



United Nations
Global Compact



SNV

Communication on progress: FY2019

Statement of continued support by SNV CEO Meike van Ginneken

I am pleased to confirm that SNV Netherlands Development Organisation continues its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our strategy, culture and daily operations. We also commit to share this information with our stakeholders using our primary channels of communication. SNV remains committed to the UN Global Compact and continually considers its principles in improving our policies, procedures and systems.

Yours sincerely,



Meike van Ginneken
Chief Executive Officer



The United Nations Global Compact (UNGC) is a worldwide sustainability initiative that calls upon companies everywhere to align their operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption, and to take action in support of UN goals and issues embodied in the Sustainable Development Goals. The UNGC is a leadership platform for disclosure of responsible corporate practices and progress in applying the UNGC principles.

Progress report FY2019

As an international development organisation dedicated to a society in which all people are free to pursue their own sustainable development, SNV's strategic plan and operations are aligned with the UN Sustainable Development Goals and with the ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption.

SNV applies practical know-how to make a lasting difference in the lives of people living in poverty. We use our extensive and long-term in-country presence to apply and adapt our top-notch expertise in agriculture, energy and WASH to local contexts.

In our new Strategic Plan period (2019-2022), SNV explicitly aims for systems change during project preparation and implementation - by strengthening institutions and kick-starting markets that help many more to escape poverty beyond our projects.

In 2019, we kick-started several priority projects to ensure that we meet the aims of our Strategic Plan. One of these projects aims for SNV's primary business process to be underpinned by clear,

coherent, accessible policies, streamlined procedures with assigned roles and responsibilities, and a systematic process to keep these up-to-date and relevant.

As part of this exercise, we are further integrating UN Global Compact principles into our operational infrastructure.

We make a lasting difference in the lives of people living in poverty (SDGs 1 and 2) through increased incomes and access to basic services (SDGs 6, 7 and 13 - clean water and sanitation and affordable and clean energy, while being committed to climate action). Our commitment to equity translates into a focus on gender and youth (SDG 5).

We apply practical know-how to create results and use our extensive and long term in-country presence to apply and adapt our expertise in agriculture, energy and WASH to local contexts (SDGs 8,11 and 17: decent work and economic growth, sustainable cities and communities and partnerships for the goals).



Principles 1 and 2

Human Rights

Related SDGs: 3, 5, 8, 10

SNV respects and supports the Universal Declaration of Human Rights. SNV's policies and procedures capture the essence of our approach to human rights and are based on, amongst others, the Universal Declaration of Human Rights. The following SNV policies and procedures incorporating these principles are in place:

- SNV Code of Conduct
- SNV Child Protection Procedure
- SNV Whistleblower Reporting Procedure
- SNV Workplace Discrimination and Harassment Procedure
- National security frameworks: SNV employees across the globe work in an environment that is secure and safe
- Due diligence framework: applicable to all third parties that sign a contractual agreement with SNV. This framework is based on a number of policies and standards such as the UNGC principles, SNV Child Protection Procedure, SNV Fraud Response Procedure and SNV Whistleblower Reporting Procedure
- SNV Human Resources Procedure
- SNV Works Council Covenant

The Human Resource (HR) function - at Global Support Unit level as well as in SNV's country offices - is responsible for implementing and ascertaining adherence to SNV's HR policies. Furthermore, attention to Human Rights principles, as described in the policies and procedures, is included in SNV training for new staff members. SNV policies and procedures are part of the induction package for new staff.

SNV also has a grievance mechanism in place as well as regular open-door sessions with a trust person, where any employee can have an anonymous conversation regarding, but not limited to, harassment and discrimination. Additionally, SNV has an incident reporting system to ensure all cases or grievances are given the attention they require.

The SNV Internal Audit function considers compliance of SNV's policies and procedures when performing their work reviews. Findings and recommendations are reported back to SNV's Managing Board on a regular basis and monitored by SNV's Internal Audit function.

Principles 3, 4, 5 and 6

Labour

Related SDGs: 1, 3, 4, 5, 8, 10

SNV respects and supports the International Labour Organization (ILO) core conventions. SNV does not use forced, compulsory or child labour. SNV supports freedom of association and, where applicable, recognises the right to collective bargaining.

SNV's staff employment terms and conditions are negotiated with relevant work councils. These are representative bodies of elected employees representing different staff constituencies. SNV has a Corporate Council, representative of all SNV staff globally and a Dutch Council representing staff based in the Netherlands.

Any proposed change affecting SNV's workforce globally is subject to endorsement, advise or information of the Corporate Council. Changes affecting staff under a Dutch employment contract are governed by the Dutch Works Councils Act. The Dutch Works Council is subject to this legislation and consulted for changes affecting SNV's workforce in the Netherlands.

SNV has a Works Council in each country called the Country Council. Local labour conditions are discussed with country councils and approved by official local labour institutions where applicable.

SNV appoints external confidential counselors to which staff can report alleged improprieties. In such cases, staff can also confidentially discuss issues with an internal trust person who has been trained and is available to assist employees when confronted with workplace harassment and discrimination.

SNV is an international not-for-profit organisation with over 1,400 employees representing different nationalities. Within SNV, regular meetings are held between a representative from the Managing Board and the Corporate Council. SNV country offices hold regular meetings between the Country Director and the Country Council. In these meetings labour-related issues are discussed.

SNV has, amongst others, the following policies and procedures in place adhering to labour principles:

- SNV Code of Conduct
- SNV Child Protection Procedure
- SNV Whistleblower Reporting Procedure
- Job house and scales in accordance with Total Reward System
- Performance Management System
- Due diligence framework: applicable to all third parties that sign a contractual

agreement with SNV and is based on a number of policies and standards such as the UNGC principles, SNV Child Protection Procedure, SNV Fraud Response Procedure and SNV Whistleblower Reporting Procedure

Attention to labour principles, as described in SNV's policies and procedures, is part of the induction package for new staff. Standard practice within SNV is to have regular meetings with line managers to discuss workload and focus areas. Line managers encourage employees to discuss any labour-related issue in these meetings. Annual Performance Appraisal Reviews are held to discuss performance and during which employees can also raise issues.

All local labour conditions are uploaded in the compliance register maintained in SNV's Global Support Unit in The Hague and reviewed by the HR function in the Global Support Unit.

Principles 7, 8 and 9

Environment

Related SDGs: 7, 12, 13, 15

Since 2016, an organisation-wide SNV Environmental & Social Management System (ESMS) and Environmental & Social Safeguard Procedure (ESSP) have been introduced. These ensure that any adverse environmental and social impacts of projects are identified, avoided, or mitigated so that positive impacts are optimised.

SNV is committed to reducing greenhouse gas emissions. SNV projects improved access to energy for over 600,000 people in 16 countries, reaching 88% of our annual target. In 2018, SNV contributed to the reduction of almost 600,000 tons (2017, 610,000 tons) of greenhouse gas emissions by using more efficient energy technologies. Our projects in Kenya provided access to off-grid solar energy for 116,000 people in 2018.

The above greenhouse gas emissions do not include our organisational CO₂ footprint which was approximately 4,500 tons, for which we bought Gold Standard Biogas credits for projects in Cambodia, Kenya and Tanzania. Our CO₂ footprint increased by 17% from 2017 (baseline is 4,000 tons), which is in line with the growth of our revenues. The number of tickets booked increased by 23%. This is due to more one-way and shorter flights. Wherever feasible, we continue to use electronic communications and engage in virtual meetings to reduce travel.

SNV increasingly integrates climate resilience in its agriculture, energy and WASH programmes. Our energy project portfolio helps reduce greenhouse gas emissions while promoting access to energy. Where applicable, SNV offices use fair trade coffee and promote split waste collection. SNV has, amongst others, the following policies and procedures in place:

- SNV Environmental & Social Management System (ESMS) and Environmental & Social Safeguard Procedure (ESSP)
- CO₂ flight compensation



Principle 10

Anti-corruption

Related SDG: 16

SNV has zero tolerance policy for fraud. All allegations/suspected cases are entered in our fraud register monitored by the Managing Director for Operations based in SNV's Global Support Unit in The Hague. A follow-up mechanism for reporting possible irregularities is in place. Cases are reported to SNV's Audit & Risk Committee. Where necessary, forensic audits are executed by external experts. The risk of fraud is included in SNV's corporate risk register. SNV policies and procedures are part of the induction package for new staff.

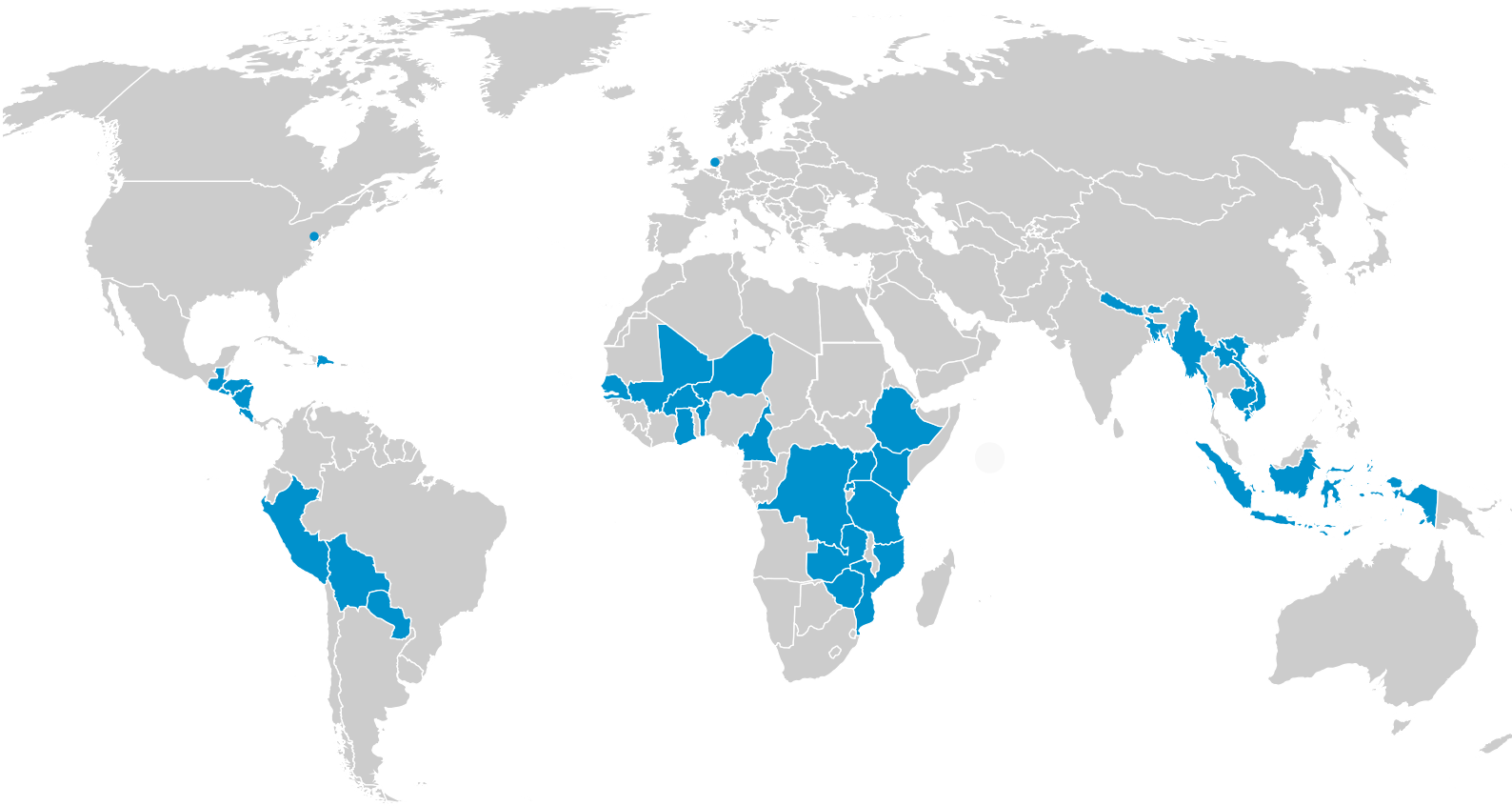
SNV has, amongst others, the following policies and procedures in place:

- SNV Code of Conduct
- SNV Whistleblower Reporting Procedure
- Due diligence framework: applicable to all third parties that sign a contractual agreement with SNV. This framework is based on a number of policies and standards such as the UNGC principles, SNV Child Protection Procedure, SNV Fraud Response Procedure and SNV Whistleblower Reporting Procedure
- Internal Control Framework consisting of 50 key controls



Additional information

Additional information on SNV's work, policies and procedures is available on SNV's website: www.snv.org.



SNV is a not-for-profit international development organisation that makes a lasting difference in the lives of people living in poverty by helping them raise incomes and access basic services. We focus on only three sectors and have a long-term, local presence in over 25 countries in Asia, Africa and Latin America. Our team of more than 1,300 staff is the backbone of SNV.

www.snv.org