



United Nations
Global Compact



SNV

Communication on engagement: 2022

Statement of continued support by SNV CEO Simon O'Connell

To our stakeholders:

I am pleased to confirm that SNV Netherlands Development Organisation reaffirms 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 Communication on Engagement, we describe the actions that SNV has taken since 2019, and continues to take, in supporting the UN Global Compact and its Principles through 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 General Compact and continually considers the principles when improving our policies, procedures, and systems.

Sincerely yours,

A handwritten signature in black ink that reads "Simon". The signature is written in a cursive, flowing style.

Simon O'Connell
CEO

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.

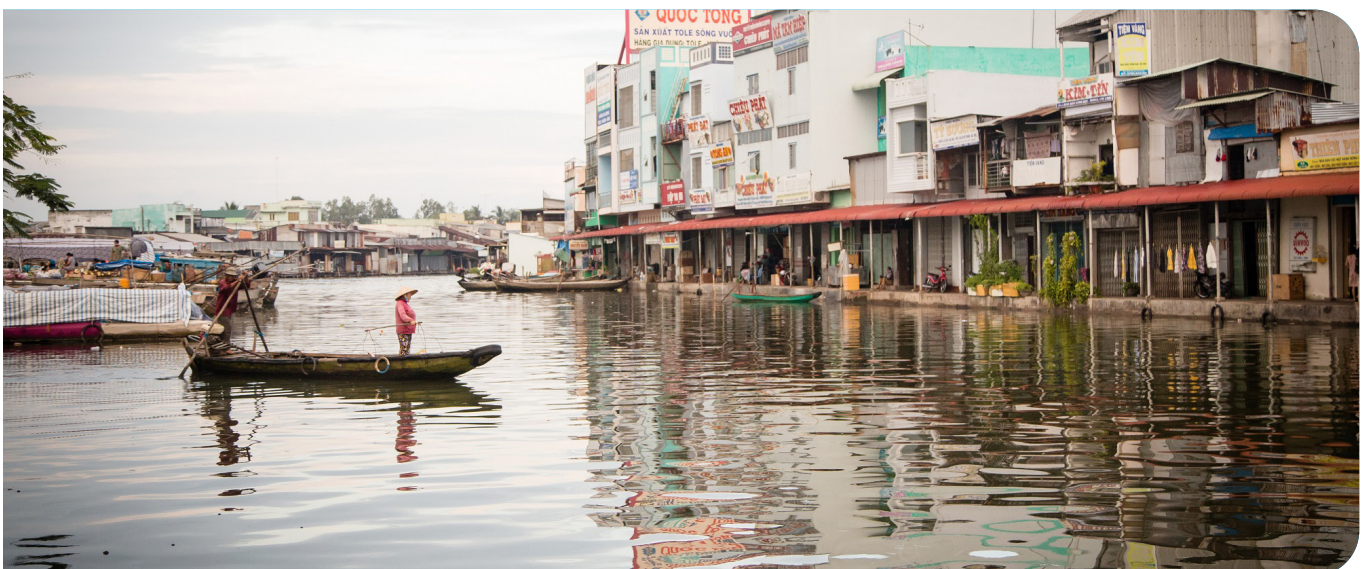
Progress report 2022

As an international development organisation dedicated to a society in which all people are free to pursue their own sustainable development, SNV's strategy 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. Our projects and advisory services in the Food Systems, Water, Sanitation and Hygiene (WASH) and Energy sectors, are driven by the Sustainable Development Goals (SDG).

In its Strategic Plan (2019 – 2022), SNV explicitly aims for systems change during project preparation and implementation - by strengthening institutions and kick-starting markets, thus contributing to

poverty elimination even beyond the scope of the projects. SNV ensures its primary business process is underpinned by clear, coherent, accessible policies and streamlined procedures with assigned roles and responsibilities as well as a clear process to keep these up-to-date and relevant.

We strive to contribute to lift people out of poverty through increased incomes and access to basic services. Our commitment to equity translates into a focus on gender and youth. We apply practical know-how to create results and use our extensive and long term in-country presence to apply and adapt expertise in agriculture, energy, and WASH to local contexts.



Principles 1 and 2

Human Rights

Related SDGs: 3, 5, 8, 10

SNV respects and supports the Universal Declaration of Human Rights. Integrity breaches including sexual abuse, child labour, discrimination on the basis of gender, ethnicity or sexual orientation has been identified as one of SNV's principal risks by the Managing Board, with investments in mitigating measures, including a newly created Social Safeguarding and Inclusion Advisor, being made.

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

- Code of Conduct
- Child protection procedure
- Whistle-blower reporting procedure
- Workplace Discrimination and Harassment procedure
- HIV/AIDS 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, child protection policy, fraud policy and whistle-blower policy
- Sick leave policy
- Corporate Council.

All SNV offices and employees must adhere to the SNV policies and procedures including the SNV Code of Conduct and above-mentioned procedures. The Global Human Resource function is responsible for implementing and ascertaining adherence to SNV's HR policies. In 2021, SNV launched a new mandatory Ethical Standards training in both English and French. All SNV team members are required to complete this training or a refresher once a year. Furthermore, attention to Human Rights principles, as described in the policies and procedures, is included in SNV training for new team members. SNV policies and procedures are part of the induction package for new team members. Additionally, we are also in the process of reinvigorating our Vision and Mission, putting in place a Global Council structure and reinforcing our safeguarding procedures.

Internal Audit considers compliance of SNV's policies and procedure when performing their work reviews and reported back to SNV's Managing Board on a regular basis.

Principles 3, 4, 5 and 6

Labour

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

SNV respects and supports the International Labour Organisation (ILO) core conventions. SNV does not use forced, compulsory or child labour and through a strict due diligence process refrains from working with organizations that have a record on labour law violations and varying degrees of involvement in modern slavery. 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. As well as some of the policies and procedures mentioned above, SNV has the following policies and procedures in place to support the UNG principles for labour:

- Gender policy
- Job house and scales in accordance with Total Reward system
- Performance management system

At SNV, a clear structure for workers participation has been established both at global level and within individual country offices. At the global level, SNV's Corporate Council is responsible for representing SNV staff on corporate issues, that affect the majority of SNV employees. The Corporate Council are responsible for voicing the concerns and interests of all SNV staff in their engagements with the Management Board. Country Councils play a vital role in promoting employee representation within SNV by voicing ideas, thoughts, and concerns of country staff with Country Management Teams. The Netherlands Works Council is a legal body representing SNV employees in the Netherlands and advising on national adjustments to HR policies and terms and conditions for employees in the Netherlands.

SNV also has a grievance mechanism in place to ensure that any team member can have an anonymous conversation regarding, but not limited to, harassment and discrimination and other forms of misconduct. To ensure that any complaint can be easily reported and followed up with, SNV has different forms of grievance reporting to best adhere to the needs and preferences of each person.

SNV team members in each country office elect trust persons, whose role is to provide guidance on the grievance reporting system in cases of workplace discrimination and harassment and other forms of misconduct. The Country Council also has open-door sessions for any grievances of employees to be recorded and appropriately addressed.

SNV is an international not-for-profit organisation with over 1,300 employees from various nationalities worldwide. Within SNV, regular meetings are held between the Managing Board representative and the Corporate Council. In the countries where SNV operates through a Country Office, regular meetings are held between the Country Director and the Country Council. In these meetings labour related issues are discussed.

Standard practice within SNV is to have regular meetings with managers to discuss workload and focus areas. Managers encourage employees to discuss any labour related issues 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 centrally, and reviewed by Global HR.

Principles 7, 8 and 9

Environment

Related SDGs: 7, 12, 13, 15

Environmental and social safeguards are intrinsic components of SNV's project design. Since 2016, an organisation-wide Environmental and Social Protection Policy ensures that any adverse environmental and social impacts of projects are identified, avoided, or mitigated and that the positive impacts are optimised. SNV has the following policies and procedures in place:

- Environmental and Safeguarding policy
- CO2 flight compensation.

SNV is committed to reducing greenhouse gas emissions. In 2020, SNV's projects contributed to a reduction of over 600,000 tons (in 2019, over 573,000 tons) of greenhouse gas emissions. In 2019, our organisational CO2 footprint was approximately 4,200 tons, for which we bought Gold Standard Biogas credits for projects in Cambodia, Kenya, and Tanzania. Our CO2 footprint decreased by 7% from 2018 (4,500 tons). Over the past few years, emissions for SNV staff flights have remained relatively stable while the volume of our work has increased substantially. This is a result of using electronic communications to reduce travel when possible.

SNV increasingly integrates climate resilience in its programmes. Climate change is an overarching priority theme across SNV's three sectors (energy, food systems, and water). The principle of our engagement will be to focus on tangible change at local level, to ensure a climate justice/equity angle, and to include climate change impacts in systems analysis. With climate change becoming all-encompassing perspective for development, climate

finance is increasing in volume and SNV will explore how to tap into and mobilise this to the benefit of low-income communities, among others through our specific product. Climate & Business.

Our energy project portfolio helps to reduce greenhouse gas emissions while promoting access to energy. Energy activities include globally applied Sustainable Energy Markets products along with climate products. We will develop clean cooking and heating, as well as for off-grid electricity.

With our project portfolio in food systems, we aim to support a transformation to resilient food systems that deliver food security and adequate nutrition for rural and urban people in such a way that the economic, social, and environmental bases are safeguarded for future generations. We will focus on environmental protection and restoration in all activities in the food system, respecting planetary boundaries and, where possible, regeneration of agricultural landscapes and natural resources will become a key consideration.

In 2022 our water project portfolio will continue to strive for universal and safely managed access to both water and sanitation. This means reliable, accessible water in the right quantities and quality, and sanitation that is safely managed along the entire chain, until it's safely disposed or reused. Climate will factor greatly in the water sector.

Where applicable, SNV offices use Fairtrade coffee and promote split waste collection.

Principle 10

Anti-corruption

Related SDG: 16

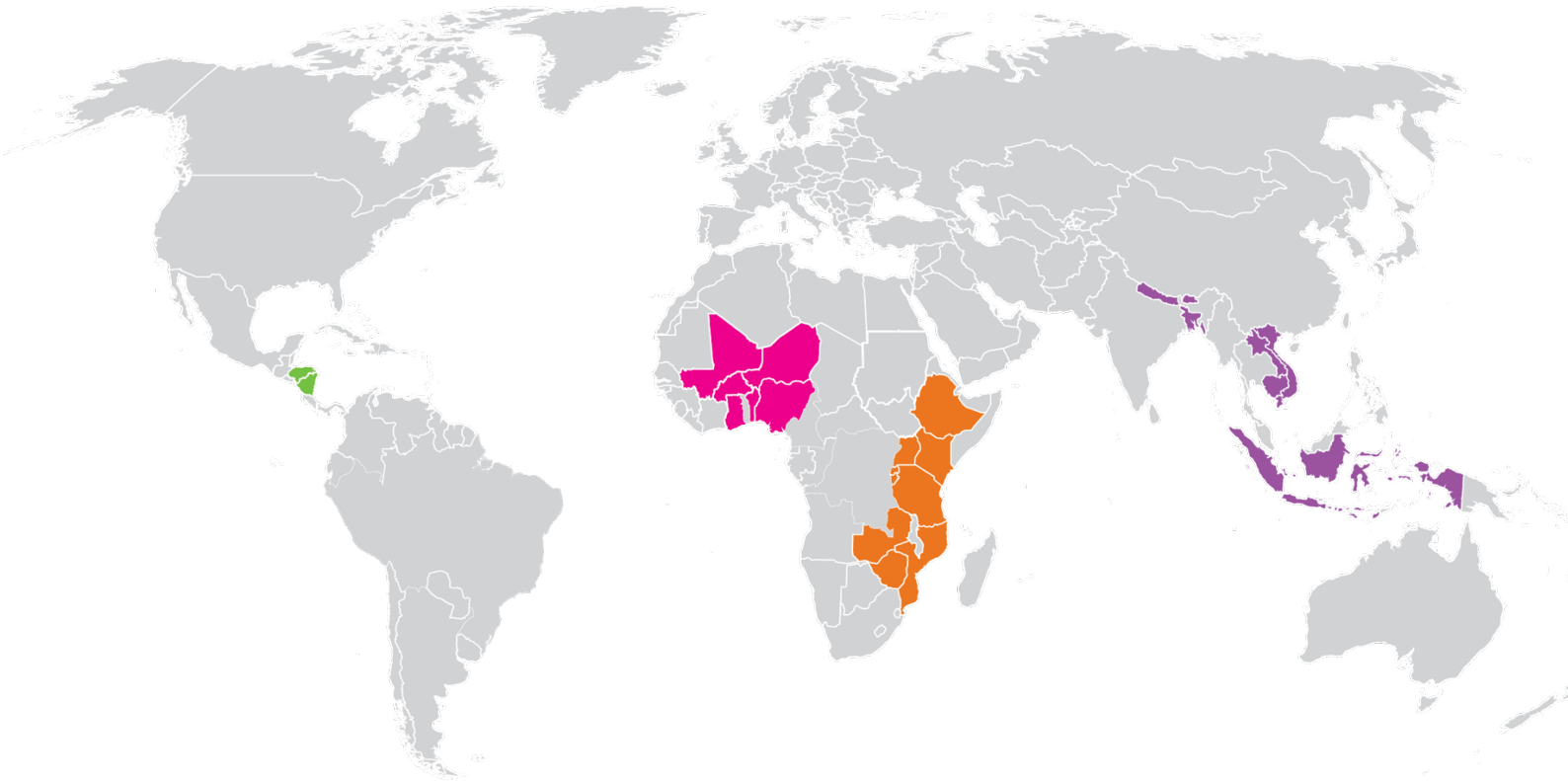
SNV has a zero-tolerance policy for fraud and corruption. As well as the ethical standard policies above, SNV has a fraud response procedure which describes how SNV manages cases of reported fraud suspicions. Fraud, bribery and corruption risks are included as one of SNV's principal risks in SNV's risk corporate risk register with several mitigating measures, including mandatory training on ethical standards in place for all new team members.

All reported cases of fraud suspicions are included in the fraud register which is monitored and maintained by the Managing Director Business. A follow-up mechanism for reporting suspicions is in place. Where necessary, forensic audits are executed by external experts. All cases included in the fraud register are reported to SNV's Audit & Risk Committee.

Additional information

Additional information on SNV's work, policies and procedures is available on SNV's website at 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 three sectors – agriculture, energy, and water, sanitation and hygiene (WASH) – and have a long-term, local presence in around 24 countries in Asia, Africa, and Latin America. Our team of 1,297 staff is the backbone of SNV.

www.snv.org