

VSO Statement on Modern Slavery for the financial year 2023/2024

Modern slavery is appalling and inimical to all VSO is and stands for whether it takes the form of forced labour, debt bondage, human trafficking, or child labour. It is a global crime resulting in an abhorrent abuse of dignity and human rights which disproportionately affects women and children. VSO takes a position of zero tolerance towards all forms of modern slavery and our zero-tolerance position extends to all those working for, and in collaboration with, VSO.

VSO is committed to 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. VSO has in place policies, procedures, and processes to combat the risk of modern slavery. However, VSO recognises that more can be done to combat this risk.

Further information about the framework VSO has in place to combat the risk of modern slavery and the actions VSO plans to take over the next financial year can be found in VSO's Modern Slavery Statement on our website: vsointernational.org/about/policies-andstatements/statement-on-modern-slavery.

Philip Goodwin, Chief Executive

Updated September 2024

About Us

Vision, values, and strategy

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

We are committed to preventing modern slavery and human trafficking throughout our organisation and to ensuring that our supply chains are free from the same. This statement sets out the steps we continue to take to eliminate, insofar as is possible, the risk of modern slavery and human trafficking taking place within our operations.

This statement is made pursuant to section 54 of the UK Modern Slavery Act 2015 and covers the period from 1 April 2023 to 31 March 2024. It covers the activities of VSO including all of its international operations.

VSO's organisational structure

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).

The registered address is 2 Putney Hill London SW15 6AB.

VSO operates internationally primarily through branch offices in the 19 countries.

VSO has the following other 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.

VSO's governance and management

VSO's ultimate level of governance is its Board of trustees, who sets the strategic direction for VSO, and are responsible for upholding the organisation's values and ensures we meet our objectives.

Some tasks are delegated by the Board, under its Schedule of Delegations to two Board Committees. the Governance Committee and the Audit and Risk Committee, which operate under clear terms of reference. The Governance Committee receives reports on the governance of VSO subsidiaries. The Audit and Risk Committee reviews the annual financial statements and related formal statements and assesses the scope and effectiveness of VSO's financial controls, fraud detection and whistleblowing. It also assesses financial and other risks to the organisation and reviews the VSO Risk Register.

The Business of Board meetings includes receipt of reports and minutes of Board Committee meetings and its recommendations.

VSO's people

As of 31 March 2024, VSO employed 432 employees across its locations (including 78 in the UK), 7786 people also volunteered with VSO.

VSO is an accredited UK Living Wage employer, which means that VSO employees in the UK are paid a living wage.

VSO aims to build a workplace culture that is protective of its staff and volunteers' human rights and does no harm to those who engage with us more broadly. 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 Safeguarding Policy, Code of Conduct and by carrying out all necessary background and pre-employment checks.

VSO's 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.

VSO's supply chains

VSO operates with an approach to procurement based on a strong comprehensive policy, overseen through direct line management and global oversight. In keeping with VSO's mission of fighting poverty, we source goods and services locally in the countries we operate where possible. We make purchasing choices, from organisations which have similar visions and values. 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.

Procurement for services and suppliers is supported through global oversight and direct involvement of the technical procurement team for high value and high-risk procurements. Typical types of goods/services VSO purchases include IT equipment, vehicles, consultancy services, printing services, and workshops/ hotel accommodation/ conferencing facilities.

All procurement activities must demonstrate fairness, transparency, compliance, value for money and must 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, terrorism, 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. VSO will not work with any service provider who uses child labour.

VSO's Partners

At VSO, implementing partnerships are central to creating lasting change for our primary actors. Partnerships help us to amplify our impact and reach. Partnerships help VSO continually improve practices and those of our partners. When working with partners, we keep primary actors at the centre of what we do.

VSO's Commitment to taking measures to combat modern slavery

VSO operates a number of policies that assist in the prevention of slavery and human trafficking in our operations. Policies and Codes which are central to VSO's efforts to combat the risk of modern slavery are reviewed regularly and include the following:

- **Global Whistleblowing Policy** VSO encourages all its People i.e. 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 global operations including in the UK, in 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 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 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** This policy applies to VSO globally (including its subsidiaries) and is compulsory for all VSO employees, volunteers, consultants and implementing partners. The policy requires all staff and volunteers 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. VSO staff are required to remain vigilant and aware of the

possibility of modern slavery abuses taking place in supplier business and report concerns as required.

- **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** This code is referenced in all VSO partnership agreements and contracts with partners. It 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.
- **Ethical Income Generation 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. This policy provides a comprehensive framework for VSO's zero tolerance against abuse and exploitation of vulnerable people. Pursuant to this policy, VSO works to a set of key principles to protect vulnerable people.

All policies are available on VSO's internal SharePoint platform. In addition, policies are publicly available on VSO's website. www.vsointernational.org

Due diligence processes for modern slavery and human trafficking

VSO has appropriate policies and due diligence processes in place for its procurement, partnerships and HR functions. These underpin our commitment to ensure that there is no modern slavery or human trafficking in our supply chains or in any part of our operations.

Procurement

VSO's intention is always to purchase goods and services from ethical suppliers, which helps ensure that no persons are abused or exploited in its supply chain. Before contracts are awarded, suppliers

are subject to due diligence checks and screening to ensure ethical procurement. Procurement due diligence is carried out at the programme office level, or by the global team on the supplier that is selected following the procurement process and is conducted in accordance with established VSO policies and procedures which provide transparency and oversight of all transactions. We regularly review our procurement processes to ensure they highlight any activities that might indicate the abuse of human rights or modern slavery. Higher anticipated spend with suppliers requires more comprehensive due diligence. In particular, VSO has the following supplier due diligence processes:

- **Counter Fraud and Terrorism** An electronic system is used to check the supplier against key sanctions lists required by our donors.
- **Reference Checks** This involves following up on references given by the supplier.
- **Financial assessment** The supplier's recent and current financial standing is assessed to ensure they do not present a risk to VSO.
- **Supplier site visits** This involves visiting the supplier's premises and carrying out an inspection. Visits are carried out in industries and contexts where there is an increased risk of poor labour practices and modern slavery.

In some instances, donors may also require additional specific due diligence activities to be carried out.

A link to VSO's Modern Slavery Statement is also included in our supplier facing procurement templates and we have Supplier Site Visit Guidance and a Supplier Site Visit Assessment template to help staff spot incidences of modern slavery in suppliers and provide signposting about next steps. These can be used as part of the supplier due diligence process and are recommended in contexts in which modern slavery is likely to exist.

VSO's tender process embeds due diligence in its Pre-Qualification Questionnaire ('PQQ'). This document enables VSO to gather information about its potential suppliers. One of the questions the PQQ asks the potential supplier is 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.

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 and we will report this to the relevant authorities if mandated by any relevant national laws and regulations. We have had no instances of this in the year.

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 preliminary 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 in line with the Ethical fundraising policy.

- **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, financial management capacity 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 in line with the Ethical Fundraising policy. This is undertaken by reviewing EIRIS and 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 referred to and validated by the Executive Board. Where necessary the decision can be referred to the International Board.
- **Counter Fraud and Terrorism** An electronic system is used to check the supplier against key sanctions lists required by our regulator and our donors.

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 in the relevant location, their identification documents and conducting a counter fraud and terrorism check.

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 the screening checks include making sure they have good employment practices in place.

International operations

For our project 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.

Risk assessment and management

VSO's Global Risk Management Practice guides to integrate active 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 its mission it is necessary that it takes 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.

In 2023/2024, VSO made progress introducing additional controls, increasing awareness of the issue of modern slavery and VSO's stance on this issue. and took the following actions:

- Modern slavery training was provided to new Trustees who joined the VSO International Board and Foundation Board during the year; available to all trustees via a training module on our learning platform.

- The VSO Global Procurement Policy now includes a modern slavery sub-section with guidance on due diligence steps for industries/ contexts which have an increased risk of modern slavery. Guidance on reporting of any suspected acts of human rights abuses, including modern slavery, was also updated.
- We developed a guidance note for supplier site visits, Supplier site visit assessment tool and a guidance video to ensure appropriate attention is given to the ongoing risk of modern slavery in supply chains.
- We undertook a risk assessment across all VSO locations with active operations to further assess the nature and extent of our exposure to the risk of modern slavery and will repeat this annually.
- The VSO Global Risk Management Policy now includes guidance on the categories of risks that need to be addressed in relation to compliance, including our duty of care responsibilities and we have developed risk assessment guidance for identifying and managing modern slavery risks.
- We have continued to raise awareness of the risk of modern slavery across the organisation and assess knowledge of the policy and practice in programme office internal audits. Feedback on any gaps is now also provided to our Global Learning and Training Team who then followed up with relevant awareness training.
- We have completed a review of all procurement templates to ensure the area of modern slavery is covered, with particular focus on high-risk industries.

4.1 Planned actions for 2024/2025:

We will undertake the following key actions to continue building on our controls against modern slavery and human trafficking:

- Continue to undertake annual risk assessments across all VSO locations with active operations to further assess the nature and extent of our exposure to the risk of modern slavery and to understand how modern slavery may present in the different countries in which we work.
- Carry out further awareness training with trustees, project team members, volunteers and partners based on active risk assessments and feedback from internal audit and compliance.
- Further develop contract management and due diligence guidance in liaison with our safeguarding team to ensure appropriate attention is given to the ongoing risk of modern slavery in supply chains.
- Monitor and report any claims of modern slavery received via our Whistleblowing email to the executive
- Seek to understand what would signal Modern Slavery risks in the locations in which we operate as distinct from signals in the UK.

Performance indicators of VSO's effectiveness in combating modern slavery and human trafficking

We judge the effectiveness of our procedures through 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.

Our key performance indicators are ('KPIs') for 2023/2024:

The number of complaints or whistleblowing reports raising concerns about modern slavery.	None
Number of remedial actions needed	None
Essential Training completed at the time of publication	79% of employees 80% of volunteers

These Key Performance Indicators will continue to be monitored for 2024/25.

Training on modern slavery and trafficking for staff

Recognising the importance of combatting modern slavery, including human trafficking, VSO provides accessible training to heighten awareness of modern slavery and how to report it. This is incorporated into our Preventing Criminal Practices training, which is essential training for all VSO People, including staff, volunteers, trustees, and consultants as part of their induction and has to be undertaken annually thereafter.

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 2023 to 31 March 2024.

The statement is reviewed annually by the Board.



Philip Goodwin
VSO Chief Executive



Julia Lalla-Maharajh OBE
Chair VSO Board