

VSO Modern Slavery Statement 2020/2021

Modern slavery is a global problem and constitutes a high or extreme risk in 115 countries, which means almost 60% of countries are at high risk of using slave labour in their supply chains.

The United Kingdom is ranked as one of the top 10 countries taking the most action to combat modern slavery; this has been characterized by strong political will, substantial resources, and a strong civil society that holds governments to account.

The Modern Slavery Act 2015, and the responsibility it places on companies has contributed to this positive ranking. The Act integrates human rights into the UK regulatory framework by ensuring that perpetrators of modern slavery crimes are suitably punished, providing defence for victims of slavery and trafficking and requiring businesses with income over a certain threshold to produce an annual statement setting out the steps they have taken to ensure there is no modern slavery in their own business and their supply chains. It is this requirement alongside the increasingly prevalent issue of forced labour and human trafficking and their links to abuses of sexual and human rights that has prompted the annual development of this statement with the aim of further positive action across VSO.

Modern slavery is a global crime resulting in an abhorrent abuse of dignity and human rights which disproportionately affect women and children. However, the measures VSO has taken to combat the risk of modern slavery are aimed towards all persons who may be adversely affected.

Modern slavery is deeply incompatible with the ethos of VSO. VSO takes a position of zero tolerance towards trafficking in human beings for sexual and labour exploitation and all forms of modern slavery. VSO's zero tolerance position extends to all those working for, and in collaboration with, VSO. VSO is committed to ensuring that those working for VSO should not engage in activities and/or be involved with entities that violate human rights.

VSO is taking proactive steps both at global and location level with the aim of ensuring that modern slavery does not exist at any level of the organisation and that the best possible support, care and compassion is provided to any victims of this crime with whom VSO comes into contact.



Philip Goodwin
Chief Executive

1. About Us

1.1. Vision, values and strategy

The VSO vision is a fair world for everyone. The VSO purpose is to create lasting change through volunteering.

We bring people together to address marginalisation and poverty. We aim to fight poverty not by sending aid, but by working through volunteers and partners to create long-lasting change in some of the world's poorest regions.

1.2. VSO's organisational structure

VSO is a not-for-profit independent international development organisation that works through volunteers with a mission to empower communities in developing countries.

VSO is a company limited by guarantee, registered in England and Wales (registration number 00703509). VSO is also registered as a charity in England and Wales (registration number 313757).

VSO operates internationally primarily through branch offices in the following locations: Bangladesh, Cambodia, Ethiopia, India, Kenya, Malawi, Mozambique, Myanmar, Nepal, Nigeria, Pakistan, Philippines, Rwanda, Sierra Leone, South Africa, Tanzania, Thailand, Uganda, Zambia, and Zimbabwe.

In addition, VSO has the following international operations:

- Voluntary Service Overseas (Ireland), a company limited by guarantee, a subsidiary of VSO and incorporated as a charitable entity in Ireland;
- Stichting VSO Nederland, a Dutch independent charitable organisation whose accounts were integrated with VSO's as of April 2018; and
- Voluntary Service Overseas USA, Inc. which is a US corporation with US 501 (c) (iii) tax status.

This structure of branch offices and subsidiaries enables us to effectively deliver VSO's mission globally. It helps us respond quickly to challenges and opportunities as well as reducing duplication of work and administration.

1.3. VSO's governance and management

VSO's ultimate level of governance is its International Board of Trustees which sets the strategic direction for VSO, is responsible for upholding the organisation's values, and ensures we meet our objectives. Some tasks of the International Board are delegated by the Board, to Board Committees, which operate under clear terms of reference. The Business of Board meetings includes receipt of reports and minutes of Board Committee meetings.

1.4. VSO's people

VSO employs approximately 540 employees across its office in the UK and its country offices. VSO has approximately 2200 international and national volunteers. VSO is an accredited Living Wage employer, which means that VSO staff and suppliers who provide services to VSO are paid a living wage in the UK.

VSO aims to build a workplace culture that is protective of its staff and volunteers' human rights. VSO's policies and procedures reflect and underpin this culture. VSO meets its commitment to safeguarding and promoting the protection of children, young people and vulnerable adults with its Global Safeguarding Policy, Code of Conduct and by carrying out all necessary background and pre-employment checks.

VSO's Global People Resourcing Policy sets out the recruitment procedures for employees and volunteers. The Policy provides that recruitment shall be carried out in a fair and transparent manner consistent with VSO's values and in line with VSO's Safeguarding and Diversity and Inclusion Policies.

All employment offers or volunteer agreements are conditional on satisfactory background checking and right to work entitlements being met. Candidates are always required to provide evidence of their identity and eligibility to work in the relevant location.

1.5. VSO's supply chains

VSO operates with a decentralised approach to procurement where we focus on strong procurement skills and capacity within our country teams. In keeping with VSO's mission of fighting poverty, wherever possible, and where the quality is available, we source goods and services locally in the countries we operate. This aligns with our sourcing approach to procure where we work (where sufficient value for money can be found) which supports the local communities.

Procurement can also be carried out by global teams. VSO's Global Procurement team supports all high value and high-risk procurements. Our supplier base is broad and diverse and is comprised of organisations best able to meet our requirements.

Typical types of goods/services VSO purchases include IT equipment, vehicles, consultancy services, printing services, and workshops/ conferencing.

VSO is committed to implementing and maintaining the highest standards of efficiency and integrity in its purchasing activities for goods, works and services. All procurement activity must demonstrate fairness, transparency, compliance, value for money and be ethical. VSO is committed to ensuring that suppliers are treated ethically at all times by VSO, and that VSO procurement activity does not support organisations involved in any criminal activity such as fraud, corruption, modern slavery and other human rights abuses.

Suppliers must comply with all applicable human rights and employment laws in the jurisdictions in which they work and have robust means of ensuring that the subcontractors in their supply chain also comply.

VSO expects suppliers to be ethical in the treatment of their workers and suppliers: working conditions and relationships should not involve abuse or exploitation, workers and suppliers should be paid fair wages, and on time.

When making purchasing choices, VSO strives to purchase from organisations which have similar visions and values to its own. Gender equality and inclusion are cross-cutting for all VSO's programmes and suppliers that promote these values (e.g. women-owned enterprises, organisations providing employment opportunities to marginalised groups such as individuals with disabilities, etc.) are invited to bid wherever possible.

1.6. VSO's Partners

At VSO, partnerships are central to creating lasting change for our primary actors. Partnerships help us to expand our impact and reach.

Partnerships are a powerful means to collectively achieve the UN Sustainable Development Goals and achieve our mission. We partner with other organisations and entities that believe in and share our mission and values and buy in to our approaches, and our Volunteering for Development model.

VSO works with partners for many reasons, including those who can help us to:

- design and deliver programmes
- achieve greater reach/scale/impact
- hold greater legitimacy or authority
- exchange technical knowledge
- advocate regarding a specific development issue
- mobilise volunteers
- secure funding

The following principles guide our partnership practice:

- **Focus on changes that make a difference to the lives of poor and marginalised people** with clear objectives, monitoring and evaluation.
- **Accountability and transparency** between each other, to donors, relevant authorities and to people the partnership benefits.
- **Sharing learning and willingness to change as a result of learning** – learning is an integral part of the partnership process and this will be used to inform planning.
- **Promoting sustainable local ownership and respect for sovereignty of local organisations.**

In practice this means that we will work with partners who aspire to bring about positive change for impoverished and marginalised people, seek to be mutually accountable and aspire to equity in design, decision making and ownership of outcomes.

Partnerships help VSO continually improve practices and those of our partners. When working with partners, we need to keep primary actors at the centre of what we do.

2. VSO's policies on slavery and human trafficking

VSO operates a number of policies that assist in the prevention of slavery and human trafficking in our operations.

The following were updated during the period 2020-2021:

- **Global People Resourcing Policy**
- **Global Procurement Policy** This was updated to reflect current best practice and donor requirements. This includes expanding the section on ethical considerations and references to the VSO Supplier code of conduct.

The following were launched in 2020-2021:

- **Supplier Code of Conduct** This code is referenced in all VSO contracts, agreements and purchase orders. This code sets out VSO's requirements of suppliers in relation to areas such as safeguarding, human rights and labour standards (including modern slavery), criminal practices and ethical conduct. VSO will only do business with those who are proactive in preventing criminal activity. VSO will not contract with, provide funds for, work with, or assist organisations that are involved in or suspected to be involved in criminal practices. Any suspicion of criminal activity, failure to comply with legal obligations or regulatory requirements, activity which endangers someone's health and safety or the environment, covering up wrongdoing or unethical conduct must be reported in line with VSO's Global Whistleblowing Procedure by emailing whistleblowing@vsoint.org.
- **Partner Code of Conduct** It is referenced in all VSO partnership agreements and contracts with partners. This code sets out VSO's expectations of partners in relation to areas such as safeguarding, human rights and labour standards (including modern slavery), criminal practices and ethical conduct. VSO will only partner with organisations that are proactive in preventing criminal activity. Where a partner is unable to fully comply with the code, VSO will seek to build their capacity to do so. VSO will not contract with, provide funds for, work with, or assist organisations that are involved in or suspected to be involved in criminal practices. Any suspicion of criminal activity, failure to comply with legal obligations or regulatory requirements, activity which endangers someone's health and safety or the environment, and covering up wrongdoing or unethical conduct must be reported in line with VSO's Global Whistleblowing Procedure by emailing whistleblowing@vsoint.org.

Policies which are central to VSO's efforts to combat modern slavery include:

- **Global Whistleblowing Policy** VSO encourages all its trustees, employees, consultants, suppliers, temporary staff, volunteers, and other people at VSO worldwide to be vigilant for signs of wrongdoing or criminal activity by individuals or organisations working with or for

VSO, and to report any concerns (including the endangerment of the health and safety of any individual) without fear of retaliation. The Global Whistleblowing Policy applies to VSO's UK office, branches and subsidiaries worldwide and anyone who wants to raise a concern about VSO.

- **Global Preventing Criminal Practices Policy and Procedure** This policy outlines VSO's position on preventing and prohibiting particular criminal practices, including modern slavery. This Policy confirms VSO's commitment to ensuring that there are no instances of modern slavery or human trafficking occurring within the organisation or its supply chains.
- **Global Code of Conduct** VSO strives to maintain the highest standards of conduct and ethical behaviour when operating abroad and managing its supply chain. All VSO employees, volunteers, workers, consultants and agency workers must abide by the Global Code of Conduct.
- **Global People Resourcing Policy** As part of VSO's onboarding process, all VSO employees and volunteers are required to provide proof of their identity and their right to work in the country in which they are hired. Background and suitability checks are conducted for all VSO employees and volunteers prior to commencing work.
- **Global Procurement Policy** The Policy applies to VSO globally (including its subsidiaries) and is compulsory for all VSO employees, volunteers, consultants and implementing partners. Feedback on the Policy is continuously tracked and the Policy is regularly updated. The Policy requires all staff and volunteers, regardless of their role, and for all procurement whatever the value, to follow the procurement principles of fairness, transparency, ethical behaviour, compliance and value for money. Procurement activity must not support organisations involved in criminal activity such as fraud, corruption, forced labour, modern slavery and other human rights abuses. The Policy also requires that whoever is involved in procurement must also refer and adhere to the relevant HR policies (Global Code of Conduct, Safeguarding and Child Protection Policy, Global Criminal Practices Policy). VSO has a Procurement Focal Point in each country in which VSO operates. The Procurement Focal Point is responsible for ensuring that all staff involved in procurement are aware of and apply the processes and procedures in the Global Procurement Policy. VSO staff are required to remain vigilant and aware of the possibility of modern slavery abuses taking place in supplier business. Any concerns regarding suspected modern slavery practices can be reported following the procedures set out in the Global Whistleblowing Policy.
- **Ethical Fundraising Policy** This policy sets out the framework for ensuring that all donations are from donors whose ethics and values are compatible with VSO's. VSO will not accept any donation where it is known or reasonably suspected that they involve or are related in any way to criminal practices.
- **Global Safeguarding & Child Protection Policy** All VSO employees and volunteers must abide by the Global Safeguarding & Child Protection Policy. Suppliers and partners are expected to adhere to VSO's Global Safeguarding & Child Protection Policy. The Policy provides a comprehensive framework for VSO's zero tolerance against abuse and exploitation of vulnerable people. Pursuant to the Policy, VSO works to a set of key principles to protect vulnerable people.

All policies are available on VSO's internal SharePoint platform. The following are publicly available on VSO's website [here](#):

- Global Safeguarding & Child Protection Policy
- Global Code of Conduct
- Global Whistleblowing Policy
- Supplier Code of Conduct

3. Due diligence processes for modern slavery and human trafficking

VSO has due diligence processes in place for its procurement, partnerships and HR functions.

3.1. Procurement

VSO requires that all suppliers are subject to on-going risk assessment and screening. In particular, VSO has the following due diligence processes:

- Before contracts are awarded, suppliers are subject to due diligence checks.
- Due diligence is carried out at country office level or by the global team and includes, but is not limited to, numerous sanctions lists checks, reference checks, and site visits where appropriate. In some instances donors may also require additional specific due diligence activities to be carried out.
- VSO's tender process includes a Pre-Qualification Questionnaire ('PQQ') which enables VSO to gather information about its potential suppliers. The PQQ asks the potential supplier whether their organisation or anyone in their organisation has been involved in an offence under the Modern Slavery Act 2015, or local equivalent, or subject to an investigation relating to the Modern Slavery Act 2015, or any other human rights violations. Suppliers are also required to state if they use sub-contractors and whether they have processes in place to check whether any of the above circumstances apply to their subcontractors.

3.2. Supplier adherence to VSO's values and ethics

VSO has zero tolerance to slavery and human trafficking. If an existing supplier were to be suspected of having links to involvement in modern slavery, interaction with that supplier would immediately cease.

3.3. Partnerships

All VSO partnerships must meet legal and internal policy requirements. Assessment tools have been developed to assess partner capacity practices and policies to ensure we understand their ability to deliver and any associated risks.

Prior to entering into a Partnership with other organisations, VSO has developed several due diligence tools which include:

- **Ethical screen** When scoping collaboration with a private sector partner that presents potential high risks, a rapid ethical screen is encouraged as best practice. This includes desk-based research and (for major publicly listed companies) reviewing their EIRIS environmental, social and corporate governance ('ESG') report to identify any red flags early.
- **General Partner Assessment** This is used ahead of formalising the partnership and internal stakeholders agreeing whether VSO should explore the potential partnership further. This includes an assessment of the partner's employment practice, including their Human Resource Policies and Procedures, Employee Code of Conduct and management of volunteers.
- **Partner Safeguarding assessment** This is mandatory for all partners and includes an assessment of safeguarding policies, reporting procedures and whether the organisation has specific protocols for supporting victims/survivors.
- **Ethical Review** This is conducted prior to working with private sector partners. This is undertaken by reviewing EIRIS ESG reports, consulting with internal stakeholders and undertaking desk-based research to conduct risk assessments. An Ethical Review Template has been created to assist with this process and includes a section on whether the Partner has a Modern Slavery Statement on their website. The Ethical Review Committee is the decision-making authority for high risk or high value partnership ethical reviews. The committee makes a recommendation which is then validated by the Executive Board. Where necessary the decision can be referred to the Executive Board or the International Board.

3.4. Recruitment

VSO's recruitment processes are outlined in the Global Resourcing Policy (as detailed above) and include checking each applicant's right to work/live and their identification documents.

3.4.1. Contract workers

VSO rarely engages contract workers paid via a sub-contractor or third party or workers through agencies. In the UK, when we engage staff through a company, we follow our procurement process. The screening checks include making sure they pay the Living Wage and have good employment practices in place.

3.4.2. International operations

For our country office staff we conduct annual benchmarking exercises to ensure all staff are paid in line with VSO's approach to pay, which includes ensuring paying the minimum wage where there is one.

4. Risks and planned actions

As outlined in VSO's Global Risk Management Policy, VSO aims to integrate risk management into its culture and its planning, budgeting, projects and programme processes.

International development, by its very nature, carries a degree of inherent risk. For VSO to achieve our mission it is necessary for us to take managed risks and to capitalise on opportunities.

VSO recognises that modern slavery is a risk both within the organisation and in its relationships with partners and suppliers. VSO is committed to continually improving its system of internal controls so as to combat this risk.

VSO has identified the following strategic risk and planned actions to address these:

Risk	Planned actions
<p>Modern slavery is addressed in many of VSO's core policies, but there may be a need to introduce additional controls, including more work to ensure all staff, trustees and volunteers are fully aware of the issue of modern slavery and VSO's stance on this issue.</p>	<p>Roll out training to Board members, senior leadership and employees, including refresher training on recruitment processes and interview panels.</p> <p>Develop a Modern Slavery Policy and provide information and guidance to employees and volunteers. Ensure all employees and volunteers fully understand and comply with the Policy, and monitor compliance.</p> <p>Complete an annual Modern Slavery Statement setting out the steps we have taken to ensure that our supply chain is free of modern slavery.</p> <p>Further assess the nature and extent of our exposure to the risk of modern slavery, using relevant information from internal and external sources. This will enable us to take more targeted action to identify, remedy and prevent modern slavery occurring in the future.</p> <p>Provide support and guidance to downstream partners in order to establish country specific policies and procedures to address the issue of forced labour and ensure that our partners' supply chains are free of trafficking and slavery (e.g. due diligence checklist, regular monitoring and compliance, staff policy briefing).</p> <p>Internal audit team will undertake a review of our supplier due diligence process. The audit will make recommendations for improvements (as appropriate) to our supply chain due diligence process.</p> <p>Identify improvements that can be made to our supply chain due diligence mechanisms.</p> <p>Encourage greater knowledge sharing, networks and learning amongst those people we work with around the issue of forced labour and human trafficking.</p>

	<p>Support governments in the development of legislation on the implications of this issue.</p> <p>Work within our powers to provide support to victims of human trafficking and address any needs that may develop as a result of their experience.</p> <p>Work closely with partners to raise awareness around the issue of forced labour and human trafficking and in particular its impact on the sexual and reproductive health and rights of those affected.</p> <p>As a minimum, VSO expects that all its downstream partners make efforts to ensure that their supply chain is free of slavery and trafficking.</p> <p>Strengthen the Global Whistleblowing Policy to include further guidance on how to report concerns about modern slavery.</p>
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5. VSO's effectiveness in combating modern slavery and human trafficking

We judge the effectiveness of our procedures via the number of reports we receive from employees, workers, agency workers, volunteers, partner organisations, donors, suppliers and other business partners and third parties including the general public and law enforcement agencies. If no such reports are received, the procedure is deemed to be performing adequately. No reports were received in 2020-2021.

As part of VSO's commitment to continuously improve in this area, VSO is developing Key Performance Indicators (KPIs) to measure its effectiveness in combating modern slavery. VSO is setting the following KPIs for 2021-2022, and will report against these in its next Modern Slavery Statement:

- Reporting: The number of complaints or whistleblowing reports raising concerns about modern slavery.
- Remedial action: the number of remedial actions needed.
- Training: the percentage of staff trained in modern slavery.

6. Training for staff

Training to heighten awareness of modern slavery and how to report it is incorporated into our criminal practices awareness training, which is mandatory for all staff as part of their induction and thereafter on an annual basis. As outlined above, refreshing and improving training across the organisation will be an area of focus for 2021-2022.

About this statement

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes VSO's slavery and human trafficking statement for the financial year 1 April 2020 to 31 March 2021. It was approved by the Board on 14 July 2021.

The statement is reviewed annually by the Board.



Philip Goodwin
Chief Executive
Voluntary Service Overseas



Sam Younger
Chair
Voluntary Service Overseas