

UNICEF UK MODERN SLAVERY STATEMENT, MARCH 2020

This is the third statement of Unicef UK (UUK) published in accordance with Clause 54 in the UK Modern Slavery Act 2015 (the 'Act') and as part of our commitment to uphold the highest levels of transparency and accountability. The Act requires organisations to set out the actions they have taken during a financial year to ensure Modern Slavery and human trafficking is not taking place in their operations and supply chains. This statement covers the activities of UUK for the financial year ending 31 December 2019.

Human trafficking, slavery, servitude and forced or compulsory labour ('Modern Slavery') continues to be prevalent across the world, including in the UK. In 2018 the National Referral Mechanism (NRM) recorded 6,993 potential victims of Modern Slavery a 36% increase YoY (5,142), of which 3,137 (45%) of the 2018 total were referred for exploitation as a minor.

In line with our global mandate to uphold the Convention on the Rights of the Child and promote the rights and wellbeing of all children, UUK remains strongly committed to playing our part to eradicate Modern Slavery and specifically, any form of child exploitation and abuse. In the past year UUK has played a very active role monitoring any changes to the Modern Slavery Act. In July 2019 the UK Government published its response to the Independent Review of the Modern Slavery Act, and our policy work has included focusing efforts to ensure full and proper implementation of the child protection provisions. We have taken an active part in various subgroups of the Home Office Modern Slavery Strategy and Implementation Group and contributed to the development of the Modern Slavery Act 2015 Statutory Guidance which will be published under section 49(1) and requires the Secretary of State to "issue guidance to such public authorities and other persons as the Secretary of State considers appropriate concerning

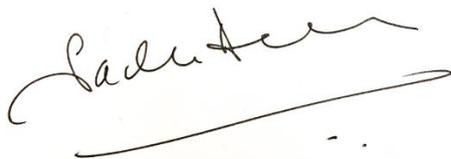
- (a) indicators a person may be a victim of slavery or human trafficking;
- (b) arrangements for providing assistance and support to persons who there are reasonable grounds to believe may be victims of slavery or human trafficking;
- (c) arrangements for determining whether there are reasonable grounds to believe that a person may be a victim of slavery or human trafficking."

Furthermore, UUK continues to be involved in the evaluation of the Independent Child Trafficking Guardians (ICTG) as the project has moved to its second stage of "Qualitative Assessment of Independent Child Trafficking Guardians Regional Coordinator Role". The focus of work for the ICTG Regional Practice Coordinator is to work with professionals who are already protecting and supporting trafficked children for whom there is someone with parental responsibility in the UK.

We continue to be an active member of the Multi-Agency Assessment Panels (MAAPs) and recognise the Government announcement to a wide-ranging package of reforms to the National Referral mechanism (NRM) which are focussed into four main lenses; quicker, more certain decision making; increased support to victims before, during and after the NRM; improved identification of victims of Modern Slavery and addressing the specific vulnerabilities of children.

At UUK, we remain committed to being open and honest in how we have continued to understand and tackle some of the major risks in Modern Slavery in our own

organisation, whether this is with regards to our own due diligence in our supply chains or through our organisational frameworks, policies and procedures. In our last [statement](#) we provided an overview of our continued journey in both raising awareness, implementing or progressing various actions to tackle Modern Slavery. This statement provides a summary of our progress to date and has taken into account the steps we have made against the commitments we made in our last report. Additionally, we have laid out a number of actions we seek to pursue in the following year in order to strengthen our approach to potential risks of Modern Slavery and human trafficking in UUK.



Sacha Deshmukh, Unicef UK Executive Director

Governance

UUK recognises Modern Slavery as one of our most salient organisational risks. We continue to strengthen the governance and oversight of potential Modern Slavery risks which are monitored within UUK's Risk Register. This Register tracks the causes and effects of the most significant risks to our organisation, along with any existing or proposed mitigations and organisational controls. Each risk is assigned both an owner, responsible for operationalising any mitigations and an executive lead who takes overall accountability for the risk.

The Risk Register is monitored each quarter by the Risk Management Group, chaired by UUK's Chief Financial Officer. If a significant issue arises, such as a mitigation control failure, this will be escalated to the Audit and Risk Committee. Our CEO and Trustees have oversight of our governance systems.

The creation of UUK's Modern Slavery Steering Committee chaired by our Chief Operating Officer and senior level oversight of Modern Slavery risks in the organisation ensures accountability for meeting progress commitments and for issues to be fully understood and worked through.

Engaging multi-stakeholder groups

At UUK we recognise that in order to tackle Modern Slavery effectively and commensurate with its scale and complexities, collaboration across all sectors is required to tackle the root causes such as poor labour conditions and inadequate child protection systems and services. Raising awareness of Modern Slavery and human trafficking per individual organisation is not effective or dynamic enough.

As such, we have continued our membership with the Ethical Trading Initiative (ETI) – who combine a unique approach and membership of association with NGO's, unions and companies to tackle business and human rights abuses. As a member we take our responsibilities to uphold the [Ethical Trading Initiative Base Code](#) extremely seriously. We have welcomed the opportunity to share action, insights and learning with fellow members and with relevant associations and industry platforms in order to maximise

the promotion of children's rights and to understand better new challenges in this space and how best to build on our current practices to drive change.

Training and capacity building

We recognise that the responsibility to tackling Modern Slavery is a shared one across all departments within our organisation. The Children's Rights and Business Unit have worked closely with our Talent Team to scale our "Introduction to Modern Slavery" training following a very successful pilot in 2018 and is now designated as essential guidance for all new colleagues to the organisation.

The short course provides an overview of how fast-moving global markets play a huge influence on consumer behaviours and in turn both supply chain dynamics and labour patterns which often link to causes of Modern Slavery. In conjunction with this global economic overview, trainees are informed of international frameworks including the UN Guiding Principles (UNGP's), Children's Rights and Business Principles (CRBP's) and national law such as the UK Modern Slavery Act. In last year's statement we stated intention for all staff to have attended the course by middle of 2020 and we are on track with this target. We have also begun work with our Talent Team to devise strategic and immersive trainings for those who work remotely from our London office.

Reviewing our Ethical Framework

The UUK Ethics Framework provides the foundation to our organisation and staff behaviours in our day to day operations acting as our bedrock and encapsulating our four values *The Unicef Way*; to be brave, honest, smart and hopeful. It is therefore vital we review and strengthen this framework often and make appropriate adjustments where necessary. We have just undertaken such a review to refresh the framework which in turn informs our policies and standards including our approach to Modern Slavery. The revised framework was approved by the UUK Board in March 2020 and includes new sections related to a new Code of Conduct and guidance on screening individuals for ambassador, high profile support and talent purposes.

Last year we committed to strengthen our procurement standards within this framework, building on our existing manufacturing requirements and extending these to non-branded products we use for fundraising events and products that are also used as fundraising mechanisms, such as Cause Related Marketed products (products sold in which a proportion of the sale goes to charity). Our Ethical Manufacturing Requirements will be complimented by an internal training programme for Unicef UK colleagues involved in procurement to support them read social compliance audits and promote ethical supply chain practices.

Working with a procurement specialist, the procurement review outlined last year is underway. The first stage of this was to compile a contracts' register to comprehensively map the level of risk within the supply chain. At the same time key high value contracts were renegotiated delivering 6 figure cost savings in 2019. A Supplier Code of Conduct has been written for all suppliers providing goods and / or services to Unicef UK. This is being rolled out across our supplier base, starting in Q1 2020. A preferred supplier list will also be developed for key product areas.

Raw material sourcing

Our next steps for our procurement review will focus on our sources of cotton across our supplier base and we will look to understand what further action UUK should take to ensure our supply chains are as compliant as possible. This review will be underpinned with the development of a preferred supplier list for this product area.

Independent workers and homeworking

Last year UUK recognised our online marketplace platform as an area of focus for continued improvement. Some of the products which are available on this site are sourced and made by homeworkers which can be a very important source of income, bringing many benefits to the individual and their families including balancing paid work with domestic and family duties. However, it is important to recognise some associated risks to children including that of injury or incidence of child labour which can readily occur in these environments.

As a result, UUK has worked very closely with our online market place supplier who are committed to ensure homeworkers entitlement to equal treatment as with other workers and according to the ILO Convention on Homeworking (1996, C177, Article 4), including pay, health and safety, the right to organise, social security protection and protection against discrimination. In turn, a suitable homeworking policy and has been incorporated into our marketplace providers internal on-boarding documents. Additionally, an expressed commitment has been made to continue expanding their formal inspection process, beginning with the highest volume producers across regions together with the creation of a list of approved suppliers for artisans and plans to roll out the policy across the organisation in March 2020. UUK will continue to work closely with our online marketplace supplier to ensure continual review and amends are made as and when necessary.

Screening process

Comprehensive and effective partner screening is essential to protect UNICEF's reputation and avoid unintended complicity in children's rights violations. UUK works exclusively with organisations and individuals who represent a commitment to our organisational values and mandate to uphold children's rights. In doing so, before we go into a partnership, selected individuals and organisations are screened by our in-house Screening Team, led by our fundraising directorate and comprised of representatives from across our advocacy, media and ambassador relations functions. Our Screening Team continues to hold the responsibility of advising the organisation about any potential risks associated with these organisations and individuals, which can range from any credible allegations of labour rights and human rights abuses including poor working conditions which may have occurred within their operations and supply chains.

In 2019 we engaged a management consultant to carry out a review of the screening process, after it was identified as an area for improvement. The consultant was asked to support UUK to drive efficiencies and improve the consistency in decision making. Six initiatives were proposed, including clarifying UUK's risk appetite and associated policies, developing a central data storage system and training stakeholders. The review has now been completed and the recommendations are being implemented into the screening process in 2020.

Moving forward

At UUK we recognise the importance of continued improvement, strengthening our practices to address potential risks of Modern Slavery and human trafficking taking place in our organisation and supply chains. We are committed to collaborating with stakeholders across civil society, policy and corporate sectors who are equally dedicated to tackling Modern Slavery and improving wider labour practices in such a way which reduces peoples' vulnerability to exploitation. We have therefore committed to the following activities for the coming year:

- Continue to deliver our Introduction to Modern Slavery training to all UUK colleagues including new members
- Continue capacity building training for colleagues involved in procurement across UUK
- Continue to review our Homeworker Policy ensuring it remains relevant and fit for purpose
- Continue to map our exposure to cotton and establishing a preferred supplier list for this product area
- Continue to review our procurement practices, to improve efficiencies and consolidate ethical practices