

# COMMUNICATION ON PROGRESS (COP)

9 July 2019 to 8 July 2020



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# About ARK

ARK is a social enterprise, empowering local communities through the provision of agile and sustainable interventions to create greater stability, opportunity and hope for the future.

We believe that strong, resilient communities are the foundation of local, national, regional and international development and stability – and ultimately a safer, peaceful and more prosperous world.

At ARK, we have delivered research and programmatic interventions validating this approach in over twenty countries since 2008. As a social enterprise we work in partnership with communities, our donors, and other implementers to build local capacities, generate opportunity and bring about sustainable change.

## **What makes us different**

We pride ourselves on being the first people able to access and operate in challenging, fragile and conflict-affected environments. We are expeditionary by design and our systems and structures enable flexible and agile responses while ensuring safe, effective and compliant delivery.

Working with and through teams drawn from the communities in which we operate enables us to deliver impactful interventions built on intimate local understanding. In collaboration with our global network of international and local experts, we integrate nuanced understanding of the challenges we aim to solve with best practice and field-leading innovation to deliver programming that meets short-term stabilisation objectives and builds the evidence base and knowledge needed to lay the groundwork for long-term peacebuilding and development programming.

## **What we do**

We enjoy sectoral expertise experience in civil society development, good governance, protection and human rights, refugees and migration, stabilisation, gender, security and justice, as well as cross-cutting experience in programme design and learning, organisational development and management, research and analysis, needs assessments, donor coordination, monitoring and evaluation, communications and capacity building.

## **Our Story**

ARK was created in order to assist the most vulnerable, particularly refugees, the displaced and those impacted by conflict and instability. This reflects the background and experience of ARK's founder Alistair Harris, whose formative early years were spent seeking to understand and positively impact ethno-sectarian conflict, from Northern Ireland to the Balkans, as well as seek justice for victims of gross human rights violations.

# From the CEO



Alistair Harris OBE  
Chief Executive Officer

To our stakeholders:

I am pleased to confirm that I, Alistair Harris, on behalf of ARK Group DMCC and all its affiliates, in my capacity as CEO, reaffirm our 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 business strategy, culture and daily operations.

Yours sincerely,

A handwritten signature in dark ink, appearing to read 'A Harris', written over a light grey background.

Alistair Harris OBE  
Chief Executive Office

# The Ten Principles of the United Nations Global Compact

## Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses.

## Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

## Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

## Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

*The Ten Principles of the United Nations Global Compact are derived from: the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention Against Corruption.*

## ABOUT THE UNITED NATIONS GLOBAL COMPACT

As a special initiative of the UN Secretary-General, the United Nations Global Compact is a call to companies everywhere to align their operations and strategies with ten universal principles in the areas of human rights, labour, environment and anti-corruption. Launched in 2000, the mandate of the UN Global Compact is to guide and support the global business community in advancing UN goals and values through responsible corporate practices. With more than 9,500 companies and 3,000 non-business signatories based in over 160 countries, and more than 70 Local Networks, it is the largest corporate sustainability initiative in the world. For more information, follow @globalcompact on social media and visit our website at [www.unglobalcompact.org](http://www.unglobalcompact.org).

# 1.Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses.

ARK is committed to the highest standards of work and ethical behaviour including compliance with all applicable laws and regulations, as well as company policies, practices and procedures. ARK is a member of the UN Global Compact and respects internationally recognised human rights as established in the [Universal Declaration of Human Rights of 1948](#), the European Convention of Human Rights, the Human Rights Act of 1998 and the International Labour Organisation's Core Conventions. Our support for internationally recognised human rights in our company is consistent with our operational mission to empower local communities to create greater stability, opportunity and hope for the future.

In consideration of the nature of ARK's operations and business practices, ARK concentrates its efforts upon those Articles that may be directly impacted by our activities within beneficiary communities. These include the right to life, liberty, and security; the right to freedom of movement; the right not to be subjected to torture and/or cruel, inhuman, degrading treatment or punishment and the right to freedom from slavery.

ARK Employees and Related personnel may, in the course of their daily work due to the nature of the projects and scope of business of ARK, be confronted with severe violations of human rights including, but not limited to, human trafficking and modern slavery. To this effect, ARK Employees and Related-Personnel are provided with training in our human rights- based approach and apply their judgement to determine when a situation may be deemed a violation of basic human rights.

All individuals have a direct responsibility to apply ARK's Human Rights Policy against human trafficking and modern slavery. The responsibility is to comply with this policy and to set an example on human trafficking and modern slavery and to report suspect situations. ARK uses its best efforts to thoroughly vet supply chain partners through exacting due diligence processes and collaborates with other organisations to combat human trafficking and modern slavery. ARK works continuously for the betterment of human working conditions and endeavours through its implementation of this policy to eliminate human trafficking and modern slavery.

The ARK human rights policy reinforces other relevant ARK policies including the Child Safeguarding Policy, Protection from Sexual Exploitation and Abuse Policy, and the Whistleblowing Policy.

ARK has the following policies in place designed to ensure that ARK, its employees, partners, service providers and consultants are not complicit in human rights abuses and to guarantee that its operations support and respect the protection of internationally proclaimed human rights support and respect the protection of internationally proclaimed human rights:

- Human Rights policy, notably sections on Human Trafficking and Modern Slavery
- Child Safeguarding and Protection Policy, which is signed by all staff and partners upon onboarding
- Policy on Protection from Sexual Exploitation and Abuse, which is signed by all staff and partners upon onboarding
- Whistleblowing policy, which details how ARK uses a third-party provider, allowing whistleblowing to be done anonymously and through an independent third-party monitoring provider.

All these policies are also annexed to ARK's subcontracting and partnership agreements, allowing ARK to enforce them throughout its supply chain.

### **1.1. Actions taken in the reporting period**

ARK has a human rights corporate policy in place and we continually review our processes and activities with respect to human rights. Formal policy reviews are mandated annually, and the records of any changes are logged in our policy management system.

In 2019/20 the Human Rights policy was reviewed, updated, and an annual communication of this key policy was sent to all ARK employees and Related Personnel. This includes all employees of ARK, volunteers, interns, and international and local consultants, in addition to individual and corporate contractors of these entities. It also includes non-ARK entities and their employees and individuals who have entered into partnership, sub-grant or sub-recipient agreements with ARK. All ARK employees and Related Personnel must commit to our policy to endeavour to safeguard all human rights and are briefed on the thirty basic human rights as described by the Universal Declaration of Human Rights.

ARK employed an experienced Gender and Inclusion Advisor with responsibilities for providing project teams with a focal point for safeguarding advice and monitoring performance. The Gender and Inclusion Advisor established a Gender Action Plan (GAP) for the company and worked with project teams to develop individual project Gender Action Plans. These GAPs incorporate and reinforce ARK's commitment to Human Rights with a particular focus on ensuring gender mainstreaming in all our projects. These plans have been reinforced by trainings to ARK staff and project teams.

ARK maintains an independent, third party whistleblowing hotline service that can be used by any ARK employee or Related Personnel. In 2019/20 details of the whistleblowing hotline were updated and communicated to all ARK employees and Related Personnel. These communications were done in all ARK's operational languages. If an individual knows or has any reason to suspect that human trafficking and modern slavery has taken, is taking or may take place, whether or not it involves such individual or ARK directly, they have a channel to externally raise their concerns, anonymously if needed. To date, no Human Rights complaints have been received by ARK.

### **1.2. Measurement of Outcomes**

ARK reviewed its policy management system and confirmed that all relevant policies had been updated and disseminated, and that the related annexes to contractual documents were also updated and that all Relevant parties and ARK staff had returned signed acknowledgements of these policies.

No Human Rights Abuses were reported via ARK's Whistleblowing hotline. ARK senior managers also confirmed no reports of Human Rights abuses had been reported via other means.

### **1.3. Actions planned for the next reporting period**

ARK will review and update its Human Rights Policy, the Child Safeguarding Policy, Protection from Sexual Exploitation and Abuse Policy, and the Whistleblowing Policy and distribute these updates to all Staff and Related Personnel.

ARK will publicise its Whistleblowing hotline service to all staff and Related Parties in all operational languages. All new Related Parties will be given training on how to use this service and encouraged to disseminate throughout their organisations.

## 2. Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

ARK recognises that our people – whether they are employees, consultants, or engaged through our project partners, are truly the core of our business. Our commitment to the fair treatment, diversity, equality, well-being and development of our people is the foundation of our culture and all we do.

In accordance with its Code of Conduct, ARK's Human Resources policies include recruitment standard operating procedures which are in line with all ILO standards, as well as the UK's Conflict Stabilisation and Security Fund and Department for International Development code of conduct, and US State Department guidelines.

The policies are implemented at all stages of the employees' process within the company, from recruitment to end of contract, and ARK's HR department liaises regularly with external counsel to ensure compliance with all local regulations where we operate (such as Jordan, Lebanon or UAE labour laws).

ARK complies with not only minimum wage standards where relevant for all its employees, but as part of its usual process, ensures that the wage offered allows for decent living in the corresponding country or city. These are benchmarked against industry and local standards.

ARK uses timesheets to track time spent working on projects by all staff and Related Parties, both for compliance reasons, but also to ensure that all time spent working is reimbursed fairly and transparently. It also gives managers the ability to manage staff well-being and work-life balance.

Employment decisions made within the HR department are confidential and are safeguarded by consultation with the Senior Management Team and the CEO whenever relevant. These decisions are made on objective criteria, to avoid all discriminatory behavior and unconscious bias.

### 2.1. Actions taken in the reporting period

#### **Culture:**

Our culture of sustainable development is underpinned by our Code of Conduct and our Human Resources policies, reviewed annually, which range from Recruitment and Compensation to Protection from Sexual Exploitation and Abuse to Whistleblowing. Ultimately it is driven by staff who come to the international development sector and to ARK with the aim of contributing to programmes that, as with the Global Compact Fund, are based on our CEO's commitments to implement universal sustainability principles and to take steps to support UN goals. This culture has been further developed in 2019/20 with the hire of a Head of Communications who is further embedding the principles within our culture with a series of communication initiatives focusing on the work we do in protecting and improving diversity, inclusion, equality, well-being and human rights.



**Diversity, Inclusion and Equality:**

As well as sustaining our high levels of diversity, ARK is proud to have achieved gender equality in 2019/20 in terms of the proportion of men and women in our company. The Senior Management Team has equal representation from men and women. In 2019/20 a gender audit was conducted by an external consultant to assist ARK in further developing in this area, both corporately and within our projects. Subsequently in 2019, ARK employed a Gender and Inclusion Adviser who is key to continuing our progression in this area, and who provides ongoing training to all staff on various issues relating to diversity and inclusion, as well as contributing to programmatic planning and execution.

**Well-being:**

Staff well-being has been more important as ever in 2019/20 as the pandemic impacted everyone's day-to-day lives. We have acknowledged the additional stresses on our people and provided support via access to external professional services including counselling, financial services, and private health insurance. We also produced guides for all staff to provide useful advice and guidance for working from home, support for staff who had challenging childcare arrangements to balance and additional professional development opportunities during periods when our team were impacted by local lockdowns. We also ensured that all our teams had suitable home office arrangements and provided support wherever possible. Annual leave allowances exceed those required by local legislation, and in 2019/20 staff continued to be protected from the pandemic in any areas where ARK had direct influence, including annual leave, salaries and other benefits. Staff have been encouraged to take annual leave and switch off even when overseas holidays have not been possible to ensure that they have opportunities to rest and recover and ensure a good work life balance.

**Recruitment and Development:**

The Hiring Management System introduced in 2018 was further developed, ensuing transparent and fair recruitment processes. We continued in 2019/20 to develop our people, be it through external training or access to an online learning library as introduced in 2019.

**Flexible Working:**

Flexible working in 2019/20 was increasingly formalised in efforts to provide supportive opportunities for all. This was accelerated by the pandemic, and flexible working is now available to all staff, a significant progression in terms of providing work opportunities for all.

**Covid-19:**

ARK's response to Covid-19 and the related risks to our people was swift. Working from home became our new norm, and a series of related initiatives throughout 2020 took place to support staff through the initial period of adjustment and then addressing the longer-term challenges.

**Our Partners:**

ARK's high standards in all areas relating to the protection and positive treatment of people are also expected from our project partners, and our suppliers. Company policies are shared on initial engagement as part of the contractual documents and in initial partner onboarding meetings, and 2019 saw ARK successfully introduce various capacity building initiatives to help our partners implement the UN Global Compact Fund principles.

**Group-wide regulations and standards:**

Company policies underpinning the human rights and labour principles include: Prevention of Sexual Exploitation and Abuse; Human Rights; Whistleblowing; Recruitment; Compensation; Health, Safety and Wellbeing; Anti-Fraud, Bribery and Corruption; Child Safeguarding and Protection, Due Diligence; Anti-Bullying and Harassment. In 2019/20 all policies were reviewed and updated, as well as communicated to staff. These policies reinforce our commitment to the UN Global Compact's principles on Labour.

ARK completed a salary banding review and market comparison exercise resulting in an updated Employee Allowance and Salary Scale Overview in June 2019. This comprehensive exercise used market data to map each ARK role into appropriate salary and seniority bands, increasing transparency and fairness and providing a critical tool for identifying and addressing any discrepancies or imbalances in ARK's remuneration structure.

### **Feedback and Reporting:**

Staff have a variety of ways to give feedback or raise concerns. This varies from informal opportunities in our new regular Townhall sessions, attended by the CEO and all employees, to more formal opportunities structured through Human Resources policies. In 2019 ARK also introduced an external whistleblowing service provider, with a safe and confidential reporting system (accessible in many different languages) in case any member of staff or partner needs to be supported in raising concerns of wrongdoing in the workplace. An internal communications campaign 'Speak-Up' means that our people are aware of how to contact the whistleblowing provider if needed.

## **2.2. Measurement of Outcomes**

All ARK Labour Policies were updated and disseminated throughout the company in 2019.

All ARK recruitments in the reporting period were fully documented with justifications for selection criteria using our Hiring Management System and Recruitment Approval forms. Further, all remunerations were in line with our salary bands Employee Allowance and Salary Scale Overview from June 2019. These processes were independently audited twice by external audit firms who reviewed samples from these processes in line with normal audit schedules mandated by our donors, with no issues identified.

ARK also commissioned a gender audit by an external consultant. We are pleased to report we achieved gender equality in terms of the proportion of men and women in our company and an equal proportion of men and women in senior roles. ARK also completed a gender pay review in 2020 to identify imbalances at specific seniority grades and its gender pay gap, and to plan steps to address this.

## **2.3. Actions planned for the next reporting period**

ARK will update its Labour Policies to integrate any lessons learned throughout this reporting period as part of its annual review process.

ARK will also implement its plan to apply recommendations from the gender audit including gender blind recruitment strategies to ensure that all roles are recruited without indirect discrimination



### 3. Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

#### 2.4. Actions taken in the reporting period

In the previous reporting period ARK had newly launched its first environmental policy and signed up for Green Business Bureau membership for tracking of its environmental achievements. During the past year, ARK has initiated its internal environmental reporting and continued to be an active member of the Green Business Bureau.

The most significant change has been the launch of the Green Team, who oversee ARK's environmental efforts and bring forward different environmental initiatives in each of ARK's offices. Throughout the year, ARK underwent a large scale e-waste recycling initiative, across its offices in Jordan, Lebanon and the UAE, donating IT equipment and accessories (everything from server cabinets to keyboards and cables) to local organisations and small businesses, as well as safely recycling e-waste for those items that were beyond their useful life. In conjunction with two office moves, ARK also donated office supplies and furnishings to charities and at-need individuals to ensure re-use of items no longer needed by ARK offices.

Although ARK was already working primarily through electronic files, during the reporting period a more concentrated effort was made to move fully to electronic filing across all support services departments. Great efforts were made in scanning and archiving paper files, and only utilizing physical storage for those archives that were required by local law.

The Jordan country office started their first recycling initiative and are now separating office waste. The Lebanon office also took steps towards making the office more energy efficient with adjustments to the fittings and furnishings, including changing to energy efficient lightbulbs and adding additional insulation for exits. ARK has also taken further steps towards minimising its office/carbon footprint by re-locating to a shared office space in the UAE and transitioning to a virtual office in the UK.

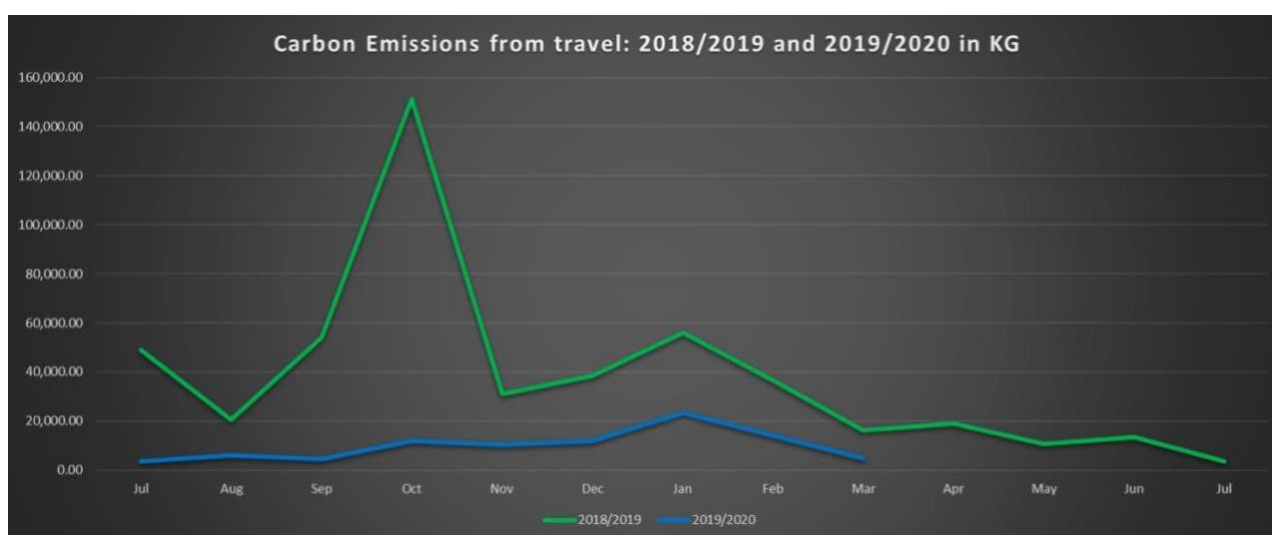
Prior to the onset of COVID-19, ARK also took active measures to minimise air travel. All non-essential travel was discouraged, and monthly travel reporting was provided to Senior Management to track travel patterns and spend. In addition, periodic carbon offset payments were made via Carbon Footprint Ltd to support a global portfolio of verified carbon reduction projects.

In recognition of ARK's impact and reach with local partners, ARK also commenced working on raising awareness of environmental issues with its local partners. ARK has implemented changes to its sub-grantee capacity building plans and performance reporting to include environmental awareness and initiatives.

## 2.5. Measurement of Outcomes

In the past reporting period, ARK has progressed in its Green business bureau membership from 'Aware' to 'Gold'. Significant quantities of paper have been recycled across ARK's offices. In the UAE, where data is available by the recycling service provider, the Dubai office has recycled 73 kg of paper during the reporting period. In excess of 50 pieces of office furnishings and electronics were re-used or recycled to new users in the UAE.

ARK also significantly reduced its use of air travel, instead encouraging staff to use virtual meetings wherever possible. This resulted in a carbon footprint reduction from 500,002.04 kgs between July 2018 to July 2019 to only 90,637.89 kgs in this reporting period, an 81.9% reduction year on year. This was accelerated by the Covid-19 pandemic but prior to March 2019 to ARK had significantly reduced international air travel already as shown below.



In addition, ARK offset 197 tonnes of carbon dioxide from air travel by supporting verified carbon reduction projects.



## 2.6. Actions planned for the next reporting period

Although restrictions to mobility and health and safety precautions due to COVID-19 are posing challenges for the upcoming reporting period, ARK recognises that continuing its efforts is more important now than ever. ARK is planning to focus its efforts on supporting its partners with their environmental initiatives to widen impact. Depending on the depth of the partnership, ARK will commit staff time for awareness and training efforts building our partners' capacity to reduce their own carbon footprint.

With staff primarily still working from home, ARK will undertake to encourage staff to reduce their home office carbon footprint and provide guidance on working from home sustainability. Previously environmental activities have been group activities and office focused, therefore ARK will attempt to identify and implement remote environmental challenges and those that staff can get involved with from the safety of their homes.

ARK will continue to keep international travel to the minimum required to manage our projects and to maintain staff welfare. Travel approvals will continue to be scrutinised carefully before sign-off from senior managers, both for risk and to maintain the trend of reducing our corporate emissions further. ARK will aim to keep its emissions from international travel below the current reporting period, regardless of lifting of travel restrictions.



## 4. Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

### a. Actions taken in the reporting period

ARK has continued to monitor and improve its anti-corruption policies and procedures. During the reporting period, ARK has worked on streamlining its gifts and hospitality policy, increasing the oversight and monitoring by consolidating country and subsidiary level reporting to Group level.

ARK's management of conflicts of interest has also been further improved, through the support services departments. Conflict of Interest declarations for employees take place annually, with reminders and policy refreshers sent throughout the year. The Procurement Department have made changes to the handling of Conflict of Interest during tender evaluation, with a set declaration form now mandated for bids above a certain threshold.

In addition, all ARK Logistics and Procurement staff, from junior to senior management, completed a mandatory CIPS ethical procurement and supply chain certification.

ARK has also invested in training its local partners. Through the project activities ARK staff have been heavily involved in capacity building efforts, which include training on transparent procurement processes, allowable and allocable expenses, accounting and transparency in internal systems, all minimising the risk of corruption and fraud with its downstream partners. These efforts are documented via an organisational capacity assessment process, which involves a capacity building plan for continuous monitoring. Great efforts were made especially in Indonesia, with in-country hands on training by ARK staff. The training efforts continue with partners in Jordan, Lebanon and Yemen.

### b. Measurement of Outcomes

All new ARK partners have been trained by ARK on anti-corruption processes with records documented in the appropriate procurement files. The partners' processes are subsequently validated by ARK finance managers and procurement staff ensuring compliance with our anti-corruption policies and values. These files have been independently audited by external firms twice as mandated by our donors with appropriate samples presented and reviewed. No negative findings were identified during these audits.

ARK's Senior Managers have reviewed the Gift and Hospitality register with no concerns identified due to strict adherence to the appropriate policies, awareness raising activities and staff training.

All ARK staff have updated their Conflict of Interest declarations as required annually, with reminders and policy refreshers sent throughout the year. The Procurement Department have made changes to the handling of Conflict of Interest during tender evaluation, with a set declaration form now mandated for bids above a certain threshold.

### c. Actions planned for the next reporting period

Efforts continue in training of partners including new partners during onboarding processes as part of grantee capacity building. ARK is committed to further anti-corruption training for its staff and will provide refresher training in the coming reporting period.

Annual reviews and training on the anti-corruption policies will continue as planned.