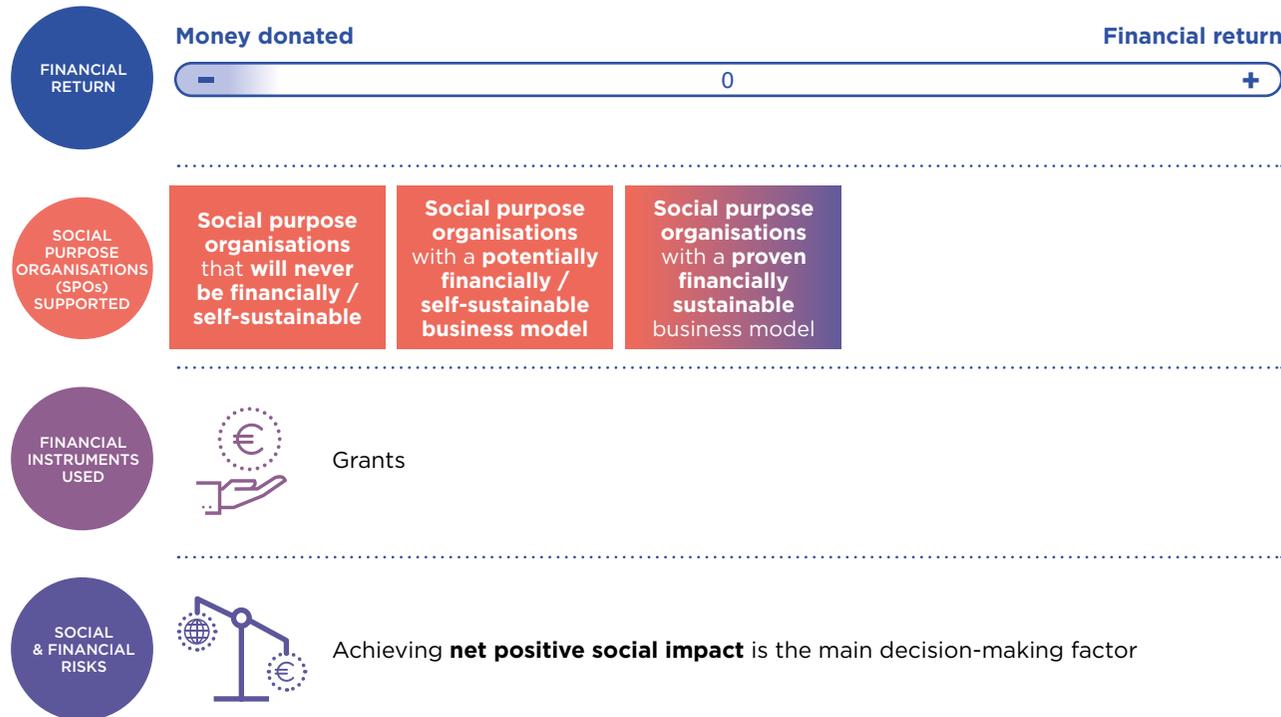


THE JTI FOUNDATION

A Corporate Social Investor* and its affiliated company can align in four ways. With this case, we highlight **“nonmaterial alignment”** of our [alignment typology](#), in which a CSI aligns its operations with **nonmaterial areas of the business** (e.g., geographical presence), with the aim of enhancing its **ability to create social change**. The CSI’s mission and core focus areas are thereby unrelated to the company or industry.

Investment strategy



* Corporate Social Investors (CSI) support social purpose organisations (e.g. social enterprises, charities) with financial and non-financial support. CSIs are investors *for* impact related to a company: a corporate foundation, corporate impact fund, corporate impact incubator, accelerator, a social business.

Nonmaterial Alignment Strategy

The **JTI Foundation** was founded in 2001 with a **mission to help less privileged people and victims of natural or man-made disasters improve their quality of life**. The Foundation thereby works with partners on disaster preparedness, risk reduction, relief and reconstruction. While it was important for the Foundation to pursue a purely philanthropic **mission with no link to the core business of the affiliated company JTI, the Foundation saw a practical opportunity to align with the company on their geographical presence**.

This alignment enables the Foundation to access additional support and resources from local corporate offices when needed. Particularly in a disaster context, there is little time to react. Corporate employees can then be extremely valuable with their knowledge of the local language, the institutional, political and cultural context, and their business relations, to help the Foundation and its partners make quick and informed decision. Besides this, the Foundation can utilise tangible assets on the ground, such as company cars or phones whenever it has instrumental value to its social impact.

Organisational Profile

Legal structure:
Corporate Foundation

Social sector:
Emergency, disaster relief

Funding model:
Annual contributions

SDGs:



Yearly investments:
Approx. CHF 2.5 million

HQ location:
Switzerland

Geographic focus:
Worldwide

Affiliated company:
JTI International (JTI)

Advice and key learnings



“In my opinion, transforming the company’s or the industry’s impact on society is not the responsibility of a Foundation. This should be done by the business. The Foundation’s only responsibility is to support the public good. The company can help us, be proud and communicate about our work, but the Foundation is not something that should make direct business sense, otherwise tax benefits are no longer justified.”

STEFAN RISSI, MANAGING DIRECTOR OF JTI FOUNDATION



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Nonmaterial alignment in practice

Social issue tackled by the CSI

In August 2013, a severe flash flooding hit Sudan and destroyed more than 15.000 houses. With thousands of people displaced and in urgent need for shelter, the situation in Sudan required immediate responses. However, due to Sudan’s political situation most international emergency relief agencies were not granted access and victims did not receive sufficient emergency support.

Solution supported by the CSI

At that point, JTI Foundation had already been working with ShelterBox, an NGO focused on providing emergency shelter to disaster-hit families. Since the beginning of their partnership in 2012, the Foundation had supported the NGO through capacity building and funding. In disaster contexts, ShelterBox reaches out to even the most remote communities and works in close collaboration with them to understand what immediate support they need from the NGO, as well as train locals in rebuilding their communities once the emergency support came to an end. While most agencies (including the UN) were not allowed to enter the country, ShelterBox was ready to jump into action.

Impact benefits

Due to the geographical alignment with the company, the Foundation was able to reach out to the local subsidiary of JTI for additional support. Through their strong (economic) position in the country and their relations with the Sudanese government, the Foundation was able to help ShelterBox get the necessary governmental permission to take action. On the ground, ShelterBox immediately identified the families with the greatest need and provided emergency relief. Thanks to their intervention and the Foundation’s support, 504 families who had lost their homes were immediately equipped with ShelterBox tents.

Business relevance

Employees of the company, especially those living in Sudan, were appreciative and proud of the Foundation’s support in this national disaster.

Interested in joining our community and shaping the knowledge around CSI? [Get in touch](#)

More information about [Strategic Alignment](#)