
COMMUNICATION ON ENGAGEMENT (COE)



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Period covered by this Communication on Engagement

From: 25/10/2019

To: 25/10/2021

Part I. Statement of Continued Support by the Chief Executive or Equivalent

Please use the box below to include the statement of continued support signed by your organization's Chief Executive or equivalent.

Statement of Continued Support

21st October 2021

To our stakeholders:

I am pleased to confirm that CAFOD reaffirms its support to the United Nations Global Compact and its Ten Principles in the areas of Human Rights, Labour, Environment and Anti-Corruption. This is our Communication on Engagement with the United Nations Global Compact. We welcome feedback on its contents.

CAFOD takes an integrated approach to supporting and promoting the UNGC's principles: working towards an end to poverty and injustice through our partners all over the world (we currently work with 300+ partners); campaigning for changes to laws and policy to ensure the protect human rights, the environment, and workers from abuse in company supply chains and operations; engagement with companies on corporate sustainability; and ensuring our own supply chains do not contribute to harm.

In this Communication of Engagement, we describe the actions that our organization has taken to support the UN Global Compact and its Principles as suggested for an organization like ours. We also commit to sharing this information with our stakeholders using our primary channels of communication.

Yours sincerely,

A handwritten signature in black ink that reads "Christine Allen". The signature is written in a cursive style with a horizontal line underneath the name.

Christine Allen, CEO

Part II. Description of Actions

Please use the box below to describe the actions your organization has taken in support of the Global Compact. It is strongly recommended that the actions taken are related to one or more of the specific activities suggested. *Please refer to the complete list of suggested activities for your type of organization found [here](#).*

Human Rights, labour rights and the environment

Supporting our partners to tackle injustice

- Our commitments to the UNGC sits within a broader mandate of working to achieve the Sustainable Development Goals. Drawing on Catholic Social Teaching, we are called to respond to the interconnected cry of the earth and the cry of the poor and to work to ensure that people, communities, and the earth may flourish - free from exploitation, protecting the earth for current and future generations.
- This year CAFOD has supported our partner organisations across Africa, Asia, Latin America, and the Middle East to resist harmful or unpermitted activities by businesses on their lands, to seek redress when harm has occurred, and to engage with business and governments in order to protect and safeguard their rights.

Campaigning for changes to law and policies to uphold business' responsibilities to respect human rights, labour rights and the environment

- We campaign to change the systems and structures that allow abuses of human rights, labour rights and the environment to take place. We have joined with Corporate Justice Coalition UK to campaign for human rights and environmental due diligence legislation in the UK to prevent human rights abuse, labour rights violations and damage to the environment in UK company supply chains and operations, globally - modelled on the "failure to prevent" mechanism in the UK Bribery Act.
- CAFOD has conducted and published briefings and research on the impact of business on human rights and the environment in Latin America.
- We help to facilitate company engagement on law and policy change through our membership of the Ethical Trading Initiative (ETI).

Protecting human rights, labour rights and the environment in our own supply chains

- CAFOD is working on tackling modern slavery and other human rights abuse and environmental harm in our supply chains as part of our organisational approach to institutional integrity, in line with our existing commitments in our [Modern slavery statement](#).
- We are currently mapping our supply chains, due diligence processes and procurement policies and procedures – including our Supplier Code of Conduct – as part of a thorough internal review of our procurement strategy and practice, regular and ongoing update of policies and procedures, and related compliance and assurance processes. This includes a review of the ethical considerations that influence our engagements with the private sector.
- We are also taking steps to further address the impact of our operations on climate change, including reducing our carbon footprint, with a focus on reducing air travel.
- We work to ensure that all employees should be treated with dignity and respect. CAFOD is a Living Wage employer and equal opportunities employer. In line with UK Government requirements, we track and report on our gender pay gap annually, which as of April 2021 was below the national average. We continue to explore ways in which we can close the gap further.

Engagement with companies on sustainability issues

- CAFOD has participated in ETI public reporting requirements for member companies and has supported our partners in the global south to bring particular worker rights/human rights issues to the attention of companies in the ETI.

Corruption

Tackling corruption through advocacy and campaigning

- CAFOD is a member of Publish What You Pay, a group of civil society organizations that advocates for financial transparency in the extractive industry.

CAFOD's anti-corruption policies

- In CAFOD's Code of Behaviour, all staff are required to maintain appropriate standards of honesty and integrity in financial accountability, as well as avoid any involvement with bribery and corrupt practices.
- CAFOD has 4 Integrity Policies: Counter Terrorism Policy, Anti-Bribery Policy, Fraud and Loss Policy, Anti-Money Laundering Policy. These policies are the cornerstone of CAFOD's compliance controls, to reduce the risk of loss and harm to our programme activity or any activity at CAFOD, as a result of all forms of fraud, corruption, or aid diversion, and to ensure our donor and supporter funds reach their intended recipients.
- These policies are reviewed annually by members of the organisational leadership (including CAFOD Trustees and our Finance, Legal, Audit & Risk Committee) and are then disseminated to staff. These policies set out our standards for integrity in various areas of our work and explain why it is necessary for CAFOD to uphold such standards.
- To help CAFOD ensure that all staff are familiar with CAFOD's expectations, we require everyone to read our Integrity Policies and evidence that in our HR systems.
- We have external risks of bribery and corruption through the work of our local implementing partners. We manage this by providing advice and support to partners, including further guidance about the Integrity Policies, to International Programme Staff and partner organisations. In addition, we require partners to mitigate bribery risks and confirm this through funding agreements and project reporting.
- We also updated our Whistleblowing Policy (February 2021) which all staff are required to read, and which can be used by staff to report certain types of wrongdoing they have seen at work. It also has a practical guidance for international programme staff. This Whistleblowing Policy is designed to ensure that concerns about possible illegal or dangerous activities or forms of malpractice are brought swiftly to attention. We have confidential reporting mechanisms through the on-line EthicsPoint system. Reports of complaints made through EthicsPoint are monitored through regular KPIs.

Part III. Measurement of Outcomes

Please use the box below to include the most relevant qualitative and/or quantitative indicators to measure the outcome of the activities described in Part II above.

- We review the outcomes of our activities through ongoing assessments of the impacts of our work on the communities that we support. Partner support is covered as part of regular reporting and programme monitoring, although some disaggregation will need to be done to separate these specific outcomes from other aspects of programme work.
- Ongoing monitoring of the impact of our policy and advocacy work would include the topics mentioned in this COE.
- CAFOD's Modern Slavery policy includes specific indicators which will be reviewed annually.
- The number and breakdown of EthicsPoint reports are considered as part of our regular monitoring and looked at by the Strategy & Performance Committee; serious incidents are a regular item on the Board agenda.
- The Gender Pay Gap is an annual report which goes to the Executive Team and Remunerations Committee.
- Sign up levels of Integrity Policies (monitored annually) are also reported to the Executive and Board.