<https://www.legislation.gov.uk/uksi/1994/3024/made>

Issues that HTUK will need to consider include as part of the risk assessment prior to entering into a relationship will include:

- Use of logo and name and whether there is any potential detriment to HTUK by usage.
- The commercial credentials and history of the partner with whom we may enter an agreement and assurance that there is no contradiction in the values or aims of HTUK and the partner.
- Is the potential partner financially sound?
- Is there a history of charitable support within the partner and if so, was it successful?
- What are the partner's motives for giving? Will the relationship enhance or damage HTUK's brand?
- Are there any conflicts of interest?
- The duration of the agreement and provisions for termination by either party.

HTUK will not consider a partnership with any organisation or company whose core business is deemed to conflict with our own.

Prior to HTUK entering into a partnership agreement any Trustee having discussions with a potential partner shall notify the Chair, the Governance Trustee, and the Treasurer. The Chair, Governance Trustee and Treasurer shall advise on the steps to be taken before entering into an agreement but shall typically include no less than the matters contained in the Appendix below. Any decision on such an agreement will be reported to the Board of Trustees at the next meeting of Trustees and a record maintained in the Minutes.

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Appendix

An agreement or memorandum of understanding shall contain as a minimum:

- (a) the name and address of each of the parties to the agreement;
- (b) the date on which the agreement was signed by or on behalf of each of those parties;
- (c) the period for which the agreement is to subsist;
- (d) any terms relating to the termination of the agreement prior to the date on which that period expires; and
- (e) any terms relating to the variation of the agreement during that period.

The agreement shall also contain—

- (a) a statement of its principal objectives and the methods to be used in pursuit of those objectives;
- (b) provision as to the manner in which are to be determined—
 - (i) if there is more than one charitable institution party to the agreement, the proportion in which the institutions which are so party are respectively to benefit under the agreement; and
 - (ii) the proportion of the consideration given for goods or services sold or supplied by the commercial participator, or of any other proceeds of a promotional venture undertaken by him, which is to be given to or applied for the benefit of the charitable institution, or
 - (iii) the sums by way of donations by the commercial participator in connection with the sale or supply of any goods or services sold or supplied by him which are to be so given or applied, as the case may require; and
- (c) provision as to any amount by way of remuneration or expenses which the commercial participator is to be entitled to receive in respect of things done by him in pursuance of the agreement and the manner in which any such amount is to be determined.

The statement of methods referred to above shall include, in relation to each method specified, a description of the type of charitable contributions which are to be given to or applied for the benefit of the charitable institution and of the circumstances in which they are to be so given or applied.