Ethical Policy

Approved May 2023

Introduction

Corra Foundation (Corra) is an independent charitable funder. It exists to make a difference to people and communities in Scotland, by encouraging positive change, opportunities, fairness and growth of aspiration, which improves quality of life.

Corra seeks and accepts funding from government, other charitable sources, corporate sector, and public donations. The organisation is committed to working collaboratively and making best use of its own and other partner's monies to deliver its mission.

Corra has a duty to manage all monies in the best interests of the organization and its partners. Trustees have a legal responsibility to operate in a manner consistent with the charity's purpose, act with care and diligence and manage any conflicts of interest that arise, appropriately.

Corra's ethical policy outlines the responsibilities of Trustees to ensure ethical stewardship of Corra's income generation, partnerships, investments and fund management. The policy supports an approach that is in line with Corra's commitment to diversity, equity and inclusion throughout its work.

Ethical Statement

Corra will not knowingly appoint, invest or seek income from companies or partners with organisations whose activities are inconsistent with its mission and working principles. These state that Corra will:

- Listen and respond to people, communities and organisations and amplify voices that are less well heard – their wisdom is at the heart of Corra's approach.
- Build relationships, always working alongside others on the basis of shared power, mutual trust and shared learning.
- Pursue diversity, equity and inclusion (DEI), trying to challenge structural discrimination and contribute to radical shifts in the funding sector.
- Be an open, trusting and flexible grant maker.
- Ensure we contribute to tackling climate change, through our investments, operations and grant making and encouraging others to take action alongside us.
- Be bold, taking considered risks and supporting others to do the same.

Trustees have a responsibility to ensure that funding and support: is accessible and creates no harm or discrimination to people, partners or the planet.

Corra recognises that all organisations have a responsibility to act in response to the climate crisis.

The organisation is committed to proactively addressing the risks and opportunities of a transition to a post carbon economy. This is reflected in this ethical policy and its implementation, recognising that Corra's decisions can contribute to this transition being achieved.

As such Corra:
- Provides ethical investment training to our Trustees.
- Annually reviews its action plan as a signatory to the Funder Commitment on Climate Change.
- Is committed to becoming a Carbon Literate Organisation.
- Made a strategic commitment to Net Zero.
- Provides awareness raising initiatives and activities across our staff team.
- Continues to evolve our grant making processes to better understand and report on climate integration.

Trustee Responsibilities

Trustees are fully aware and understand their responsibility in the stewardship of Corra's investments, income and relationships on behalf of:

- The organisations, partners, communities and individuals Corra seeks to support with funding.
- The organisations, partners and individuals who place their money with Corra for onward distribution.

Trustees will not knowingly appoint, partner, invest or seek income from companies whose activities are likely to, or will, cause harm and/or discriminate against people, communities, partners and not-for profit organisations Corra works with and the planet.

Trustees will ensure that the steps and measures outlined in this policy are demonstrably sound. This is essential to applying our ethical policy in practice and to reducing reputational risk as far as possible.

Trustees will ensure the ethical policy is regularly reviewed.

To ensure Trustees are adhering to the ethical policy, Corra has delegated responsibility to the:

- Finance and Investment Committee which will consider and advise on investment matters.

- Communications and Engagement Committee which will consider and advise on reputational matters.

- Chief Executive who will authorise all income or collaboration agreements.

- Chief Executive who will ensure Trustees are informed of all income opportunities and partnerships and rationale for acceptance or refusal of opportunities.

Procedures

Trustees will ensure all procedures in relation to the ethical policy are followed.

The Chief Executive, who is delegated by Trustees to develop income and partnership opportunities will:

- Ensure ethical considerations are reflected in key strategic documents e.g., risk registers.
- Ensure income opportunities align to the operating decision-making framework (appendix 1).
- Ensure staff follow the ethical policy and operating decision-making framework (appendix 1) in the acceptance and refusal of investment and donations and in entering partnerships.
- Authorise the development of potential income streams.
- Authorise any income or collaborative partnership agreements.

The Chief Executive will ensure the ethical operating decision-making framework (appendix 1) remains effective. They will ensure it is aligned to changes in the external environment that could have implications for Trustees' ethical responsibilities.

The Finance and Investment Committee will oversee the appointment of an Investment/Fund Manager who demonstrates an understanding of Corra's working principles and strategy with skills in managing funds in keeping with Corra's ethical policy for subsequent recommendation to the Board for approval. This is detailed in Corra's Investment and Treasury Management and Reserves policy.

The Finance and Investment Committee will receive regular updates, with the appointed Investment/Fund Manager providing guidance and advice relating to any potential ethical investment dilemmas.

The Communications and Engagement Committee will regularly review updates, with the Chief Executive providing guidance and advice relating to any ethical external factors that pose a reputational risk for Corra.

The Trustees will monitor the operation and effectiveness of this policy on a bi-annual basis.

Ethical Operating Decision-making Framework APPENDIX 1

Ethical Statement

Corra Foundation's mission is to make a difference with people and communities in Scotland, by encouraging positive change, opportunities, fairness and growth of aspiration, which improve quality of life.

Corra will deliver this mission in an ethically responsible way. We will ensure that all our activities are equitable, fair and accessible to non-profit organisations and communities. Corra will ensure that funding and support creates no harm or discrimination to people, communities, partners and not-for profit organisations we work with and the planet.

ETHICAL OPERATIONAL DECISION MATRIX				
Activity	**Ethical questions for consideration**		**Support measures in place**	**Other factors to consider**
	Exclusion	**Selection**		
Investment Portfolio	• Is there a conflict with the strategy and/or mission? • Will there be negative reputational impact? • Will it be harmful to individuals or communities? • Will it impact on our engagement with individuals and communities?	• Is there a strong ethical, diversity, equity and inclusion, and/or Corporate Social Responsibility (CSR) policy in place? • Is there a commitment and action plan towards net zero? • Are there published Ethical, Climate and Governance policies? • Is there a clear contribution to wider society benefit e.g., living wage employer?	• Trustees have a clear understanding of their responsibilities relating to the investment portfolio. • Our tendering process assesses investment managers' ability to support our ethical position. • Our investment management fund has a strong ethical	• Are investment partners committed to Principles for Responsible Investment (PRI)?

ETHICAL OPERATIONAL DECISION MATRIX				
Activity	**Ethical questions for consideration**		**Support measures in place**	**Other factors to consider**
	Exclusion	**Selection**		
		• Could it generate sustainable opportunities for communities? • Will there be limited financial risk?	framework that they implement on our behalf.	
Income generation for Place delivery	• Is there a conflict with our strategy and/or mission? • Is there little or no evidence of community benefit? E.g., potential partner currently operating in local area and not paying the living wage. • Will there be a negative impact for individuals or communities? • Will there be negative reputational impact?	• Is there a relationship with our mission and strategy? • Is there alignment to our working principles? • Is there a clear contribution to wider society benefit e.g., investing in local people, business? • Are there published Ethical, Climate and Governance policies? • Is there a commitment and action plan towards net zero? • Could it generate sustainable opportunities for communities?	• Due diligence of potential partners. • All opportunities approved by Chief Executive.	• Do we have the evidence of the importance of partner as vital part of 'community'? • Is there published data on diversity of employees including salary scales? • If an independent charitable trust or foundation have signed up to Funder Commitment on Climate Change, Open and Trusting Grant-making.
Income generation for funding Opportunities and existing programmes	• Is there a conflict with our strategy and/or mission? • Is there little or no evidence of community benefit? • Will there be negative reputational impact?	• Is there a relationship with our mission and strategy? • Is there alignment to our working principles? • Is there a published Ethical, Climate and Governance policies? • Is there a commitment and action plan towards net zero?	• Senior Management Team (SMT) prepare rationale recommendation for progressing funding opportunities. • All funding propositions reviewed by Chief Executive.	• Do we have the evidence or could justify our role in accessing specific funding opportunities? • Is there published data on diversity of employees including salary scales. • If an independent charitable trust or

ETHICAL OPERATIONAL DECISION MATRIX				
Activity	**Ethical questions for consideration**		**Support measures in place**	**Other factors to consider**
	Exclusion	**Selection**		
		• Will there be longer-term benefits for people and communities? • Will there be an enhancement to our reputation?		foundation have the signed up to Funder Climate Pledge, Open and Trusting Grant-making.
Working in partnership	• Is there a conflict with our strategy and/or mission? • Will there be negative reputational impact? • Will it impact on our engagement with other partners, individuals and communities?	• Is there similarity with our mission and strategy? • Is there alignment to our working principles? • Are there published Ethical, Climate and Governance policies? • Is there a shared purpose and clearly identified opportunity? • Will this offer additional investment, resources and/or wider benefit for people and communities?	• All partnership approaches reviewed by Chief Executive. • Partnership agreements are in place.	• Do we have any previous experience of working with the partner? • Will this create opportunities for communities and the people we work alongside? E.g. participation of people with lived expertise. • Is there published data on diversity of employees including salary scales. • If an independent charitable trust or foundation have the signed up to Funder Climate Pledge, Open and Trusting Grant-making.

Sourcing external services	• Is there a conflict with our strategy and/or mission?	• Are there published Ethical, Climate and Governance policies?	• When appropriate; ○ review of policies of suppliers.	• Do we or peers have any previous experience of working with supplier?
ETHICAL OPERATIONAL DECISION MATRIX				
Activity	**Ethical questions for consideration**		**Support measures in place**	**Other factors to consider**
	Exclusion	**Selection**		
	• Will there be negative reputational impact? • Will it impact on our engagement with individuals and communities?	• Is there CSR policy in place? • Is there a clear contribution to wider society benefit? E.g. employment of local people on real living wage. • Will there be limited financial risk?	○ seek references. • Enquire amongst our networks. • Reference to Corra's procurement policy.	• Is there published data on diversity of employees including salary scales (dependent on size of supplier). • Carbon footprint of potential supplier.

Other activities (influencing, delivering funding, sharing learning)	• Is there a conflict with our strategy and/or mission? • Will it be harmful to individuals, communities or organisations we fund? • Will it impact on our engagement with other partners, individuals and communities? • Will there be negative reputational impact? • Is it equitable, fair and without bias or discrimination; are we acting with integrity and without obligation to individuals or organisations; are we able to be open and transparent.	• Is it in keeping our mission and strategy? • Is there alignment to our working principles? • Do we strongly believe that our role could have positive impact on behaviours and cultures? • Is there a purpose and clearly identified opportunity? • Does it provide the opportunity for people and communities to have their input and views heard and actioned?	• Open and transparent grant making processes. • Policy and communication plan in place. • Monitoring and evaluation processes in place. • Training and induction of staff and Trustees.	• Do we share similar views to other funders, third sector? • Do we have the evidence or could justify our role? • If an independent charitable trust or foundation have the signed up to Funder Climate Pledge, Open and Trusting Grant-making.