

Slavery and Human Trafficking Statement

In CAF, we are committed to improving our practices to combat slavery and human trafficking.

Modern slavery and human trafficking is a crime and a violation of fundamental human rights. It takes various forms, such as slavery, servitude, forced and compulsory labour and human trafficking, all of which have in common the deprivation of a person's liberty by another in order to exploit them for personal or commercial gain.

Charities Aid Foundation (CAF) has a zero-tolerance approach to modern slavery and human trafficking and we are committed to acting ethically and with integrity in all our business dealings and relationships and to implementing and enforcing effective systems and controls to ensure modern slavery and human trafficking is not taking place anywhere in our own business or in any of our suppliers.

CAF is also committed to ensuring there is transparency in our own business and in our approach to tackling modern slavery and human trafficking throughout our supply chains, consistent with our disclosure obligations under the Modern Slavery Act 2015. We expect the same high standards from all of our contractors, suppliers and other business partners, and as part of our contracting processes, we include specific prohibitions against the use of forced, compulsory or trafficked labour, or anyone held in slavery or servitude, whether adults or children, and we expect that our suppliers will hold their own suppliers to the same high standards.

Organisation's structure

CAF is a major provider of charitable services to donors, businesses and charities worldwide. We operate across six continents, making it easy and convenient for people and businesses to support the causes they care about. CAF is also a major provider of financial services to charities.

Our business

CAF's services are provided directly by CAF and through a group of wholly owned or controlled subsidiaries. These are principally involved in three areas:

- Financial services for charities
- Investment management
- Charitable donations within and outside the United Kingdom

The CAF family includes:

- CAF Bank Ltd
- CAF Financial Solutions Ltd
- CAF Investments Ltd
- CAF Venturesome
- CAF Global Alliance covering US, Canada, Brazil, Russia, India, South Africa

Our supply chains

We procure a wide variety of goods and services, from networks and IT services to stationery and consultancy. Some of these products and services we use in our own business (like waste disposal services and stationery) and some we use as part of what we use to sell to our customers (like bespoke IT software platforms). Around 600 suppliers sell to us.

On top of that, many of our suppliers have their own suppliers. Therefore our supply chain is large and complex. So we prioritise attention on companies that supply high value products or services, or things without which our business couldn't run.

Our policies on slavery and human trafficking

We are committed to ensuring that there is no modern slavery or human trafficking in our supply chains or in any part of our business. Our Slavery and Human Trafficking Policy reflects our commitment to acting ethically and with integrity in all our employment and business relationships and to implementing and enforcing effective systems and controls to ensure slavery and human trafficking is not taking place anywhere in our supply chains.

Due diligence processes for slavery and human trafficking

As part of our initiative to identify and mitigate risk, we have in place systems to:

- Identify and assess potential risk areas in our primary supply chains,
- Mitigate the risk of slavery and human trafficking occurring in our supply chains as a result of our due diligence,
- Monitor potential risk areas in our supply chains. This is achieved through the service reviews and site visits we conduct.
- Encourage reporting of any concerns relating to slavery and human trafficking through our confidential and anonymous whistleblowing reporting system and we protect whistleblowers,
- Enable any employee to raise a grievance if they have concerns about their employment status, remuneration and/or treatment,

Additionally we:

- Have reviewed our terms of business with recruitment agencies to ensure exploitative practices do not take place when we recruit new employees
- Have developed and implemented a Supplier Charter that, among other things focuses on ethical procurement
- Are introducing from 1 January 2020 a questionnaire relating to modern slavery, human trafficking, corporate social responsibility, and diversity and inclusion that we will require our primary suppliers to complete. If it is not completed to our satisfaction we will seriously consider our ongoing commercial relationship with them.

Supplier adherence to our values

We have zero tolerance to modern slavery and human trafficking. To ensure all those in our supply chain and contractors comply with our values, we have in place for new contracts a statement that clearly set out a requirement that suppliers and their sub-contractors must adhere to the Modern Slavery Act 2015 and that the contract may be terminated if there is a breach of this requirement.

When we on-board new suppliers, we have a rigorous due diligence process that includes:

- Undertaking references from suppliers current customers,
- Undertaking site visits,
- Requiring confirmation that suppliers adhere to all appropriate legislation, including but not limited to the Modern Slavery Act 2015, and
- Confirmation that all suppliers and sub-contractor's employees and workers are paid at least the UK Living Wage

Risk Assessment and Management

If, as a result of the due diligence procedures and processes that we have introduced, any supplier is deemed to be high risk in terms of modern slavery and human trafficking, they would be placed on a register held by our Compliance function. Further due diligence would be undertaken to either satisfy ourselves that they can be removed from the register, or if following further investigations a serious suspicion that they had or were likely to breach the Modern Slavery Act 2015, this would be immediately reported to the appropriate authorities and would give rise to a suspension of our commercial relationship with them.

Key Performance Indicators and Reporting

We are developing key performance indicators to ensure we measure the effectiveness of the steps being taken to eliminate modern slavery and human trafficking in our supply chains. We are taking a risk based approach to this and they will be in place by 1 April 2020.

We will report on an annual basis our performance relating to the effective elimination of modern slavery and human trafficking in our supply chains to the Executive Committee and the Trustees of CAF. This will include performance against our key performance indicators in the previous year.

Training

To ensure a high level of understanding of the risks of modern slavery and human trafficking in our supply chains and our business, we require our staff to be familiar with our Slavery and Human Trafficking Policy and we provide periodic reminders to our staff as well as the opportunity to undertake e-learning on the subject.

We also require all staff in CAF who have a direct responsibility for procurement and recruitment to undertake specific training on an annual basis. This includes staff in our Procurement, Human Resources and Facilities Management teams.

Our effectiveness in combating slavery and human trafficking

To ensure we are effective in combating slavery and human trafficking, we have:

- Implemented a policy to ensure our staff are vigilant to the potential threat of slavery and human trafficking,
- Communicated our policy to staff,
- A recruitment policy and associated employment checks policy to prevent the engagement of forced labour,
- A confidential and anonymous (if requested) whistleblowing service for our staff to use if they suspect slavery or human trafficking is taking place in our supply chains. We monitor all whistleblowing reports. In the last year, we have received no whistleblowing occurrences relating to modern slavery or human trafficking.

Further steps

Following a review of the effectiveness of the steps we have taken this year to ensure that there is no slavery or human trafficking in our supply chains, we have taken the following steps to combat slavery and human trafficking:

- On a risk basis, we have written to our key suppliers requesting that they confirm that they agree to abide to be bound by the Modern Slavery Act 2015 and that they have appropriate Modern Slavery policies in place within their organisation to ensure that they do so,
- Established a full directory of all our suppliers to enable timely communication and effective monitoring.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes CAF's Modern Slavery Statement for the financial year ending 31 April 2019 and covers all UK entities that are part of the CAF Group including:

- CAF
- CAF Bank Ltd
- CAF Financial Solutions Ltd
- CAF Investment Ltd
- Southampton Row Trust Ltd.

Corinne Wells
HR Director

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