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ActionAid UK Communication on Engagement – UN Global Compact

To our stakeholders,

I am pleased to confirm ActionAid UK's (AAUK) continued support of and commitment to the United Nations Global Compact and its Ten Principles in the areas of Human Rights, Labour, Environment and Anti-Corruption.

In this Communication on Engagement, we outline the activities ActionAid UK (AAUK) has taken to support and engage with the UNGC principles in the period November 2020 to November 2022. We welcome any feedback from our stakeholders. Our latest organisational Annual Report and Accounts are also available to download through.com our website.

We are pleased to reaffirm our ongoing commitment to the UN Global Compact to 2023 and beyond.

Sincerely.

John Good

Interim Chief Executive

Introduction

ActionAid works in over 40 countries to bring about a world without poverty and injustice in which every person enjoys their right to a life of dignity. ActionAid UK (AAUK) is proud to be a member of the global ActionAid International Federation, made up 43 national organisations.

Our mission is to achieve social justice, equality, and poverty eradication by working with people living in poverty and exclusion, their communities, people's organisations, social movements and supporters, harnessing the Power in People. Women living in poverty and exclusion are central to what we do because the denial of their rights is a grave injustice and one of the underlying causes of poverty worldwide.

In the UK, our role is to challenge inequalities, primarily by securing the financial resources needed by the Federation to deliver our global strategy, and also through influencing work to enable its mission. From 2023-24, AAUK's work will be guided by a two-year Bridging Plan, ensuring we continue to build on the successes seen within our five-year Together with Women and Girls strategy (2018-2022), despite the challenges of Covid-19, and to ensure close alignment with the work of our current ten-year international strategy.

Human Rights - Principles 1, 2

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.

Supporting the protection and advancement of human rights is the very foundation of our mission – we firmly believe poverty is more than a lack of money, it's a lack of choice, power and a violation of human rights. We implement our global strategy, Action for Global Justice, through our Human Rights Based Approach (HRBA), supporting people, especially women, to be drivers of their own change.

In the UK one of our main contributions to this global mission is fundraising; either directly funding or providing bid support and grant management to a wide range of projects and programmes in country. In line with our HRBA, a key focus is often addressing the issues that perpetuate poverty and human rights abuses, supporting communities to raise awareness and influence policy change.

In December 2021, AAUK commenced a multi-year partnership with Ethical Tea Partnership, Taylors of Harrogate and Lavazza, addressing gender based violence and worker rights in the tea supply chain in Kenya.

We also contribute by influencing in the UK - our Private Sector team held a Roundtable event with 13 businesses to discuss human rights risks to informal workers

and identify solutions to work on in collaboration. This was followed up with an article written about the outputs and published in Business Fights Poverty.

ActionAid is committed to monitoring, evaluation, reflection and learning. In September 2020 ActionAid launched revised guidance on implementing our strategy and HRBA, bringing it up to date with our latest insights.

As we are an organisation working with some of the world's most potentially vulnerable people we work hard to ensure that within our organisation, or in our work with partners, we are not complicit in any human rights abuses or safeguarding breaches.

In 2022 ActionAid International (AAI), who set the safeguarding standards for the federation, reviewed the Whistleblowing policy and suite of safeguarding policies and procedures to ensure they remain robust, fit for purpose and reflect best and current practice. Our dedicated AAUK Safeguarding unit then localised these policies, ensuring they capture considerations specific to the UK context. To ensure all staff understand and engage with the policies, a mandatory Safeguarding refresher training was rolled out across the organisation in 2022. In 2021, AAUK undertook a Sexual Harassment, Exploitation and Abuse (SHEA) and Safeguarding Mapping Exercise to provide strategic oversight for all aspects of AAUK's safeguarding work and ensure all activities are in line with AAI's SHEA and Safeguarding approach.

In the UK, in addition to robust policies that protect our workforce, such as the SHEA at work policy, we continue to promote a supportive organisational culture, and we have maintained our team of 'Mental Health First Aiders' who are trained to assist colleagues with mental health and wellbeing.

In 2022, AAUK revised our Procurement Policy and processes to ensure that we continue to procure goods and services ethically and with the best value for money. We are reinforcing this by undertaking an internal audit to confirm we are fully compliant with our policy standards. We also refreshed our policies and mechanisms which protect and safeguard our supporters' rights, such as a Treating Supporters Fairly policy and complaints and whistleblowing processes available to the public.

In late 2020 AAUK established an assurance function which has been further developed over 2021 and 2022. This helps to ensure we are not complicit in human rights abuses at any stage in our work as it provides greater insight into the end use of AAUK funds. The assurance monitoring helps to identify potential risks and enables us to support with mitigations; for example, providing grants to fund policy translation and explainers for local communities. We also maintained a dedicated Board Safeguarding Focal Person on our Board of Trustees, which helps ensure we maintain oversight of safeguarding across any work carried out around the world using funds raised in the UK.

AAUK, along with 15 other AA member countries, is independently verified against the Core Humanitarian Standard (CHS) on Quality and Accountability. In 2020 and 2021 we worked on an improvement plan to maintain and enhance our performance against the nine CHS commitments and were proud to pass the 2021 audit. As a learning organisation, we welcome the results of the audit as a valuable tool to further improve our processes and are working on implementing the recommendations. AAUK is also

a member of the <u>Corporate Responsibility (CORE) Coalition</u>, the UK civil society network which seeks to secure a policy of mandatory human rights due diligence legislation for UK businesses.

Labour – Principles 3, 4, 5, 6

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.

One of AAUK's key strategic priorities is to fight for women's equal rights to economic opportunities, and we actively support access to safe work environments, equal living wages and social protection such as adequate, paid maternity leave.

Between 2020 and 2022, AAUK have supported the implementation of a number of projects aimed at addressing and reducing violence and improving protection of women & girls and LGBT people in their formal and informal workplaces. AA Ghana, AA Rwanda, AA Tanzania, AA Zambia and AA Bangladesh focussed on developing national action plans to support the implementation of ILO Convention 190 and undertaking government-focused advocacy including for the creation and government funding of Labour inspectors and officers in all regions.

As a federation, ActionAid maintains a culture where human slavery and exploitation is unacceptable. ActionAid has a federation-wide Global Anti-Modern Slavery policy and members are required to attest annually on its implementation; AAUK is fully compliant and AAUK's assurance team have worked with ActionAid International to monitor compliance to the policy within the wider federation, helping to identify additional needs such as training requirements.

At AAUK we have implemented numerous additional actions to prevent modern slavery in our UK supply chains for goods and services, as detailed in our <u>Modern Slavery Statement</u>, which is updated and ratified by the Board of Trustees annually.

All ActionAid workers continue to have the right to form and to join trade unions for the protection of their interests and to engage in collective bargaining. AAUK staff have full union recognition, which means that union members at AAUK have a say on issues such as pay, HR polices and organisational restructures. Our recognised trade union is Unite. We have an active and dedicated internal union staff group, with union representatives from each department across the organisation.

We are committed to eliminating discrimination in respect of employment and occupation. We recognise this is a journey and will continue to evolve. In AAUK, we produce reporting on any ethnicity and gender pay gaps and we are in the process of developing an organisation wide anti-discrimination learning and development programme.

Environment – Principles 7, 8, 9

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.

AAUK funds support local rights programmes that are increasingly focussed on tackling the effects of climate change, helping women and girls to prepare for and adapt to its various impacts. In addition to alleviating the effects, we also fight for climate justice through research and advocacy. In 2021 we recruited a dedicated Senior Resilience Climate Specialist to strengthen our work in this area.

In Spring 2021, AAUK ran a public fundraising and communications campaign on climate change and women's leadership, called She is the Answer. This was a special campaign backed by the Foreign, Commonwealth & Development Office (FCDO) under its UK Aid Match initiative. Between 5 March and 4 June 2021, the UK Government matched all UK public donations to fund the work of local women's champions in Cambodia to help fight against climate change. The campaign raised £2.26m including £1.08m of match funding from the UK government, which will go towards a 3-year project running in four provinces across Cambodia.

As part of our effort to fully meet the Core Humanitarian Standards, we developed a checklist for programmatic work to be used during proposal development as well as provide overall guidance for day-to-day humanitarian response operation. The checklist covers environmental impact analysis as well as women's leadership, accountability, resilience, WASH, SHEA and safeguarding. As we learn from our programmes and from our partners, we regularly review and refine the tool.

We naturally recognise that our own activities in the AAUK offices have consequences for the environment, and it is our responsibility to minimise the negative impacts of these as far as we can. The organisation operates in compliance with all applicable environmental legislations and we strive to use environmental best practices in all that we do.

In June 2022, we signed up as a Federation to the Climate and Environmental Charter for Humanitarian Organisations.

We are committed to reaching net zero by 2050, and believe that offsetting should be an absolute last resort. To this end we are taking steps to reduce our emissions as far as possible. We published a refreshed Environmental Policy in Autumn 2021 and again updated it in Autumn 2022, refining our environmental commitments. Our policy is <u>publicly available on our website</u>, alongside our organisational carbon footprint and carbon reduction plan (also updated annually).

The principles in the Environmental Policy framework have been applied in various ways so far, such as including an environmental lens in a review of our public fundraising product portfolio, as well as opting for plant-based catering for all internal

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and external AAUK events. We updated our guidelines so that environmental considerations are taken into account when selecting a supplier; in our recent print tender, environmental considerations were prominent in our decision making process.

Anti-Corruption – Principle 10

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

We take seriously our responsibility to safeguard funds entrusted to us and have a strict zero tolerance policy on fraud, bribery and corruption.

The detection and prevention of corruption and fraud is the responsibility of all staff and management, with management defining and implementing the processes behind it. The global ActionAid Federation adopted a refreshed Anti-Fraud and Corruption Policy in November 2022, which all ActionAid members must comply with or adapt into their own country policies. This coincided with the first ActionAid Fraud Awareness week, which included a series of events to raise awareness throughout the Federation. The International Internal Audit team also provide Anti-Fraud training when visiting countries to undertake audits.

AAUK has its own separate Anti-Bribery and Corruption Policy, aligned with the UK Bribery Act 2010 and owned by our Head of Internal Audit. The policy includes guidance on gifts, hospitality and expenses, as well as how staff are able to raise suspicions of any wrongdoing or risk of bribery or corruption – staff and volunteers are able to raise concerns anonymously via a dedicated Whistleblowing email and/or a hotline. The policy applies also to all AAUK seconded workers, agency workers, volunteers, contractors, external consultants and third-party representatives. To raise the profile of the policy, the Head of Internal Audit delivered a presentation to all staff on Fraud Awareness during an all-staff meeting held in November 2022.

AAUK has robust internal controls in place to prevent, deter and detect corrupt activities. These include, but are not limited to, thorough recruitment procedures, clear organisation of responsibilities and reporting lines, separation of duties, regular performance monitoring by management, secure audit trails, regular internal and external audits, and federation-wide policy attestations undertaken annually.

Additionally, AAUK has funding agreements in place with all federation members in receipt of AAUK funds. These establish a set of requirements and reporting which provide assurance on the end use of AAUK funds. Throughout 2021 and 2022, AAUK assurance team further developed the systems of reporting and review to monitor compliance with the terms of the agreements and work with countries and ActionAid International to address any concerns.