COMMUNICATION ON PROGRESS

REPORTING PERIOD June 12, 2019 – December 21, 2020 Better Shelter .org

OUR MANAGING DIRECTOR'S STATEMENT OF CONTINUED SUPPORT



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2020 was tough for so many people, not to mention those living in displacement.

Our team learned to run our organization remotely, serve partners when they needed us, provide COVID-19 relief infrastructure across four continents, and forge strong relationships with NGOs, governments, and private sector without ever leaving home.

2020 was the toughest year since we started, but it brought out the best in us. We delivered 15 417 shelters serving as shelters and medical infrastructure in 36 countries.

We are happy to share our second communication on progress since our journey as a member of the UN Global Compact began in 2018.

We remain committed to continuing our journey, making Better Shelter an even more sustainable temporary solution to ease the lives of people affected by conflicts and disasters.

- Johan Karlsson, Managing Director

INTRODUCTION



Becoming a member of the United Nations Global Compact Global Compact has provided us with a comprehensive blueprint helping us to structure our sustainability work.

Since joining the initiative in 2018, we have become increasingly aware of the policies and mechanisms that we already had in place. This work has also helped us to identify what we are missing, and which areas require more work and effort.

We are happy to submit **our second Communication on Progress** presenting our organization's work to align our strategies and operations with universal principles on human rights, labour, environment and anti-corruption for the current reporting period **(June 2019 to December 2020.)**

As stated by our Managing Director, there is a clear engagement by Better Shelter to continue working for a more sustainable future and we all look forward to bringing it closer in every step we take as an organization.

HUMAN RIGHTS

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INTERNATIONAL HUMAN RIGHTS LAW RECOGNIZES EVERYONE'S RIGHT TO AN ADEQUATE STANDARD OF LIVING, INCLUDING ADEQUATE HOUSING IN:

the 1948 Universal Declaration of Human Rights

the 1966 International Covenant on Economic, Social and Cultural Rights



The significance of a secure place to live for human dignity, physical and mental health and overall quality of life, reveals some of the human rights implications of housing. Adequate housing is universally viewed as one of the most basic human needs.



Yet, despite the central place of this right within the global legal system, **well over a billion people are not adequately housed.**

Housing is a Human Right

The Right to Adequate Housing, Fact Sheet No, 21 (Rev 1), Office of the United Nations High Commissioner for Human Rights. https://www.ohchr.org/documents/publications/fs21_rev_1_housing_en.pdf

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OUR MISSION

To improve the lives of forcibly displaced persons by providing affordable temporary shelter and a dignified, safer life <u>away from home</u>.



BECAUSE WE ARE AWARE OF THE IMPACT OF SHELTER

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Critical survival mechanism for households in times of crisis or displacement.



Restores personal security, self-sufficiency and dignity.

Sustains family and community life.



Is a space where families can be together to cope with the trauma of displacement, with dignity and privacy.



A foundation upon which most of post-disaster recovery is built. This includes health, water, sanitation, livelihoods, education and protection.

Sources: Sanderson, David (2018). 'Beyond 'the better shed'', in Sanderson, D and Sharma, A. (eds) The State of Humanitarian Shelter and Settlements 2018, Global Shelter Cluster.

Saunders, G. (2004). Dilemmas and Challenges for the Shelter Sector: Lessons Learned from the Sphere Revision Process, Disasters, 28(2), 160-175.

Setchell, C. (2001) Reducing Vulnerability through Livelihoods Promotion in Shelter Sector Activities: An Initial Examination for Potential Mitigation and Post-disaster Application. Working Paper No.5, Feinstein International Famine Center, Tufts University, Medford

THE UNIVERSAL DECLARATION OF HUMAN RIGHTS AFFIRMS THAT EDUCATION IS A FUNDAMENTAL HUMAN RIGHT FOR EVERYONE AND THIS RIGHT WAS FURTHER DETAILED IN THE CONVENTION AGAINST DISCRIMINATION IN EDUCATION

Education is a Human Right

Why is education a fundamental human right?



It is a human right and indispensable for the **exercise of other human rights.**



It is one of the **most powerful tools in lifting socially excluded children and adults out of poverty** and into society:

• UNESCO data shows that if all adults completed secondary education, globally the number of poor people could be reduced by more than half.



It **narrows the gender gap** for girls and women:

• A UN study showed that each year of schooling reduces the probability of infant mortality by 5 to 10 per cent.

What You Need to Know about the Right to Education, UNESCO, https://en.unesco.org/news/what-you-need-know-about-right-education

THE RIGHT TO HEALTH IS A FUNDAMENTAL PART OF OUR HUMAN RIGHTS AND OF OUR UNDERSTANDING OF A LIFE IN DIGNITY





The right to the enjoyment of the highest attainable standard of physical and mental health is one of the fundamental rights of every human being without distinction of race, religion, political belief, economic or social condition was first articulated in the **1946 Constitution of the World Health Organization** (WHO).



The **1948 Universal Declaration of Human Rights** also mentioned health as part of the right to an adequate standard of living (art. 25).



The right to health was again recognized as a human right in the **1966 International Covenant on Economic, Social and Cultural Rights.**

Health is a Human Right

The Right to Health, Fact Sheet No, 31, Office of the United Nations High Commissioner for Human Rights. https://www.ohchr.org/documents/publications/factsheet31.pdf

OUR IMPACT – HOW OUR WORK CONTRIBUTES TO THE RESPECT AND SUPPORT OF HUMAN RIGHTS

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We work hard to fulfil our mission to provide safer and more dignified shelter wherever it is most needed. Our shelters are also being used as infrastructure to provide health care and education.







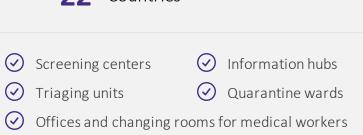




- 80 Units used to provide education to forcibly displaced children
- Countries

most of which now provide more adequate and dignified temporary housing around the world

2,996 **22** Countries



Units used in Covid-19 response

Impact in HEALTH

OUR IMPACT







INITIATIVES TO GUARANTEE THE RESPECT OF LABOUR RIGHTS

Better Shelter operates under Swedish labour law and a **collective agreement** for all employees and regulates **fair wages, pensions, annual leave and insurances.**

Better Shelter maintains high labour standards through our own operation and throughout the value chain. We follow our **Ethical Framework strictly**:



Respect and promotion of fundamental **human rights**



upholding of employee's right to **freedom of association** and collective **bargaining**



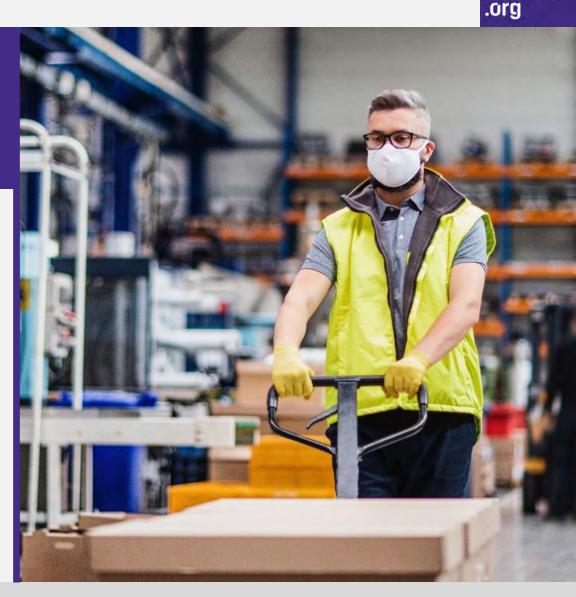
Zero tolerance of any kind of **discrimination**

Promotion of equal

opportunities



zero tolerance towards **forced or child labour**



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INITIATIVES TO GUARANTEE THE RESPECT OF LABOUR RIGHTS





We request **existing and new suppliers** to sign our ethical framework to make sure that these standards are respected thought our value chain.

18 out of 19 suppliers received, signed and approved Better Shelter's Ethical Framework as an annex to a contract or agreement.



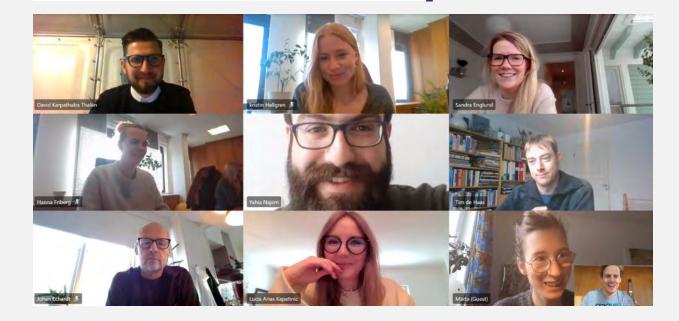
THE WELLBEING OF OUR TEAM – A PRIORITY FOR BETTER SHELTER

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Overall **7** Engagement Score: Ve

7.8/10 Very good

Our team's engagement has reached record levels in 2020. With everyone working from home, the physical and psychological work environment remains our priority. The team's motivation and needs are measured weekly through anonymous surveys that systematically monitor our mental and physical health.



172 Daily team check-ins **32** Better Athletics training sessions **2 x 2-day** Trainings in labour safety and rights



We work closely but remotely. Daily check-ins with all staff keep us close-knit even when COVID-19 restrictions prevent us from meeting.



Our weekly training sessions, Better Athletics, keep us active and healthy whenever safe for the team to meet.



Two team members have undergone training to ensure that we are on top of labour wellbeing, safety and rights.

ENVIRONMENT

INITIATIVES TO IMPROVE OUR ENVIRONMENTAL IMPACT



We improve the fill rate of our transports by placing orders strategically to minimize carbon footprint without compromising pace of production.



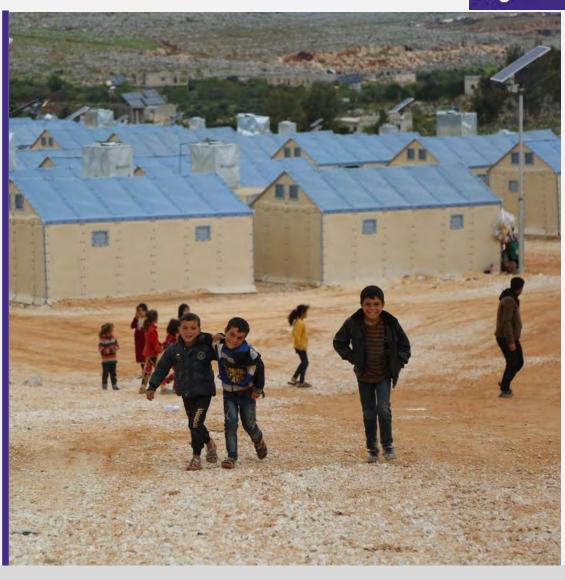
Last year we placed larger but fewer orders and thereby reduced our carbon footprint for inbound shipments with -20%



A majority of our shelters are delivered to the Middle East, and therefore have established a **warehouse in Turkey** from which we can deliver quickly to local partners and thereby able to **minimize the number of sudden air shipments.**

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We plan to establish **more warehouses** in other key locations of the world with the same aim of minimizing the need for rushed air shipments.



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Environment

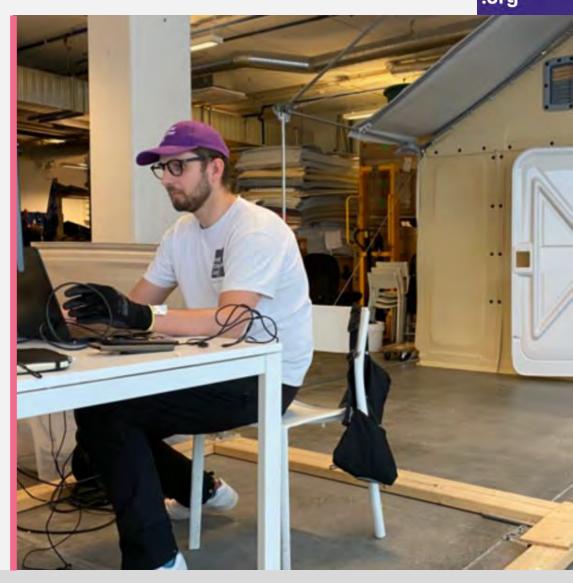
INITIATIVES TO IMPROVE OUR ENVIRONMENTAL IMPACT



We finalized a Life Cycle Assessment (LCA) for our shelter to measure the CO2-emissions during its life-span, as well as a **decommissioning** guideline. These will be published and shared with our partners in Q2 2021.



Our remote training and technical support routines created to assist our humanitarian partners during the pandemic, will become the standard support method post Covid-19 as a means to reduce our business travels.



NEW INITIATIVES PILOTED OUR NEW SHELTER SOLUTION – STRUCTURE

To improve our environmental footprint, we need to be resource efficient. And the need for affordable temporary shelters is growing.

With this in mind, we started piloting a new economically, socially and environmentally sustainable shelter.- Structure.

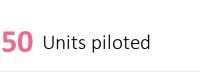
What is it?

Structure employs the modular frame of our original shelter, the Better Shelter, and can swiftly be transformed into an emergency shelter by draping it in standard sized tarpaulin sheets. It can be made more durable by covering the frame in locally available material.











18 Locations

10 Different materials

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NEW INITIATIVES PILOTED OUR NEW SHELTER SOLUTION – STRUCTURE

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Impacts of Structure on Environment and Human Rights?

A minimum of prefabricated materials are shipped.



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The use of locally available materials and human resources **stimulate local economies** and make a **better cultural fit.**

It can be **recycled**, **reused** by another family or **repurposed** as a clinic, a shop or a community meeting space.





Rapid response

Empowering

Sustainable

Impactful

BB

These will enable the communities we serve to have a better quality of life while we work to provide them with permanent homes.

Onno Rühl, General Manager, Aga Khan Agency for Habitat



ANTI-CORRUPTION

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INITIATIVES TO WORK AGAINST CORRUPTION IN ALL ITS FORMS

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Corruption aggravates poverty, undermines democracy, weakens good governance, prevents investments and weakens the trust in the market economy.

Better Shelter is a social enterprise working directly with humanitarian organisations in most of our projects. We collaborate with institutions and organisations in the public and private sector on projects with a humanitarian end goal, or with the purpose of assisting in the Covid-19 crisis. We collaborate only with trusted partners that have well developed anti-corruption policies in place.

As such, Better Shelter takes a **clear stance and actively works** against **any form of corrupt behaviour**, as stipulated in our **Ethical Framework** regarding:



Anti-corruption practices



Gifts, benefits, reimbursements and entertainment



Bribes, kickbacks and similar



INITIATIVES TO WORK AGAINST CORRUPTION IN ALL ITS FORMS

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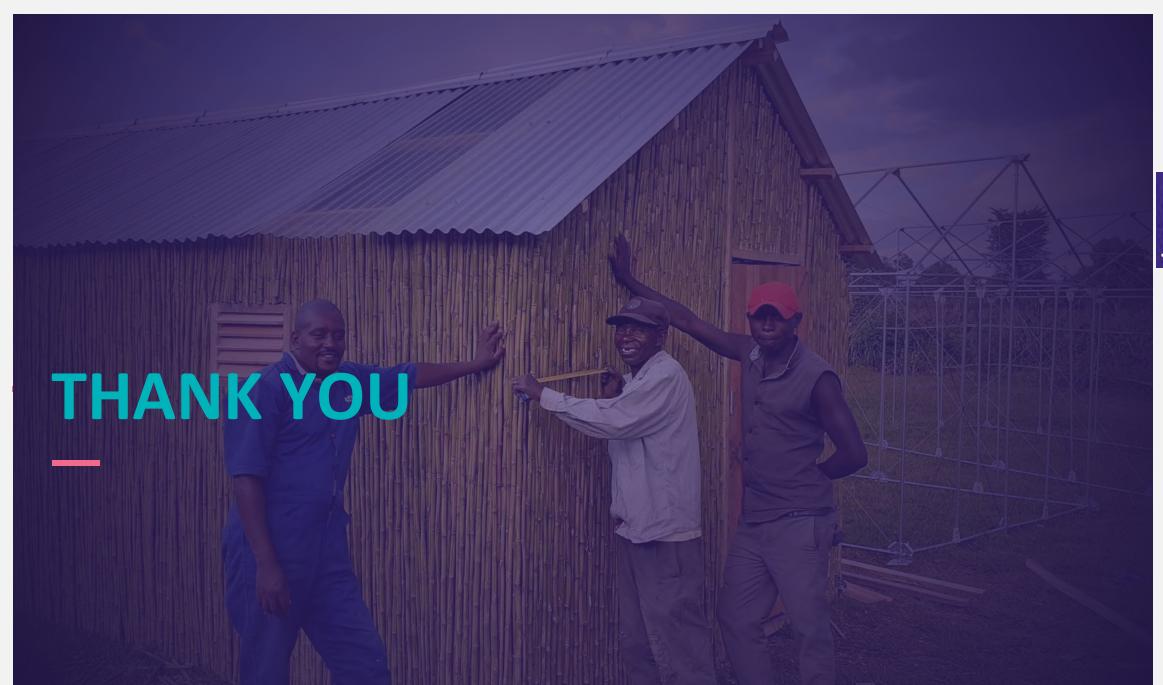
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Better Shelter has mechanisms in place, such as authorisation grids and control methods for payments, to make sure that the company standards regarding anti-corruption are met.



We are aware of the intricate nature and different forms of corruption, and will organise a **workshop** in 2021 to ensure that our employees are **aware and updated** on different **forms** and **risks** of corruption as well as the **strategies** to combat them.





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