

UNICEF UK MODERN SLAVERY STATEMENT, MARCH 2021

This is the fourth 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 2020.

Human trafficking, slavery, servitude and forced or compulsory labour ('Modern Slavery') continues to be prevalent across the world, including in the UK. In 2019 the National Referral Mechanism (NRM) recorded 10,627 potential victims of Modern Slavery a 52% increase YoY, of which 43% of the 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 September 2020, the UK Government has committed to strengthen the Transparency in Supply Chains Clause in the Modern Slavery Act 2015. UUK had contributed to the consultations in the previous years. In the past year UUK played a very active role monitoring and contributing to efforts to ensure full and proper implementation of the child protection provisions Modern Slavery Act 2015. 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. The Guidance is aimed at staff in England and Wales within public authorities who may encounter potential victims of modern slavery; and/or who are involved in supporting victims. These individuals and organisations must have regard to this guidance, with a view to developing a more consistent response to modern slavery victims to ensure they are identified and receive the available and appropriate support. UNICEF UK is a member of the Statutory Guidance Reference Group that continues to review and revise it.

We continue to be an active member of the Multi-Agency Assessment Panels (MAAPs) – an independent body that reviews all decisions taken by the Home Office refusing to grant a status of victim of trafficking to children.

The Home Office has commenced a pilot project to test a new NRM procedure for children embedded within the existing child protection system on the Local Authority level. UNICEF UK is a member of the project management group and also an evaluation panel.

UUK also advocates for the UK to have an enabling legal and policy environment that ensures business respect children's rights and the environment. UUK has joined the call to the UK Government together with other civil society organizations to introduce a legal requirement for businesses to conduct human rights and environmental due diligence and ensure access to justice for victims of abuses. This included the publication of this report in autumn 2020: <https://www.unicef.org.uk/policy/report-preventing-corporate-abuse/>

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 operations and work, 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 a summary of our progress and took into account the steps we have made against the commitments we made in our last report. This statement provides a summary of the further progress we have made. 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.



Steven Waugh, Unicef UK Interim 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, co-chaired by UUK's Chief Financial Officer and Director of Finance. 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.

In order to further embed appropriate focus across the organization, a UUK Modern Slavery Steering Committee chaired by our Chief Operating Officer was put in place for a temporary period. This provided further senior level oversight of Modern Slavery risks in the organisation and focused on driving accountability for meeting progress commitments and ensuring appropriate work is fully understood and embedded into the responsible teams within the organisation.

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.

Training and capacity building

We recognise that the responsibility to tackling Modern Slavery is a shared one across all departments within our organisation. We have designed and put in place a bespoke “Introduction to Modern Slavery” training course which is 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 on Business and Human Rights (UNGPs), Children’s Rights and Business Principles (CRBPs) and national law such as the UK Modern Slavery Act. All current active staff have attended this course or are booked on to attend a scheduled upcoming course. We also have in place a new process to ensure new joiners attend this course.

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 undertook 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.

The Board of Trustees approved the new UUK Procurement Policy in December 2020 and we remain committed to strengthen our procurement standards, 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).

Building on the work established by working with a procurement specialist in 2019, UUK continues to roll out its Supplier Code of Conduct for all suppliers providing goods and / or services to UUK. The recruitment of an in-house Legal Director in 2020 has helped ensure this is embedded into supplier contracts moving forward and we will be recruiting a Procurement Officer in the first half of 2021 to further accelerate the best practice within the Procurement Policy when engaging with third party suppliers. A preferred supplier list will be developed for key product areas.

Raw material sourcing

Once the new UUK Procurement Officer has been onboarded, our next steps for our procurement review will be to continue to 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

UUK recognises 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 bring many benefits to individuals and families. However, it is important to recognise some associated risks to children which can readily occur in these environments.

In 2019, our marketplace provider committed to uphold the rights of homeworkers as outlined in the ILO Convention on Homeworking (1196, C177, Article 4) with the provision of a homeworking policy that was incorporated into producers' internal onboarding documents. Last year, this foundation was further strengthened by ensuring that all producers have signed an agreement with the marketplace provider that they are committed to upholding the relevant ILO standards. As part of this, each producer has agreed that their workplaces must be made available to planned and unplanned inspections for assessment against their commitments.

Additionally, in Summer 2021, the marketplace provider's regional teams will be trained and begin their workplace inspections, beginning with the highest volume producers. Individual producers will also be supported, through further training, on how to best create formal procedures to uphold the rights of homeworkers. UUK will continue to work closely with our online marketplace supplier to ensure continual review and amends are made as and when necessary.

Risk 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 Risk Screening Team, led by our fundraising directorate and comprised of representatives from across our advocacy, media, diversity & inclusion and ambassador relations functions. Our Risk 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 convictions for, and 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 received pro bono expertise from a leading management consultancy firm who reviewed the screening process, and changes were made to the process based on their recommendations. This included development of a Risk Assessment Matrix to increase the consistency, objectivity and transparency of risk assessment (along with associated mitigation actions to reduce residual risk), and to aid decision making. This includes clear definitions of Ethical, Strategic and Reputational risk and how these

should be assessed, including any recent or historic connections to slavery. In addition, for companies, we record whether or not they have a Modern Slavery Statement on their website. The screening process is kept under constant review and is tailored in response to new or evolving issues.

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 UUK colleagues
- 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