

Annex - Terminology: company donations, sponsoring cooperation and thematic cooperation

Small, middle-sized and big companies support the work of Terre des hommes. There are different forms of cooperation. This is an explanation of the forms of cooperation existing with terre des hommes and the conditions under which they operate.

A **company donation** is a mere transfer of a donation. Possibly there will be a press report and/or a photo of the donor handing over the cheque. The donation is generally accepted as there are no strings attached. Terre des hommes can reject a donation if the company infringes principles of the organisation. Its name and logo cannot be used for product marketing of the company's goods (i.e. for selling goods, attaching the name to goods etc.) and product advertising (in commercials, window-dressing etc.). In the context of the communication of a company donation the name terre des hommes may be used, but the logo may not. The use of the logo calls for a separate agreement.

At the present time there are **three different forms of company cooperation**:

Donation cooperation: Almost all cooperation between Terre des hommes and companies is in the area of donations. A company donates once or regularly to Terre des hommes, generally on a particular topic and/or for a specific project. The modalities of handling the donations and the respective actions of the cooperation partner are recorded in a separate agreement. The company cannot make use of the name and logo of terre des hommes its product marketing and product advertising. In the context of communication of a donation (press releases, companies internal report, interviews) the name terre des hommes may be used, but the logo may not. The use of the logo requires a separate agreement. A case of donation cooperation is examined and decided by the head office according to the criteria for cooperation with companies.

The only currently existing **sponsoring cooperation** (Gollnest & Kiesel KG, a toy company) involves a cooperation in sale of goods. Terre des hommes sells products of the company and indicates the products in its advertising. The company can indicate on the packaging of the product or a tag that a specific amount of the sales price goes to terre des hommes for project support. Under tax law, this is a sponsoring act that is subject to the full tax of 42 percent.

The cooperation arrangements and the economic cooperation are recorded in a written agreement.

The case of sponsoring cooperation is examined and decided on by the head office according to the criteria for cooperation with companies.

Thematic cooperation: Together the company and terre des hommes want to contribute through lobbying and/or public relations in the project country and/or in Europe to contribute to implementing children's rights and improving their lives. That expressly involves the behaviour of the company itself. This plan may be linked with the financial support of projects on the respective issue by the company (The only thematic cooperation at present is with C&A).

The arrangements for dealing with the donation and the respective performance are recorded in a written agreement. The company may not use the name and logo of terre des hommes for its product marketing and product advertising. For communication (press

release, internal company report, interviews) of the thematic cooperation the name terre des hommes may be used, but its logo may not. The use of the logo requires a special agreement.

The head office examines and decides on cases of thematic cooperation according to the criteria for cooperation with companies.