



Communication of Engagement with the UN Global Compact

PERIOD COVERING 2020 - 2021

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Statement of Continued Support from the Chief Executive

20th September 2023

I am pleased to confirm that Catholic Relief Services reaffirms our commitment to the United Nations Global Compact and its Ten Principles in the areas of Human Rights, Labor, Environment and Anti-Corruption. Since our founding in 1973, CRS has been dedicated to serving the most vulnerable communities worldwide, guided by our mission to preserve and uphold the sacredness and dignity of all human life. We put our faith into action to help the world's poorest to create lasting change, and assist based on need, not creed, race, or nationality.

The attached document is our Communication of Engagement with the United Nations Global Compact. It describes the action that Catholic Relief Services has taken during the period from 2020 -2021 to support the UN Global Compact and its principles.

CRS' efforts to support the principles of the UN Global Compact have included prioritization of empowering local communities and improving lives through our programs. We uphold the principles of human rights and labor standards in all our operations and have implemented stringent policies to ensure ethical conduct and respect for the dignity of all individuals. We adopt environmentally safe and sustainable practices in our programs. We are committed to the highest standards of integrity and have implemented anti-corruption policies and procedures to safeguard our resources and maintain the trust of our stakeholders.

We commit to sharing this information with our stakeholders. Related documents and information provided in this Communication of Engagement can be found in our Vision 2030 Strategy, 2021 Annual Report, and on our website.

CRS remains steadfast in its commitment to the principles of the United Nations Global Compact. We will persist in our efforts to create a more just and sustainable world where every individual can live a life of dignity.

Peace and Light,



Sean Callahan

President & CEO, Catholic Relief Services



Commitment to UNGC Principles

Human Rights Principles: 1 & 2

Principle 1: Catholic Relief Services supports and respects the protection of internationally proclaimed human rights; and

Principle 2: Catholic Relief Services ensures we are not complicit in human rights abuses.

Catholic Relief Services is the official international Catholic relief and development agency of the United States Conference of Catholic Bishops. CRS is guided by the Catholic Church's social teachings and motivated by the Gospel of Jesus Christ to cherish, preserve, and uphold the sacredness and dignity of all human life. The dignity of all human life serves as the foundation for CRS' Guiding Principles.

Drawing on a rich tradition of Scripture and Catholic social teaching, our Guiding Principles inform all that we do to deliver impact in a rapidly changing world. Acting as a guide to what a just world might look like, much of these principles are shared across religious and cultural boundaries and articulate values that are common among people who seek to promote and work toward true justice and lasting peace. These Guiding Principles include the sacredness and dignity of the human person, and every person has basic rights and responsibilities that flow from our human dignity. CRS seeks to promote and protect human rights through its programs and is committed to combat against human rights abuses.

CRS Activities in 2020-2021

- CRS staff including Board Members, interns, volunteers, and visitors as well as partners, suppliers, service providers, and consultants are expected to treat all people with whom they have contact with respect, to actively prevent all forms of harassment, abuse, and exploitation, including all forms of sexual misconduct and trafficking, and to ensure our programs do no harm to the communities in which we work.
- CRS has a Safeguarding Policy that prohibits any form of harassment, abuse, exploitation, and human trafficking. The Safeguarding Policy clearly describes that any form of abuse or exploitation constitutes serious misconduct and is grounds for disciplinary action.
- CRS has a Safeguarding Allegation Management (SAM) Procedure to report concerns or suspicions of harassment, abuse, and exploitation. All reports trigger prompt and thorough assessment which may include investigation. Any substantiated violation of our policy results in appropriate action, which may include termination of employment and reporting to the appropriate local authorities.
- CRS has rigorous policies and systems in place to ensure that our staff, affiliates, partners, suppliers, service providers, and community members can report harassment and safeguarding concerns, are protected from the threat of retaliation.

- In 2020, Catholic Relief Services developed its new Global Gender Strategy 2020-2030. It emphasizes the critical importance of gender integration in achieving the agency's mission. CRS' Global Gender Strategy 2020-2030 goal is to contribute to gender equality for women, men, boys, and girls (WMBGs) both within our organization and throughout our programs and advocacy initiatives.
- Furthermore, Catholic Relief Services is an active contributor to the following committees and working groups focused on humanitarian action and the protection of human rights:
 - United Nations Partnerships Working Group
 - International Council of Voluntary Agencies
 - The Grand Bargain

Labor Principle; 3, 4, 5, & 6

Principle 3: Catholic Relief Services upholds the freedom of association and the effective recognition of the right to collective bargaining.

Principle 4: the elimination of forced and compulsory labor

Principle 5: the effective abolition of child Labor; and

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

Catholic Relief Services is committed to fostering an ethical and inclusive work environment that upholds the principles of respect for human rights and dignity. CRS adamantly opposes all forms of forced labor, child labor, and discrimination in employment. Our policies and practices are firmly aligned with international labor standards and the principles of the United Nations Global Compact.

CRS Activities in 2020-2021

- Safeguarding is fundamental to our identity as a humanitarian and development organization. CRS promotes the wellbeing of individuals to realize their full human potential, in solidarity with others, respecting the dignity of every person and caring for the most vulnerable and marginalized. Our Safeguarding policy on protection establishes standards, practices, procedures, and responsibility to protect children and vulnerable adults from abuse and exploitation.
- CRS is committed to creating and maintaining an environment – in our workplaces, in our programs, and in the communities within which CRS works, that promotes our core values. This means, in practice, creating and maintaining a culture of integrity, safety, accountability, respect, and inclusion, and actively working to prevent abuse and harm.
- CRS is committed to equal employment opportunity and to the development of talent and learning of a workforce with diverse skills and experiences. Discrimination is not tolerated under any circumstances at any locations. Specifically, discrimination based on race, color, religion, national origin, sex, age, sexual orientation, disability, marital status, genetic information, or any other characteristic protected by law is prohibited.

Environmental Principles 7, 8, & 9

Principle 7: Catholic Relief Services supports 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.

Catholic Relief Services helps millions of smallholder farmers worldwide recover from natural disasters and civil strife, build resilient farming systems, and grow them into agricultural enterprises that engage successfully with markets. CRS uses its Pathways to Prosperity approach to help end poverty by working with farmers to access the tools and resources that enable them to earn living incomes, cultivate flourishing landscapes and build resilient communities. These tools include adopting environmentally sustainable agricultural practices through training and extension services.

CRS Activities in 2020-2021

- In response to global climate change, CRS helps farmers learn techniques for **Conservation Agriculture**, which is the foundation of **Climate-Smart Agriculture**. Techniques include using cover crops, planting with green manure and “no till” practices, conserving water and using native varieties of crops to manage pests. These approaches increase productivity, decrease costs, and improve soil fertility, all of which strengthen resilience.
- CRS has been building, validating, and scaling **Water Smart Agriculture (WSA)** to simultaneously confront the challenges of land degradation, drought and erratic rainfall, low agricultural productivity, and poverty in Central America and southern Mexico.
- CRS uses **Regenerative Agriculture** to rebuild and protect soil so that it can continue to be productive. This approach replenishes and protects the ecosystem on farms and surrounding landscapes.
- CRS works in close partnership with local organizations and communities on **Recovery and Seed System Development** programs.
- CRS works with smallholder farmers to strengthen their economic viability and promote **Inclusive Value Chains**. These value chains are profitable for everyone involved by linking them to equitable markets, while improving environmental sustainability by prioritizing perennial crops and agroforestry systems.

CASE STUDY: Raíces

In El Salvador, Catholic Relief Service's Raíces (Drought Resilience Project) is improving land practices in Central America's Dry Corridor. Due to climate change, the weather is not predictable. Rainfall has become inconsistent, exposing farmlands to extreme conditions of drought or humidity. To combat the effects of these extremes, CRS supports Water-Smart Agriculture as a proven practice of managing soil to conserve water and increase yields.

In cooperation with Raíces El Salvador, CRS has introduced farmers to new techniques, including applying environmentally friendly fertilizers; contributing to the conservation of microorganisms in the soil; and planting scattered trees that help reduce water runoff, and generate shade and biomass that provides nutrients to the land. Farmers adopting these soil and water conservation practices have reported an increased resilience to drought as well as the restoration of soil and water resources.



A view of a field in Ahuachapán, El Salvador, where the water-smart agriculture approach has been put into practice.

Anti-Corruption Principle 10

Principle 10: Catholic Relief Services works against corruption in all its forms, including extortion and bribery.

At CRS, we treat risk management and compliance as an operational imperative. We understand that in today's complex and dynamic business environment, managing risks and ensuring compliance are essential for achieving our mission and creating value for the people we serve. We are motivated by our Guiding Principles to act responsibly and with integrity, to make sound judgments and to always strive to do no harm in our service to others. That is why CRS is committed to operating with the highest ethical standards and to nurturing an operating environment that respects and values CRS employees, partners, donors, and beneficiaries.

CRS Activities 2020-2021

- CRS' commitment to ethical operations is manifested in our Risk Management & Compliance Framework. Our Framework, aligns with industry standards, addresses all aspects of our agency's operations, and adapts to meet the evolving needs and expectations of our stakeholders.
- Through application of our Risk Management & Compliance Framework, CRS assesses, monitors, and mitigates risks, complies with relevant laws, regulations, and policies, and supports its motivating priority to always uphold the sacredness and dignity of every human life.
- CRS has a strict Code of Conduct and Ethics. All CRS Employees, Affiliates, and Board Directors are aware of the agency's Code of Conduct and CRS' commitment to the highest standards of personal integrity, moral conduct, ethics, and accountability to those we serve. All CRS Staff are required to successfully complete its Code of Code of Conduct and Ethics Training every two years.
- CRS has a comprehensive Whistleblower and Non-Retaliation Policy. This policy provides guidance to those who report reasonably suspected wrongful, improper conduct, including safeguarding violations, fraud and financial misconduct, employee relations complaints and retaliation actions affecting CRS staff or colleagues. The complaints may be made directly to supervisors and reporters also have access to an anonymous, third-party whistleblower reporting system.
- CRS also has a robust system of policies guiding due diligence on all suppliers and service providers. CRS has committed to the principles of responsible sourcing, and we expect our suppliers and service providers to fully follow contractual obligations to include CRS terms & conditions, local and relevant applicable laws to adhere to internationally recognized environmental, social, and corporate governance standards.
- CRS has a written Supplier/Service Provider Code of Conduct in which we prohibit all types of bribery, corruption, money laundering and terrorism financing. CRS also ensures that written agreements with suppliers and services providers (including their agents, consultants, and sub- contractors), in all programs, include requirements for compliance.

Measurement of Outcomes

In 2020, CRS introduced the CRS Global Results. The CRS Global Results demonstrate how each program, country and region contributes to the CRS Vision 2030 strategy for transformational change at scale. These results inform the agency about the effectiveness of our work so that we can ensure impactful change at scale, demonstrate the agency's ability to save and change lives, and indicate how the Vision 2030 strategy contributes to the UN Sustainable Development Goals.

Our Vision 2030 Strategy reflects the evolving needs and capabilities of the people we serve and our local partners. We challenge ourselves to evolve our own organization and role while building on current strengths. Across all our goal areas, we practice a preferential option for the poor, and prioritize reaching the most vulnerable among our sisters and brothers around the world. The five distinct goals of CRS' Vision 2030 Strategy align with the overarching vision of United Nations Global Compact.

Our work across five goal areas unifies our efforts in over 100 countries while allowing for adaptation to local contexts. Our signature approach of integral and holistic development is conducted with an extensive network of over 2,000 dynamic partners across civil society, governments and the private sector who share our vision for human flourishing and our commitment to reaching the most vulnerable and marginalized.

- **Goal Area 1: All People Live in Just and Peaceful Societies**
- **Goal Area 2: All People Survive and Thrive in the Face of Disasters**
- **Goal Area 3: All People Achieve Dignified and Resilient Livelihoods in Flourishing Landscapes**
- **Goal Area 4: All Children Reach Their Full Health and Development Potential in Safe and Nurturing Families**
- **Goal Area 5: All Youth are Empowered to Thrive**

We aspire to save lives and alleviate suffering, accelerate the end of poverty, hunger, and preventable disease, and cultivate just and peaceful societies—are interrelated and mutually reinforced, always placing the dignity of the human person at the center. Focusing on end results at the outset enables us to measure – and achieve – metrics of individual lives changed, capacities strengthened, and policies influenced. Tangible outcomes help everyone fulfill their God-given potential as we create a better world for all.

Achieved Outcomes

In 2021, Catholic Relief Service's programming touched the lives of more than **193 million** vulnerable people in **116** countries around the world. Catholic Relief Services achieved the following progress against these indicators:

Environment

- Between FY20-21, Catholic Relief Services distributed **\$118,941,990** in cash and vouchers in **45** countries to support resilience building.
- In FY21, CRS helped **186,497** households with improved resilience to shocks and stresses.
- Our agricultural interventions helped improve rural livelihoods and included:
 - Climate Smart Agriculture
 - Nutrition Smart Agriculture
 - Recovery and Seed System Development
 - Regenerative Agriculture
 - Inclusive Value Chains
- FY20-21, CRS helped restore **579,341** hectares of land.
- In FY21 CRS helped generate a **57%** increase in agricultural productivity and reached **886,198** farmers.

Human Rights

- Between FY20-21, Catholic Relief Services provided **1,261,373** people with access to safe and dignified shelter and homes.
- In FY21, **109,607** children received access to safe and supportive environments.

Labor

- In FY21, **74,749** youth completed youths skills training development programs.
- In FY21, CRS programming helped to employ **51,835**, **25%** in formal employment and **75%** was self-employment.

Anti-Corruption

- In FY2021, CRS received **109** reports of potential safeguarding policy violations of which **74** were assessed as credible and investigated.

CRS expects a continued rise in reports as staff, partners, suppliers, and participants become more aware of CRS' Safeguarding Policy and channels through which they can report violations and concerns.

Concluding Remarks

Catholic Relief Services is deeply committed to the ten principles on the United Nations Global Compact and is working tirelessly to uphold these principles in all our operations. We are proud of the progress that we have made during the period covered in this Communication of Engagement. We know that there is much more work to be done and are committed to continuous improvement to support these principles and strengthen our performance.