2014

INGO Accountability Report

Reporting period: 1 January 2014 to 31 December 2014

Filled in by: S N Kairy
Chief Financial Officer
BRAC and BRAC International

brac

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1. STRATEGIC COMMITMENT TO ACCOUNTABILITY

1.1. Statement from the most senior decision-maker of the organization (e.g. Executive Director, Secretary General, CEO, Chair, or equivalent senior position) about the relevance of accountability to the organization's strategy in the short, medium and long term.

The year 2014 was a reasonably peaceful one in Bangladesh. Women in the villages and slums – farmers, factory workers and entrepreneurs – continued their steady advance down the path out of poverty, with BRAC and other civil society organisations playing a supporting role.

Despite its dysfunctional politics, Bangladesh remains a role model for other lower-income countries. In 2015, we are likely to meet five out of the eight millennium development goals (MDGs) set by the UN at the turn of the millennium. This is a testament to what people can achieve with limited resources.

The byword at BRAC is opportunity. When women and girls in poverty have opportunities to take control of their lives, we see them doing what it takes to end poverty for themselves, their families and others around them. At BRAC, we create the enabling environment and offer whatever tools are needed to make this happen, be it community-based healthcare, micro loans, savings accounts, education for children, legal and human rights empowerment, social justice interventions, enterprises, and even a full-fledged university.

Our work with the ultra poor, those who are too poor to access most of these interventions, has drawn particular attention. Over two years, an intensive programme graduates the poorest out of ultra poverty through a combination of one-on-one coaching, asset grants, cash payments, training and healthcare leading to social integration. About 95 per cent graduate from a strictly defined category of ultra poverty, maintaining their upward trajectory even four years after they leave the programme

Responding to others' interest, we are now ready to share the graduation methodology. Inspired by BRAC's programme, others have already used similar approaches with success in at least eight countries. Several governments in sub-Saharan Africa have expressed interest in incorporating graduation methodologies into existing cash transfer programmes. We are advocating for more adaptations while offering technical assistance and immersion visits to facilitate implementation and promote learning. While not a panacea for poverty, I believe graduation programmes should play a role in the goal of bringing the global extreme poverty rate below three per cent by 2030.

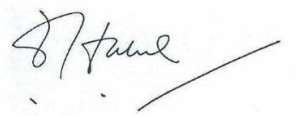
This work would not have been possible without the support of our donors. I want to call particular attention to the strategic partnership arrangement with the UK's Department for International Development and the Australian Department of Foreign Affairs and Trade, which chose in 2011 to partner with BRAC on a five-year plan that went far beyond previous donor-NGO relationships. Based on shared goals rather than donor demands, this relationship has given us the flexibility necessary to allocate funding where it is needed most. This kind of equal collaboration between donors and a civil society organisation represents a new paradigm in development financing, and it has worked exceedingly well, with all parties able to show positive results.

The strategic partnership arrangement has allowed BRAC to expand into new areas and adapt to new realities, including increasing urbanisation. Although BRAC was born as a rural development organisation, in 2014 we adopted an urban strategy to address the fact that 57 per cent of Bangladesh's projected population of 200 million will live in cities by 2050, more than twice the present number. Urban slums, filled with migrants from the countryside seeking new economic opportunities, present new challenges.

We remain proud of our achievements but mindful of our shortcomings. In health, Bangladesh is likely to meet the MDG target of 144 maternal deaths per 100,000 live births or come very close to this; in BRAC intervention areas in urban slums, we have shown what is possible by bringing that rate down to 116. Yet, as a member of the Lead Group for the Scaling-Up Nutrition movement, I take special note of the fact that Bangladesh remains among the 36 highest-burden countries when it comes to malnutrition. Mothers and their children here are among the least nourished in the world.

With renewed commitment to address these issues, BRAC has joined the CHARGE pledge, led by the Brookings Institution, to greatly expand access, safety and quality in education for girls. We convened the first annual national Girl Summit, obtaining pledges from the private sector (including the garment industry), media and others to advance the girls' empowerment agenda.

These are some of the barriers we see ahead of us. With strong partnerships, a renewed focus on technology, innovation and urban development challenges, I remain confident we can give people the tools they need to overcome them.



Sir Fazle Hasan Abed KCMG
Founder and Chairperson

2. ORGANIZATIONAL PROFILE

2.1 Name of the organization

BRAC

2.2 Primary activities (e.g. advocacy, research, service provision, capacity building, humanitarian assistance, etc.). How do primary activities support attainment of your mission and strategic goals?

BRAC's mission is to empower people and communities in situations of poverty, illiteracy, disease and social injustice. BRAC's intervention aims to achieve large scale, positive changes through economic and social programs that enable women and men to realize their potiential. Over 115,177 BRAC workers touch the lives of an estimated 137 million people in 11 countries, using a wide array of tools such as education, healthcare, microfinance, legal rights training and more to achieve BRAC's mission and strategic goals.

BRAC has diversified programme activities, of which **major programmes in Bangladesh are:**

Agriculture and Food Security: Agriculture and Food Security Programme of BRAC aims to contribute in achieving food security and reduction of hunger and malnutrition through increased environmentally sustainable and economically profitable agricultural production. Applied and adaptive research is conducted to develop better crop varieties and improved production technologies for higher agricultural productivity. The programme is operating farmer participatory experiments for technology validation and fast track diffusion of cutting edge agricultural and aquaculture technologies in two ecologically adverse geographic regions of Bangladesh. Presently the programme is operating its activities in the 50 sub-districts under 12 districts of Bangladesh. Programme has reached 31,082 participants from January to December 2014. The programme distributed 13,862 Metric Ton of seeds in 2014.

Integrated development Program: This program is launched in 2012 to address the needs of the most marginalized and deprived communities who are socially and geographically excluded from mainstream development interventions in certain areas of Bangladesh. This is combination of 10 components (Education, Health, Wash, Targeting ultra-poor, Community empowerment program, Human rights and legal aids, Gender & Justice, Agricultural and food security, Safe migration and Microfinance) that BRAC are currently implemented in other areas of Bangladesh. In 2014, BRAC can able to provide integrated service to 0.8 million marginalized people.

Microfinance: The programme is a critical component of BRAC's holistic approach to support livelihoods. As of December 2014, BRAC has 4.5 million borrowers of microfinance loan and USD 1.2 billion loan portfolio.

Enterprises & Investments: The BRAC model consists of a network of development programmes, enterprises and investments. About half the surpluses generated by our social enterprises help fund the expenditure of our development programmes in Bangladesh, while the rest is reinvested in the enterprises themselves. BRAC's investments ensure financially profitable investments in socially responsible areas, such as low income housing, small and

medium enterprise loans, information technology and clean development mechanisms. Dividends from our investments support the financial health of the organisation and reduce our dependency on donors. Enterprises include Aarong (retail shop), nursery, fisheries enterprises, poultry enterprises, solar enterprises etc. and investments are BRAC tea estate, BRAC Bank, BRAC EPL Investments Ltd., bKash Limited etc.

Targeting the Ultra Poor: The programme focuses on improving the socioeconomic situation of those at the base of the economic pyramid. Living in extreme poverty, this group struggles to meet the minimal dietary requirements and faces difficulty to reach mainstream anti-poverty programmes like microfinance. As of December 2014, trainings were provided to 1.59 million ultra poor women and 570,950 ultra poor women received assets.

Disaster Environment and Climate Change: This program enhances BRAC's institutional capacity to response to natural disaster. It builds competence at the community level on disaster preparedness, and increases coping abilities with preventive and adaptive strategies. Until 2014 under this programme BRAC trained 200,010 community members and various other stakeholders on how to respond in different phases of a disaster.

Health, Nutrition and Population: The programme aims to improve reproductive, maternal, neonatal, and child health and nutritional status, reduce vulnerability to communicable diseases, combat non-communicable diseases and enhance the quality of life. BRAC has 105,736 front line Community Health Workers. A number of 1,234,044 women received 4 or more ante-natal care visit and 841,278 women received 3 or more post-natal care visit in 2014. Malaria patients treated 31,776 and tuberculosis case detected and treated 124,286 in 2014.

Water, Sanitation & Hygiene: The programme provides sustainable and integrated services in rural and isolated areas, breaking the cycle of contamination caused by unsanitary latrines, unclean water and unsafe hygiene practices. As of December 2014, the programme served 36.9 million people with hygienic latrines and 2.3 million people with safe drinking water.

Education: BRAC schools are designed to give a second chance education to disadvantaged children who have been left out of the formal education system or never enrolled due to extreme poverty, displacement or discrimination, geographically remote and hard to reach areas and population. BRAC runs 42,678 (including ESP) schools with 1.3 million children in Bangladesh. So far 10.96 million children have been graduated from BRAC schools.

Migration: BRAC started an initiative to promote migrants rights and ensure their safety. Under this project prospective migrants receive information on safe migration, remittance management, social and legal aid support, skills training and social arbitration. Support for reintegration is also being provided to returnee migrants workers. As of December 2014, 1.8 million people had received migration related information.

Advocacy for social changes: This program designs strategies based on rigorous research on social issues and government policies. It brings together stakeholders, from top government officials to those at the grass roots, to participate in reforming old and formulating new policies that drive progress on the millennium development goals.

Community Empowerment: The programme empowers the poor, especially women, by mobilizing communities to translate awareness into action. As of December 2014, the programme built 13,802 Community Institution (Polli Shomaj) and 20,162 shows are staged by Popular Theatre Group.

Gender Justice and Diversity: The programme works simultaneously within BRAC and the community to achieve gender equality. Through intervention of this programme 90,966 school-going girls and boys, enabling them to recognize, prevent and resist incidences of sexual harassment in their lives in 2014.

Human Rights and Legal Aid Services: The programme is dedicated to protecting and promoting human rights of the poor and marginalized through legal empowerment. As of December 2014, there are 3.9 million Human Rights and Legal Education participants.

2.3 Operational Structure of the organization, including national offices, sections, branches, regional and field offices, main divisions, subsidiaries and joint ventures.

BRAC is governed by Governing Body. The Governing Body consists of 10 members. Distinguished professionals, activists and entrepreneurs of excellent repute have been elected for the Governing Body by the General Body Members. The Governing Body brings their diversified skills and experiences to the governance of BRAC. The governing body appoints the Executive Director. The Chief Financial Officer of BRAC & BRAC International is responsible for managing fund and supervision of all financial matters. All the programmes are headed by the Senior Directors and Directors. BRAC organogram is available in **Annexure 1** and BRAC offices in Bangladesh are available in **Annexure 3**

BRAC General Body elects the Governing Board of BRAC International. The BRAC International Governing Board consists of 10 members. The governing body appoints the Executive Director of BRAC International. All the countries are headed by country representatives.

BRAC has independent charity in UK & USA to raise profile and funds for BRAC globally.

Branch Management

BRAC has more than 2380 branch offices all over Bangladesh and 463 branch offices outside Bangladesh to carry out various development projects. Branch offices report to area offices. Area offices report to respective regional offices. Regional offices communicate with Head office. Same operational structure is followed in all countries.

BRAC's all social enterprises are separate programme of BRAC and they are not subsidiaries of BRAC.

2.4 Location of organization's headquarters

BRAC headquarter is situated in Dhaka, Bangladesh. The address is given below:

BRAC Centre
75 Mohakhali C/A
Dhaka 1212
Bangladesh

2.5 Number of countries where the organization operates, and names of countries with either major operations or such that are specifically relevant to the accountability issues covered in the report.

BRAC is implementing different programmes in the following 11 (eleven) countries:

Bangladesh: Microfinance, Education, Health Nutrition & Population, Targeting the Ultra Poor, Integrated Development Program, Water Sanitation & Hygiene, Human Rights & Legal Aid Services, Community Empowerment, Agriculture & Food Security, Disaster Environment & Climate Change, Gender Justice & Diversity, Road Safety, Migration, Advocacy for Social Change, Social Enterprises and Investments.

Afghanistan: Education, Essential Health Care, National Solidarity Programme, Infrastructure Development Programme

Pakistan: Microfinance, Education, Livelihood Enhancement and protection-Institutional Development, Targeting the Ultra Poor, Essential Health Care, Agriculture.

Uganda: Microfinance, Education, Scholarship, Essential Health Care, Agriculture, Poultry & Livestock, Empowerment & Livelihood for Adolescents, Karamoja Initiative

Tanzania: Microfinance, Agriculture, Poultry & Livestock, Education, Empowerment & Livelihood for Adolescents

Liberia: Microfinance, Agriculture, Poultry & Livestock, Essential Health Care, Empowerment and Livelihood for Adolescents.

Sierra Leone: Microfinance, Essential Health Care, Agriculture, Poultry & Livestock, Human Rights & Legal Empowerment, Empowerment and Livelihood of Adolescent Girls, Food Security & Nutrition.

South Sudan: Agriculture, Education, Empowerment and Livelihood for Adolescents, Adolescent Girls Initiative, Essential Health Care, Malaria, Nutrition, Targeting the Ultra Poor.

Haiti: BRAC Limb and Brace Centre established in 2010 in Haiti to provide quality artificial limb and braces at low cost to the earthquake affected people.

Philippines: Education programme.

Myanmar: Microfinance programme.

BRAC Affiliates:

BRAC UK and **BRAC USA** are two independent charities to raise profile and funds for BRAC globally.

BRAC's global footsteps are available in **Annexure-2**

2.6 Nature of ownership and legal form. Details and current status of not-for-profit registration

BRAC, development organization was formed in 1972 under Societies Registration Act 1860. BRAC has its development programme across various countries in Asia and Africa. BRAC International is registered in 2009 as Charity (Stichting) in Netherlands. Besides, each country is legally registered with relevant regulatory authorities in respective countries. BRAC is also registered in UK and USA as independent charity to raise funds for BRAC globally.

BRAC does not have any owner. The General Body of BRAC consists of 29 members. As per the Memorandum of Association and Rules and Regulations of BRAC, the General Body elects the Governing Body of BRAC and BRAC International. Each of the Governing Bodies consists of 10 members.

To reduce the dependency on donor grants and to be self-sufficient, BRAC has set up social enterprises which are financially and socially profitable ventures in different sectors. Each of our 16 enterprises have a clear social mission ranging from helping farmers develop improved breeds of live stocks to empowering rural artisans to rise above poverty. 50% of surpluses from Enterprises transferred to finance the development programmes budget.

BRAC microfinance program has been instrumental in helping BRAC address the first MGD of eradicating extreme poverty and hunger, by reducing the financial constraints and vulnerabilities associated with poverty. It is also addressing MDG 3 on promoting gender equality and empowering women, by supporting women-led micro enterprises and proving platform for women to gather and exchange information about social issues via the village organization. 10% to 20% of the surplus from the microfinance transferred to finance the development programmes. On the other hand 10% surplus from microfinance operation has been used to develop livelihood of microfinance beneficiaries.

2.7 Target audience: Groups of people served including geographical breakdown.

BRAC is dedicated to alleviate poverty by empowering the poor, and helping them to bring about positive changes in their lives by creating opportunities for the poor. BRAC works with poor, extreme poor, disadvantaged and socially excluded people, especially women and children. BRAC also focus on youth and adolescent. BRAC works with poor farmers, ethnic women and children and migrants. BRAC has developments activities in 11 countries (Bangladesh, Afghanistan, Pakistan, Uganda, Tanzania, Liberia, Sierra Leone, South Sudan, Haiti, Philippines and Myanmar).

Below is population coverage by various activities during the year 2014 in various countries:

Name of Country	Population Reached
Bangladesh	120 million
Afghanistan	4.72 million
Pakistan	2.77 million
Sierra Leone	1.1 million
Liberia	0.56 million
South Sudan	1.3 million
Uganda	4.00 million
Tanzania	2.64 million
Philippines	38,084
Myanmar	2,483
Haiti	827

2.8 Scale of the reporting organization including global annual budget; annual income and expenditure, number of e.g. members, supporters, volunteers, employees; total capitalization in terms of assets and liabilities; scope and scale of activities or services provided.

Number of staff of BRAC globally in 2014 was 115,177. Besides 105,736 front line community health workers dedicated themselves to bridging the gap between the community and the established healthcare facilities.

Below is breakdown of staff:

Country	Total (as of December 2014)
Bangladesh	107,783
Afghanistan	1,451
Pakistan	770
Tanzania	1,444
Uganda	2,397
South Sudan	346

Liberia	415
Sierra Leone	480
Haiti	13
Philippines	46
Myanmar	45

Asset, liability, income, expenditure and surplus of all the countries are below:

Year 2014 US$

Country	Income	Expenditure	Surplus*	Asset	Liabilities
Bangladesh	684,083,687	541,739,038	142,344,648	1,782,849,904	1,138,860,273
Afghanistan	20,729,076	19,454,965	1,274,110	10,813,228	10,115,178
Pakistan	8,013,276	7,656,423	310,358	12,322,682	11,194,993
Sierra Leone	4,448,000	4,917,000	(469,000)	5,065,000	2,784,000
Liberia	3,125,208	3,724,894	(592,102)	5,747,050	2,867,783
South Sudan	6,247,338	4,508,123	1,757,732	6,482,945	4,279,732
Uganda	28,041,417	23,599,074	4,442,343	50,463,835	19,613,624
Tanzania	16,818,029	15,682,003	1,136,026	30,181,839	20,412,983
Philippines	7,190,167	7,190,167	-	9,789,754	9,789,754
Myanmar	31,643	386,933	(363,346)	742478	385,866
Haiti	407,602	407,602	-	152,987	84,758

Asset, liability, income, expenditure and surplus of all enterprises of Bangladesh are below:

Year 2014 US$

Income	Expenditure	Surplus*	Asset	Liabilities
200,669,567	157,324,667	38,985,926	408,635,531	177,189,664

* Surplus/deficit after tax

2.9 Significant changes during the reporting period regarding size, structure, governance or ownership

Following are the significant changes during the year 2014:

- Performance Management System: In 2014 the HRD Department implements new Performance Management System. Organizational Structure reviewed and New Grade and salary structure implemented. HRD field offices expanded from 41 to 62 offices.

- Anti-Money Laundering: BRAC established Anti-Money Laundering policy and subsequently establishes an Anti-Money Laundering Committee consist of Executive Director, Chief Financial Officer, Director of Internal Audit, Head of Microfinance and Head of finance. Till now 13 meetings was held by the committee. A checklist was prepared and responsibility has been given to the Internal Audit department to examine the level of compliance of BRAC's Anti-Money Laundering and Combating Financing of Terrorism Policy at the field offices.

- Customer Service Assistance: In 2014, BRAC recruited customer service assistants in microfinance for almost half of its branches. The customer service assistants, who act as a first point of contact for any questions or concerns, also deliver interactive financial education training in an environment that promotes confidence and understanding. Over 800,000 clients received a short orientation prior to taking a loan, and 85,000 vulnerable clients received an intensive financial literacy course. This is the first initiative of its kind in the country, and BRAC is working with other MFIs to promote stronger measures for client protection in the Bangladesh microfinance industry at large.

- Remittance Loan: This year, BRAC launched remittance loans, which provide financial flexibility households where a family member is employed overseas. So far, the product has supported1,500 households. This service complements migration loans available to men and women to help cover the costs of finding employment abroad. Migration loans reached 64,000 households in 2014.

- Ownership of SafeSave: BRAC has taken ownership of SafeSave– an organisation that offers highly flexible microcredit and micro-savings products to poor people living in Dhaka's slums. SafeSave is a unique initiative that enables poor people to make tiny deposits of savings and loan re-payments via a collection officer who visits clients' homes on a daily basis. In 2014, SafeSave served 17,000 clients, including 8,000 borrowers.

- Credit Shield Life Insurance: This year BRAC started piloting credit shield life insurance, which offers financial support for a client's household if a client or their spouse dies.

- Financial Diaries Research Project: BRAC launched the financial diaries research project, which seeks to build an in-depth understanding of the financial lives of the poor by tracing the daily financial transactions of respondents.

- Online Shopping: Aarong launched its new online shopping website this year, setting a milestone for e-commerce in Bangladesh. The website will connect rural artisans with global consumers, making products available beyond just Aarong's retail stores. Currently catering only to domestic consumers, the website will go international by the end of 2015.

- TUP Nutrition Programme: TUP-Nutrition is a pilot programme being implemented in collaboration with the World Food Programme and International Food Policy Research Institute. It focuses on preventing under-nutrition in the first 1,000 days amongst children from the 592 poorest households in two sub-districts in Satkhira. It tests the assumption of lifecycle targeting and mainstreaming nutrition interventions into livelihood development programmes. The pilot will also address the mutually reinforcing challenges of under-nutrition and poverty among the ultra poor.

- M-relief and Crowd Funding: In partnership with BRAC's social innovation lab, DECC launched two projects using technology to improve post-disaster relief activities. One project explores using a digital voucher system to provide relief items and medical support to affected individuals more quickly following a disaster. The other uses mobile money as a new platform for crowd funding; this is a transparent mechanism for the public to easily and directly donate towards our relief activities.

- BRAC Health Security Programme: HNPP has initiated an alternative financing mechanism called BRAC Health Security Programme (bHSP). It is a community-based health security scheme aligned with the national health financing strategy to achieve universal health coverage in Bangladesh. It was launched in August 2014 in Gazipur.

- Interactive Multimedia Content: BRAC signed a Memorandum of Understanding with the Ministry of Posts, Telecommunication and IT to develop interactive multimedia content for the national primary curriculum (class 1-5). This aims to ensure quality education with better clarity of lessons for both students and teachers. BRAC also collaborated with the British Council, GSM Association and Robi Axiatia Limited to create an English learning platform for adolescents using mobile phones.

- HIV and AIDS Education in Primary Schools: BRAC partnered with the NGO PIACT Bangladesh to provide HIV and AIDS education to students of class 5 in BRAC's primary and other BRAC-supported schools.

- Intervention to Eradicating Child Marriage: BRAC's Community Empowerment Programme started a pilot intervention in partnership with the local government in Badarganj, a sub-district of Rangpur district, to test approaches to eradicating child marriage. This involves a set of coordinated activities through multi-stakeholder engagement, including the polli shomaj, community leaders, local youth, marriage officials, journalists and local administration. Based on its success, this pilot may be replicated in other CEP working areas.

- Launching of Maya Apa: Gender Justice and Diversity with BRAC's Information and communication technology and social innovation lab partnered with Mayalogy ltd and launched the BRAC-Maya project in July 2014. This aims to ensure access to information regarding maternal, reproductive and adolescent health rights, sexual harassment, and violence. This web-based project introduced a mobile app named 'Maya Apa'. It provides an interactive and anoymous platform for women and girls in Bangladesh to seek advice from specialists and also encourage peer learning.

- Children with Legal Assistance: Human Rights and Legal Aid Services partnered with the Ministry of Social Welfare in the juvenile justice sector, providing children with legal assistance to help them secure bail, and using BRAC's countrywide network to locate their families. In 2014, HRLS released 88 children from juvenile development centres, providing 125 more with additional legal assistance and reuniting 60 children (who were declared 'vagrants') with their families.

2.10 Awards received in the reporting period

Awards	Recipient
Global Justice Innovation Award	BRAC
Trust Women Hero Award	Sir Fazle Hasan Abed, KCMG
Spanish Order of Civil Merit	Sir Fazle Hasan Abed, KCMG
Honorary Doctorate of Laws, Princeton University	Sir Fazle Hasan Abed, KCMG
Leo Tolstoy International Gold Medal	Sir Fazle Hasan Abed, KCMG

3. REPORT PARAMETERS

3.1 Reporting period

January 2014 to December 2014

3.2 Date of most recent previous report

January 2013 to December 2013

3.3 Reporting cycle

Annual

3.4 Contact person for questions regarding the report or its contents.

S N Kairy
Chief Financial Officer
BRAC & BRAC International
Email: kairy.sn@brac.net

3.5 Process for defining reporting content and using reporting process.

BRAC has strong communication and branding department. They normally collects all information from different programs and department as per standard communication guidelines. After that they accumulate all information and share it with initially with concern program personnel and get their feedback. Subsequently, they share the report to Executive Management Committee as well as with some stakeholders for their feedback. After accumulating all suggestion/feedbacks, they goes for publication.

Before setting up any reporting content, generally communication department shares their views to senior management of BRAC as well as to some stakeholders who are relevant with the report. After getting their feedback, circulate it throughout the BRAC for compliance.

BRAC Reports includes BRAC and BRAC International's activities, strategies, management, stakeholders etc. We tried to provide all the information which is appropriate and relevant for the report and which will be useful for all the stakeholders. BRAC assures the effectiveness and efficiency of operations, reliability of financial data and compliance of applicable rules,

regulations and procedures. This report should be read alongside the Annual Report 2014. The Annual Reports are available at http://www.brac.net/annual-reports-and-publications. The annual reports contain audited financial statement and additional information.

3.6 Boundary of the report

The report contains topics and information of BRAC Bangladesh and other countries where BRAC has its activities. The report does not contain information about BRAC UK and BRAC USA as these two organizations are not implementing any program for BRAC.

3.7 Material content limitations of the report

BRAC has operations in 11 (eleven) countries. The report does not go to details of each programme of each country. We provided overall work carried out by BRAC. BRAC has investments to ensure financially profitable investments in socially responsible areas. All these investments have separate legal entities. Not much has been mentioned about the investments in the report. Moreover, BRAC has some social enterprises which are financially profitable and significant profits has been utilized to finance development activities. However, information on investments and social enterprises are available in BRAC annual report and on BRAC website at www.brac.net.

3.8. Basis for reporting on national entities, joint ventures, subsidiaries, outsourced operations, and other entities.

BRAC enterprises are not subsidiaries of BRAC, its BRAC's separate program. All relevant disclosures related to BRAC are given in this report. So, this section is not applicable for BRAC.

3.10/3.11. Significant changes from previous reporting periods in the boundary, scope, time frame, or measurement methods applied in the report.

Not applicable.

3.12. Reference Table

Not applicable.

4. GOVERNANCE STRUCTURE AND KEY STAKEHOLDERS

4.1. Governance structure and decision making process at governance level.

BRAC General Body: As per the Memorandum of Association and Rules and Regulations of BRAC, any person belonging to any nationality is eligible to become a General Body Member of BRAC if recommended by two existing General Body Members and approved by the Governing Body. The general body of **BRAC** consists of 29 members .The General Body meets once in a year in the Annual General Meeting. The ordinary business of Annual General Meeting are:

- Adopt Audited Annual Accounts
- Election of the members of the Governing Body
- Appointing and fixing of remuneration of External Auditors
- Approve Annual Budget

BRAC Governing Body: As per the Memorandum of Association and Rules and Regulations of BRAC, in the annual general meeting, the general body elects the governing body. The governing body consists of 10 members. Distinguished professionals, activists and entrepreneurs of excellent repute have been elected to the governing body to bring their diversified skills and experiences to the governance of BRAC.

The major responsibilities of the governing body are to:

- Determine the vision, mission, values, strategy, rules and regulations
- Approve the audited financial statements on yearly basis
- Approve the annual budget
- Appoint Executive Director
- Appoint members of various committees
- Take decision regarding establishing branch offices to promote the objectives of the society or to replicate its programmes or activities
- Ensure the effectiveness of the internal management system and mechanisms for upholding the benchmarks of accountability and transparency.

The governing body meets at least four times a year.

The governing body has two committees; Finance & Audit Committee and Investment Committee.

Finance & Audit committee:The primary function of the Finance and Audit Committee is to assist the governing body in fulfilling its oversight responsibilities for:

- The financial reporting and budgeting processes
- The systems of internal controls and risk assessments
- Compliance with legal and regulatory requirements

- Qualifications, independence, and performance of the external auditors, and
- Qualifications, independence, and performance of the internal audit unit.

Investment Committee: The Investment committee oversees the BRAC investments, and consists of five members. Chief Financial Officer acts as the secretary of the committee.

BRAC International governing body consists of 10 members. The governing body has one committee; Finance & Audit committee.

Details about the members of governing body of BRAC and BRAC International are available on BRAC website at http://www.brac.net/governing-body.

Level of authority with different level:

The governing body appoints the Executive Director. The Chief Financial Officer of BRAC & BRAC International is responsible for managing fund and supervision of all financial matters. All the programmes are headed by the Senior Directors and Directors. BRAC organogram is available in **annexure 1.**

BRAC International Governing Body Consists of 10 members. The governing body appoints Executive Director, BRAC International. All the countries are headed by country representatives.

Branch Management
BRAC has more than 2380 branch offices all over Bangladesh and 463 branch offices outside Bangladesh to carry out various development projects. Branch offices report to area offices. Area offices report to respective regional offices. Regional offices communicate with Head office. Same operational structure is followed in all countries.

Risk Management:

The aim of this department is to ensure that the organization identifies and understands the risk to which it is exposed under the framework of BRAC's Governance. RMS ensures that the organization creates and implements effective plans to prevent losses, while reducing the impact if a loss does occur. These plans include strategies and techniques for recognizing and confronting these threats through effective mitigation mechanism in addition to its quarterly and annual risk management reports, the department provides consultation and capacity development training to all BRAC clients.

The department is in the process of introducing a web-based-risk management system to ensure the timely identification, assessment, mitigation and monitoring of all risks faced by the organization.

4.2. Division of powers between the highest governance body and the management and/or executives.

All the members including the Chair of Governing Body are non-executive**.** Normally management provides all information related to the organization to governing body for taking any strategic decision for BRAC. On the other hand, Governing body gives direction and approval of all works done by the management.

The Governing Body appoints the Executive Director and evaluates his performance. The Executive Director is reportable to the Governing Body.

Executive Management Committee: The Executive Management Committee (EMC) is the management decision-making committee convened by the Chairperson with members being the senior management team.

Governing Body	Management
Has full control over all the affairs and property of BRAC.	
Determines vision, mission, values, strategy, rules and regulations	• Implement strategy at all levels of the organization. • Direct all the programmes/ projects to works towards the mission and vision. • Implement rules & regulation within the organization. • Implement policies, procedures and guidelines. • Responsible for effective and successful day-to-day operations.
Appoints the Executive Director	
	All the senior directors, CFO and directors work under the supervision of Executive Director (ED).
Approve budget and appoint external auditor	Management manages fund efficiently, implement fund for various activities according to the budget and assist the external auditor.
Appoint/select members of various committees	Execute decisions taken by the committee and

	provide relevant information for decision making.
Takes decision regarding establishing branch offices in any part of Bangladesh or aboard to promote the objectives of the society or to replicate its programmes and/or activities.	Execute the decision regarding establishing branch either in Bangladesh or aboard.
Approves project proposals	Implement the projects.
Approves the bank accounts opening and closing.	Operate and manage the bank accounts.
Approves the borrowing from banks and other financial institutions.	

4.3. Please state the number of members of the highest governance body. How many are independent and/or non-executive members?

BRAC Governing Body consists of 10 members. All the members including the Chair of Governing Body are non-executive**.** The non-executive members have no financial interest in the organization or other potential benefits that could create a conflict of interest. They are elected to bring their diversified skills and experiences to the governance of BRAC. The non-executive members are unpaid volunteers.

BRAC International Governing Body consists of 10 members. All the members including the Chair of Governing Body are non-executive**.** The non-executive members have no financial interest in the organization or other potential benefits that could create a conflict of interest. They are elected to bring their diversified skills and experiences to the governance of BRAC International. The non-executive members are unpaid volunteers.

Details about the members of governing body of BRAC and BRAC International are available on BRAC website at http://www.brac.net/governing-body.

4.4. Mechanisms for internal stakeholders (e.g. members or employees) to provide recommendations to the highest governance body.

BRAC gets direction from internal stakeholders in the following ways:

- In BRAC annual general meeting, the members provide directions, guidelines and feedbacks about the organization.

- Once a week (usually on Thursday) Executive Director has meeting with all directors and senior directors. In this meeting the directors give guidance and share programme activities.
- Usually on Sunday, Executive Director has meeting with General Managers and Heads of all programmes to get feedback from them.
- BRAC staffs have access to an intranet system where they can share information and communicate with others.
- BRAC staffs have regular departmental meetings to share and collect views of others.
- BRAC communication department published BRAC bulletin and 'Shetu' newsletter monthly and circulate among the staffs to keep them up-to-date about all organizational activities.
- Some departments also published quarterly programme bulletin/ progress report to inform staffs about program updates and changes.

4.5. Compensation for members of the highest governance body, senior managers, and executives (including departure arrangements).

Governing Body: All the members including the Chair of Governing Body are non-executive**.** The non-executive members have no financial interest in the organization or other potential benefits that could create a conflict of interest. They are elected to bring their diversified skills and experiences to the governance of BRAC. The non-executive members are unpaid volunteers.

Senior Managers and Executives: BRAC provides monthly salary to all its staffs (including Senior Managers and Executives) as per approved pay scale. BRAC provides some "other benefits" to the staffs as per the Human Resource Policies and Procedures (HRPP) of BRAC. Among others, these "other benefits" include provident fund, gratuity for the departing staffs. BRAC also covers life and health insurance to all of its staffs. They did not receive any remuneration from outside. They are volunteering to other organization.

4.6. Processes in place for the highest governance body to ensure conflicts of interest are identified and managed responsibly.

All the members including the Chair of Governing Body are non-executive**.** The non-executive members have no financial interest in the organization or other potential benefits that could create a conflict of interest. On the other hand non-executive members are unpaid volunteers. Generally their background were not affected for taking decision for BRAC.

4.10. Process to support the highest governance body's own performance.

As per the Memorandum of Association and Rules and Regulations of BRAC, in the annual general meeting, the general body elects the governing body. Any person, belonging to any nationality is eligible to become a governing body member, if recommended by two existing members and approved by the Governing Body. Distinguished professionals, activists and entrepreneurs of excellent repute have been elected to the governing body to bring their diversified skills and experiences to the governance of BRAC.

The governing body is elected for three years.

The governing body members act to the best of his ability for furtherance of the objects, interest and influence of BRAC.

4.12. Externally developed environmental or social charters, principles or other initiatives to which the organization subscribes.

Not Applicable.

4.14. Stakeholder groups of the organization.

List of stakeholders:

- Programme participants
- Government Ministry
- Local Government
- Ombudsperson
- General Public
- Civil Society
- Strategic Partners
- Donors
- Staff

4.15. Process for identification, selection and prioritization of key stakeholder groups.

BRAC believes in remaining accountable to its different stakeholders:

- Programme Participants:
  In case of any programme design, BRAC follows the bottom-up approach. The opinions of the programme participants and the community people are taken into consideration during the programme design.

- Local Government:

While designing a project, discussions are held with the local government. The government facilities are taken into consideration and a gap analysis are made to identify the needs of the local communities. The government officials are made aware of the budget and activities of the new project. The project achievement reports are provided to the government officials on yearly basis and feedback from them are taken. Monthly meetings are conducted by the respective project officials with the concerned government officials. The local government officials visit the project from time to time.

- Government Ministry:
  While starting a project, BRAC submits detailed project proposal to the government (NGO Affairs Bureau) for approval. Before giving clearance for any new project, the NGO Affairs Bureau takes clearance of the respective Ministries of the Government. After approval from the NGO Affairs Bureau, the project starts. The copy of the approval and project proposal are sent to the Heads of government offices at respective Districts and Sub-Districts. BRAC submits project wise audited financial statements in prescribed format to the government (NGO Affairs Bureau) on yearly basis.

- Strategic Partners:
  The Strategic Partnership Arrangement (SPA) is between BRAC, the UK government and the Australian government. The SPA is based on shared goals, clear results and mutual accountability. The SPA results framework is agreed by the Strategic Partners and BRAC is committed to the Strategic Partners to report on the programme results it achieves on 6 monthly basis.

- Donors:
  BRAC provides project wise financial and narrative reports to the project donors. BRAC always welcomes the external review and encourage the donor community for field visit.

- Civil Society:
  BRAC regularly maintains liaison with the civil society. BRAC participates in different forums and initiatives organized by the civil society. BRAC is always open to share its experience with the civil society. BRAC presents the research findings by inviting journalists, civil society and other sectoral experts. BRAC takes feedback from them of which are included in further research studies.

- General Public:
  Each year, BRAC invites corporate sector, journalists, civil society and others on the occasion of launching the BRAC Annual Report. Immediately after launching, the Annual Report is uploaded in BRAC website to make the report open to the general public. The Annual Report in summary form is published in the leading daily newspapers.

- Practice of Ombudsperson:
  BRAC established the independent office of the Ombudsperson in 2004. Anyone can complain to Ombudsperson for investigate any incident of misadministration and misuse of power within the organization. Ombudsperson can also investigate by his own regarding any issue of BRAC such as corruption, abuse of power or discretion, negligence, oppression,

nepotism, rudeness, arbitrariness, unfairness and discrimination. The Ombudsperson can also investigate any grievance or complaint made to him by any individual or group of people or institution concerning any decision taken by BRAC. The Ombudsperson places report to the BRAC Governing Body on yearly basis.

PERFORMANCE INDICATORS

I. Programme Effectiveness

NGO1 Involvement of affected stakeholder groups to inform the design, implementation, monitoring and evaluation of policies and programmes.

Programme Designing:

- In case of any programme design, BRAC follows the bottom-up approach. The opinions of the programme participants and the community people are taken into consideration during the programme design.

- BRAC's social enterprises have always been established on a drive to find alternate livelihoods for the rural poor. These enterprises are not started simply as business endeavours; instead, BRAC's purpose is poverty alleviation. The establishment of BRAC Dairy can be an example. Despite the abundance of milk production, the demand for milk in villages was not enough to generate a decent income for dairy farmers. A lack of refrigeration systems resulted in frequent wastage of large amounts of unsold milk. As a solution, BRAC established BRAC Dairy to collect milk from rural dairy farmers at fair price across the country and sell them to the urban market as processed milk and milk products. In essence, BRAC Dairy channels milk from rural areas into urban areas while channeling urban money into rural areas. This enterprise cross-collaborates with BRAC Artificial Insemination, another social enterprise, which provides dairy farmers with access to better quality breeds of cows. This enterprise has increased the income of many farmers, because better breeds provide higher yield of milk.

Ensuring service quality:
The officials of the programmes regularly meet with the respective programme participants. The programme officials hear and take note of the feedback from all the programme participants and gives continuous efforts to ensure the best services.

Each programme has internal monitoring team to ensure the quality of services. Besides, there is a separate Monitoring Department which works independently to regularly check the service quality of programme delivery on random basis and they present quarterly report to the senior management. On the basis of that, the programmes take necessary steps to rectify the process of delivery and ensure effectiveness.

Reporting on results:
The Strategic Partnership Arrangement (SPA) is between BRAC, the UK government and the Australian government. The SPA is based on shared goals, clear results and mutual accountability. The SPA results framework is agreed by the Strategic Partners and BRAC is committed to the Strategic Partners to report on the programme results it achieves on 6 monthly basis.

The Strategic Partnership Arrangement (SPA) is jointly reviewed by BRAC and contributing development partners on an annual basis. The process, TORs and composition of the review team are agreed by BRAC and contributing development partners. These reviews examine

progress towards the objectives set out, and the extent to which the results defined in the results framework are being achieved.

To meet these agreed requirements, the partners have developed a Results Framework with four levels:

Level 1: National Millennium Development Goals (These goals have been agreed at national and international level, and information on goals, indicators and targets have been obtained from the United Nations Development Programme.)

Level 2: Programmes (Provide information on outcomes, indicators, risks and assumptions for BRAC Programmes. Logframes for each project in each programme have also been prepared and are available.)

Level 3: Institutions (Provide information on outcomes, indicators, risks and assumptions for strategic areas

Level 4: Tracking the Partnership (The partners jointly initiates a research process for documenting the outcomes and benefits of the SPA.)

Research and Evaluation Division (RED):

BRAC has an independent Research and Evaluation Division (RED) that plays a critical role in development intervention, monitoring progress and conducting impact assessment studies. The department reviews the progress of projects and communicates the finding with relevant departments. It provides an analytical basis for BRAC`s programmatic decisions, fine-tuning it for better performance and making development efforts evidence-based, effective, and community-sensitive. RED also helps us with ways to scale up the identify new areas of interventions. The department shares lessons learnt by publishing reports and working papers.

All the above matters are guided by BRAC policies and procedures. If required BRAC has changes and updates its policies and procedures based on feedbacks from its stakeholders time to time. For example, BRAC has established risk management department to evaluate its program risks and try to reshape the programs according to risk ranking.

NGO2 Mechanisms for stakeholder feedback and complaints to programmes and policies and in response to policy breaches.

Monthly Meetings: The officials of Microfinance Programme meet weekly for group loan and monthly for individual loan with the microfinance members (borrowers) and provide necessary services to them. Similarly, the officials of other programmes (education, health, ultra poor and others) regularly meet with the respective programme participants. The programme officials hear and take note of the feedback from all the programme participants and gives continuous efforts to ensure the best services.

Monitoring: The internal programme monitoring team is assigned to check the quality of services. Besides, there is a separate Monitoring Department which works independently to regularly check the service quality of programme delivery on random basis and they present

quarterly report to the senior management. On the basis of that, the programmes take necessary steps to rectify the process of delivery and ensure effectiveness.

Ombudsperson: BRAC established its office of the Ombudsperson with a comprehensive mandate to investigate any incident of misadministration and misuse of power within the organisation. He is independent from BRAC and can take decision independently. If any person feels that, he/she face any discrimination from BRAC, he/she can give complain to ombudsperson for justice. The Ombudsperson maintains the highest level of confidentiality regarding complainants and complaints. The office prepares an annual report concerning the discharge of its functions and submits it to the Chairperson who then put the report before BRAC's governing body for their consideration. Mr. Ahmed Ataul Hakeem FCMA, Ex-Comptroller & Auditor General, has been appointed as the fourth Ombudsperson for BRAC for the period from December 1, 2013 to November 30, 2016.

Investigation unit: The investigation unit is an internal unit of BRAC which investigates complaints related to financial irregularities, violation of organizational rules and regulations, nepotism, indecent behavior and arbitrariness across BRAC. It also investigates grievances from BRAC's stakeholders. In 2014, investigation unit received and investigated a total of 168 cases in Bangladesh throughout the year. According to investigation results, Grievance Management Committee (GMC) took decision against accused person. According to GMC decision, management took administrative and corrective action against accused person.

SHarE Unit: BRAC has developed Code of Conduct and Sexual Harassment Elimination Policy which are integral parts of BRACs value and culture. Sexual Harassment Elimination (SHarE) and Staff Relations unit of Human resource department plays a vital role in the organization to ensure a respectful, and friendly working environment. The unit facilitates the management of all the Grievance-related cases in BRAC, with a special focus on sexual harassment related grievances. This section is continuously working with a view of ensuring friendly working environment for the female staff especially.

Major Activities:

- Grievance Management.
- Dissemination of Sexual Harassment Elimination SHE Policy.
- Establishment of a free flow of information system.
- Assistance to the Ombudspersons Office.
- Follow up and Monitoring of grievance related decisions.

Feedback: BRAC always receives feedback from employees and stakeholders. Feedback ensures accountability. Department has meetings with the staffs to receive feedback on any issue. On regular basis, BRAC has meetings with donor, government, financial institutions, partners and other NGOs. Besides once a week/ month BRAC meets with the members whom BRAC provides various development services. BRAC also meets civil societies, communities

and other stakeholders often to receive feedback. BRAC gives continuous efforts to ensure the best services.

NGO3 System for program monitoring, evaluation and learning, (including measuring programme effectiveness and impact).

BRAC ensures effective control and transparency throughout the organization by monitoring, audit and evaluation process.

BRAC has two tires of monitoring system. One is BRAC's program internal monitoring and another is BRAC's separate monitoring department which independent from program.

Program Internal Monitoring: Every program have their internal monitoring system, which ensures monitoring of program implementation as per performance indicator set by the program and donors as well. Reporting mechanism and interval has been define by the program itself and in some case donors also.

Monitoring Department: The monitoring department is an integral part of BRAC's internal control mechanism and separate from program. The monitoring unit provides support to BRAC's development programmes, supporting departments and enterprises. In order to ensure transparency, the unit conducts **periodic analysis**, enabling the management to determine whether the key activities are being carried out as planned, and whether they are having the expected outcomes. After periodic review, monitoring department prepare their reports with monitoring issues and present their findings to different programs on quarterly basis. They also take feedback from different department/programs/units and act accordingly.In 2014, the department monitored 166 cases in Bangladesh through its monitoring unit and shared their findings to the relevant internal stakeholders.

Research and Evaluation (RED): Our research and evaluation division plays a critical role in development intervention, monitoring progress and conducting impact assessment studies. The department reviews the progress of projects and communicates the finding with relevant departments. It provides an analytical basis for BRAC`s programmatic decisions, fine-tuning it for better performance and making development efforts evidence-based, effective, and community-sensitive. RED also helps us with ways to scale up the identify new areas of interventions. The department shares lessons learnt by publishing reports and working papers.

NGO4 Measures to integrate gender and diversity into program design and implementation, and the monitoring, evaluation, and learning cycle.

BRAC Gender Justice and Diversity (GJD) programme works to integrate gender justice into its programmes and eliminate gender inequality from the society. GJD works to ensure that no stakeholder is excluded from the organization's work due to e.g. disability, ethnicity, poverty, illiteracy, age, and gender. GJD works simultaneously within the organisation and with the communities. It strives for equality, diversity and inclusiveness within BRAC; improves gender relations and empowers women at the household level across many of BRAC's programmes; and works to ensure that girls and boys are equitably nurtured to their full potential from pre-primary through secondary school. It helps to build a gender-friendly working environment. It also promote gender equality and work to prevent violence against women at the national level by influencing government policies and agendas, organizing public forums and events, and leveraging national and international alliances for gender justice. GJD also works towards integrating gender into programmes.

Goal

Promote gender equality, empowerment and inclusiveness within BRAC as well as within the wider community.

Objectives

- To promote a culture and environment, inclusiveness within all programmes, that respects gender equality;
- To build capacity of staff to achieve BRAC's goal of gender equality;
- To create a platform for community mobilization against gender-based discrimination and domestic violence, sexual harassment at the workplace and public-place;
- To promote sexual and reproductive health rights within the society;
- To increase policy advocacy networking for women's rights, both nationally and internationally.

The department ensures the following to integrate gender and diversity in to BRAC:

Gender Policy (GP) and Sexual Harassment Elimination (SHE) Policy: GJD is primarily responsible for overseeing and monitoring the implementation of the Gender and SHE policy. The section has also been providing technical assistance within the organisation through policy review, awareness rising against sexual harassment, organizing different workshop, training, forums etc. GJ&D developed a Gender Policy Operational Guideline (GPOG) to focus with different level staff responsibility to implement the Gender policy. It is in the process to develop a Gender Analysis Framework recently to mainstream the gender justice goal throughout BRAC.

Assist in implementing a 'zero tolerance' policy on sexual harassment within the organisation: BRAC has adopted a 'zero tolerance' policy to any form of sexual harassment and abuse at the work place. GJD formulated a Sexual Harassment Elimination (SHE) Policy in 2004 - one of the firsts in Bangladesh to address the sexual harassment and take punitive actions in organizational level. Later it was upgraded and reprinted in 2008. BRAC is committed to follow the honorable High Court Division's (HCD) guideline against sexual harassment that was promulgated on May 14, 2009. As part of the commitment, the SHE policy has been reviewed addressing the organizations present concern. Through Gender & SHE policy orientation and different campaign activities, GJ&D creates awareness which helps to implement 'zero tolerance' policy on sexual harassment within the organisation.

Inclusion of Gender issues into program through Gender Focal Points (GFP): Gender Focal Points (GFP) are responsible to address gender equality through their programme interventions following Gender Policy. GFPs are nominated by the respective programme/ department, and play a vital role to ensure equal and fair working environment for both men and women. They try to retain and increase women staff in their programme and department and organize Gender Policy, SHE policy orientation, National Women Development Policy discussion and other conceptual discussion within their respective programme. GJD provides continuous support in the capacity development of GFPs in regards to gender related issues, women's empowerment, gender analysis, and gender mainstreaming strategies, etc.

NGO5 Processes to formulate, communicate, implement, and change advocacy positions and public awareness campaigns.

Advocacy is one the fundamental activities of BRAC. BRAC has advocacy unit to conduct and support all sort of advocacies of various programmes/ projects. BRAC's advocacy for social change programme promotes behavioral change amongst individuals, communities, organizations, government officials, and policy makers regarding policies and practices to improve the overall human rights scenario in Bangladesh.

Advocacy for community empowerment: BRAC aims at achieving socio-political empowerment of the rural poor, particularly women, by enabling them to build, secure and use socio-political assets to improve their wellbeing, exercise their rights, take advantage of new opportunities and play a more active role in public life. We utilize community media such as Popular Theatre and Community Radio to disseminate information to rural communities and mobilize them on a wide range of issues that affect their lives. Popular Theatre is an effective advocacy tool for disseminating information to the communities, particularly to the illiterate, through entertainment. In 2014, our Popular Theatre Group staged 20,162 shows.

BRAC engages with the local government to improve local governance through capacity building and institutional strengthening, gender sensitization, formation of forums of elected

female representatives, and advocacy initiatives. Our objective is to help local government to become more transparent and responsive to the needs of the poorest.

Advocacy for Access Promotion of the Ultra Poor (APUP)**:** APUP mobilizes relevant stakeholders for enhancing regular attendance of the ultra poor children in primary education and increasing their accessibility to GO Services (health, livestock & social safety net programmes). This new project is going to be implemented at the grassroots level of 20 upazilas of Rangpur, Khulna, Naogaon and Sunamganj districts from 2013 to 2015.

Advocacy Addressing Violence against Women: Addressing violence particularly Violence against Women (VAW) through building community awareness, community mobilization for prevention and coordinating support to victims is a key area of BRAC. BRAC approach involves mobilizing and engaging rural communities to monitor and prevent human rights violations towards creating a safer environment, particularly for women and children. We create awareness among the communities and mobilize them for protesting and preventing violence against women. Furthermore, district level GO-NGO service providers' coordination workshops are organized at regular intervals. The Joint Programme on Violence against Women project has been initiated with the aim to improve the overall gender based violence situation, particularly violence against women, through a comprehensive set of activities involving awareness raising and capacity building, developing networks and partnerships, policy advocacy, survivor support and establishing a database on violence against women in 6 districts presently covered by the REOPA project of UNDP.

Advocacy for gender equality: BRAC advocacy for gender justice and equality. BRAC works with different alliances and forums to influence policy makers to formulate and revise laws, rules and regulations against all types of gender based violence, and also for policy advocacy. Following are example:

- At the invitation of the Ministry of Planning, BRAC reviewed the national sixth five-year plan with a gender focus, and made specific recommendations for improving the plan, as well as for the implementation strategy.
- BRAC reviewed the Microfinance Regularity Authority (MRA) Act from a gender perspective which has now been accepted as government policy.
- In BRAC is also an active member of Social Action Committee (a platform consisting of 67 development organisations), citizen's initiative on CEADAW, Bangladesh (a national platform of 38 rights organisation, working on CEDAW and international treaties); WE CAN CAMPAIGN (working to end domestic violence against women and children), National Girl Child Advocacy Forum (working on different girl child issues), and Campaign for Popular Education, a national coalition of NGOs working towards the implementation of programme interventions in the education sector including the education curriculum.

- BRAC initiated to form and lead a new platform to combat against child marriage with other organizations (Care, Plan, Population council, ICDDRB, BLAST, LAMP, FPAB, white ribbon alliance Bangladesh, Marie Stopes etc.)

Advocacy for human rights & legal aid services: BRAC's is dedicated to protecting and promoting human rights of the poor and marginalised through legal empowerment. The blend of legal literacy initiatives with comprehensive legal aid services throughout the country helps spread awareness needed to mobilize communities to raise their voices against injustices, discrimination and exploitation – whether at the individual or collective level. Our programme creates an enabling environment for the poor and marginalised to seek equitable justice through formal and informal systems. Our grassroots volunteers are drivers of our rights awareness raising efforts countrywide. We arrange workshops with community leaders aim to develop human rights awareness.

NGO6 Processes to take into account and coordinate with other actors.

BRAC understand the importance of coordinating and working with other actors. Developing partnership with other actors enriches knowledge and often results in greater output. Some organizations are expert in certain services. Working in collaboration with these organizations help to increase knowledge and effectiveness of project/ programme. As per BRAC's strategy, BRAC chose different programs and try to implement those programs with collaboration with other partners. BRAC also try to pursue with other actors to develop new programs based on BRAC's long term strategy. BRAC also collaborate with academic and research institutions and other development organizations to gauge the effectiveness of our interventions. BRAC also believes that working with other actors help to build a world free from poverty and exploitation. Few examples of working with other actors are:

- BRAC implemented USAID's horticulture project in the southern part of Bangladesh, in collaboration with the International Potato Centre and Asian Vegetable Research Development Centre (AVRDC). The project aims to increase income of and nutrition for the poor farmers through the value-chain development of potato, sweet potato and selective vegetables.
- BRAC initiated a second crop diversification project in collaboration with Asian Development Bank and the Ministry of Agriculture, Government of Bangladesh. Launched in 52 sub-districts of 27 districts, this project has good potential for high-value crops.
- British Council teaches English to our adolescent club members and support BRAC to facilitate secondary school students to participate in the national youth parliament.
- BRAC focused both on maternal and adolescent nutrition. Supporting the global scaling up nutrition (SUN) movement, we collaborated with various stakeholders to advocate prioritization of nutrition in the national health agenda.
- Under the stewardship of the National Tuberculosis Programme (NTP), our TB control programme expanded to include childhood TB, multi-drug resistant strains, tobacco

cessation, and HIV co-infection. TB programme directly operates in 47 districts as the lead agency for all partner NGOs in Bangladesh.

- BRAC's Malaria Control Programme operates in 13 districts in collaboration with the Government of Bangladesh. Direct benefit to the families and individuals are increased access to diagnosis and treatment, increased awareness of disease prevention, personal protection and treatment.
- BRAC collaborated with various international coalitions, networks and alliances, and became a member of the UN NGO committee on migration. These collaborations and advocacy efforts, along with regular inflow of remittances, make the policymakers and implementers more aware of migration issues, while help change the service-seeking behavior of potential migrants.
- BRAC launched the Education Support Programme (ESP) to enhance access to quality primary education opportunities for underprivileged children (age 9-12 years) in the most remote areas. The ESP builds partnerships with local non-governmental organizations (NGOs) and provides them with technical and financial support to replicate the BRAC primary school model. A number of 4,965 ESP schools with 148,644 children are run by 393 partner NGOs. So far 0.76 million children have been graduated from ESP schools.

BRAC has development partnership with many institutions:

Strategic partnership: Department for International Development (DFID) (UK)
Department of Foreign Affairs and Trade (DFAT) (Australia)

Government Alliances: Ministry of Cultural Affairs
Ministry of Education
Ministry of Fisheries & Livestock
Ministry of Food and Agriculture
Ministry of Health and Family Welfare
Ministry of Primary and Mass Education
Ministry of Social Welfare of Bangladesh
Ministry of Foreign Affairs
Directors General of Health Services
Department of Agricultural Extension
Ministry of Women and Children Affairs
Ministry of Youth and Sports
National Institute for Local Government
Tongi Paurashava
All Party Parliamentary Group
Bureau of Manpower Employment and Training
Ministry of Expatriate Welfare and Overseas Employment
Bangladesh Overseas Employment and Services Limited
Bureau of Manpower, Employment and Training

Knowledge Partners: The George Washington University
Yuan's Hi-tech Seed Co. Ltd
Bangladesh Rice Research Institute
International Water and Sanitation Centre
Bangladesh Agricultural Research Institute
Center for Policy Dialogue
International Labour Organization
International Rice Research Institute
The World Food Prize
World Vision
World Fish Center
Transparency International Bangladesh
International Food Policy Research Institute
Save the Children
University of Sussex
SIT Study Abroad
The London School of Economics and Political Science
University of Aberdeen
Columbia University
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II. Financial Management

NGO7 Resource allocation, tracking and control

Budget is prepared annually with inputs from all programmes. Finance & Audit committee reviews and recommends the budget for approval. Then Governing body approves the budget. Resources are allocated according to the budget.

Funds have been classified within two categories - temporarily restricted and unrestricted.

- Temporarily restricted assets - Assets subject to donor-imposed restrictions that permit BRAC to use or expend the assets as specified. The restrictions are satisfied either by the passage of time and/or by actions of BRAC. When donor restrictions expire, that is, when a time restriction ends or a purpose restriction is fulfilled, any balances of temporarily restricted net assets are either returned to donors in accordance with donor agreements or utilized consequent to donor and management agreements on a temporarily restricted or unrestricted basis. In cases where restrictions expire, it is BRAC's policy to effect the reclassification of assets from temporarily restricted net assets to unrestricted net assets via transfers within the balance sheet.
- Unrestricted net assets - Net assets that are not subject to any donor-imposed restrictions or which arise from internally funded activities. This category of net assets include amongst

others, amounts designated by BRAC for income generating activities, programme support enterprises, micro-financing activities and self-financing social development activities.

BRAC's Head Office overhead expenses are allocated to various projects and programmes at a range of 7% to 10% of their costs, based on agreement with donors or management's judgment.

Total expenditure of BRAC (including BRAC International) during the year 2014 is as follows:

Expenditure	BDT	US$
Social Enterprises	7,630,825,893	97,831,101
Program Support Enterprises	4,116,999,760	52,782,048
House Property	100,942,249	1,294,131
Education Programme	7,298,699,692	93,573,073
Ultra Poor Programme	2,406,137,155	30,847,912
Community Empowerment Programme	317,494,987	4,070,449
Human Rights and Legal Services	240,445,413	3,082,634
Policy Adcocacy	156,788,921	2,010,114
Health Programme	5,676,616,539	72,777,135
Water, Sanitation and Hygienic Programme	2,419,632,575	31,020,930
Gender, Justice and Diversity Programme	298,568,038	3,827,795
Micro Finance Programme	15,843,567,345	203,122,658
Agriculture and Food Security	520,785,414	6,676,736
Other Development Projects	687,916,896	8,819,447
Total	**47,715,420,877**	**611,736,165**

To ensure proper utilize of fund and transparency BRAC conducts the following:

Internal Audit: The internal audit department is an independent unit within BRAC which undertakes risk-based internal audit and compliance to maintain transparency and accountability across the organisation and is directly reportable to the finance and audit committee. The department independently examines and evaluates BRAC-wide activities to assist management with advice on operational efficiency. It also assesses the effectiveness of BRAC's management control, governance and risk management services. The department's services include routine audits, system audits, special audits, investigations, and annual inventory verification. An audit review committee reviews the work of the department to ensure greater transparency and accountability.

Internal Audit Department works independently undertaking risk based Internal Audit and Compliance Services in accordance with International Standard. In year 2014, Internal Audit department undertakes IT System Audit, Surprise Audit, Regulatory Compliance Audit, Process Based Audit, Construction Audit along with other routine Audit. In 2014 the department completed 14,329 audit spots.

In 2014, auditors audited 378 cost centres in Tanzania, 843 cost centres in Uganda, 89 cost centres in Sierra Leone, 93 cost centres in Liberia, 189 cost centres in Pakistan, 215 cost centres in Afghanistan, 26 cost centres in South Sudan and 29 cost centes in Philippines and highlighted several issues for management action.

External Audit:

BRAC: Each year BRAC conducts audit by external auditors. Governing body appoints external auditor. The Annual General Meeting of BRAC held on June 19, 2014 have approved the appointment of S F Ahmed & Co, Chartered Accountants, Bangladesh and Ernst & Young, Chartered Accountants, Malaysia as the joint auditors for annual audit of BRAC for the year ended December 31, 2014.

BRAC International:

Country	External auditor for 2013
Afghanistan	Zeeshan Ali and Co
Pakistan	KPMG
Tanzania	KPMG
Uganda	KPMG
South Sudan	PricewaterhouseCoopers Limited
Liberia	Baker Tilly Liberia
Sierra Leone	KPMG
Haiti	Expert Conseils Et Associes
Philippines	KPMG
Myanmar	Top Integrated Accounting & Consultancy Services

The audited financials of all the countries are available on BRAC website at http://www.brac.net/annual-reports-and-publications. The standards that BRAC follows for financial reporting has been described in our annual reports.

Besides donors also sometime appointed auditors for specific projects.

NGO8 Sources of funding by category e.g. government, corporate, foundation, membership fees, in-kind donations and other.

BRAC financial year is from January to December. In this report we provide financial information for the year January 2014 to December 2014.

In the year 2014, total income of BRAC (including BRAC International) was US$ 783,009,764 consisting of:

- Donor grant: $ 260,749,855
- Revenue from income generating projects: $168,777,761
- Service charges on microfinance loans: $ 307,644,176
- Interest on Bank account and fixed deposits: $16,564,948

- Investment income: $ 8,496,041
- Other income: $ 20,776,983

Top 5 donors of BRAC (including BRAC International):

Name of Donors	Name of Foreign Currency	Foreign Currency
Department for International Development (DFID)	GBP	63,038,748
Department of Foreign Affairs and Trade (DFAT)	Aus $	61,800,000
The Global Fund	USD	24,273,815
Embassy of the Kingdom of the Netherlands (EKN)	Euro	7,347,658
MasterCard Foundation	USD	12,526,789

Grant Composition: Total grant in 2014 was US$ 249 million.

Donor	Percentage
Department for International Development (DFID)	41%
Department of Foreign Affairs and Trade (DFAT)	21%
The Global Fund	10%
Embassy of the Kingdom of the Netherlands (EKN)	4%
MasterCard Foundation	5%
CIDA	2%
BRAC USA	3%
UNICEF	2%
Family Health International	1%
EACI-QATAR	1%
Others	10%
Total	**100%**

Income breakdown of different countries are as follows:

Income (in US$)	Bangladesh	Afghanistan	Pakistan	Philippines	Myanmar
Donor Grant	208,028,216	18,468,428	3,515,476	7,185,235	-
Transfer From restricted Grant	-	-	-	-	-
BRAC Contribution	-	-	-	-	-
Service Charge on Loan	270,599,971	-	8,853,910	-	21923
Income Generating Projects and Programme Support Enterprises	168,555,608	-	-	-	-
Investment Income	8496041	-	-	-	-

Fees and Other Charges	-	-	-	-	-
Interest Income	16,564,948	-	-		-
Foreign Exchange Gains	-	-	-	-	-
Other Income	11,838,903	2,260,648	99,936	4932	9,720
Total Income	**684,083,687**	**20,729,076**	**12,469,322**	**7,190,167**	**31,643**

Income (in US$)	**Liberia**	**Sierra Leone**	**South Sudan**	**Tanzania**	**Uganda**	**Haiti**
Donor Grant	1,868008	3,273,000	4,081,696	3,619,652	11,276,323	361,392
Transfer From restricted Grant	-	-	-	-	-	-
BRAC Contribution	-		-	142,720	-	-
Service Charge on Loan	696823	941,000	1,231	11,732,709	14,409,432	14,409, 432
Income Generating Projects and Programme Support Enterprises	-	-	-	-	222,153	-
Investment Income	-	-	-	-	-	-
Fees and Other Charges	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-
Foreign Exchange Gains	-	-	-	-	-	-
Other Income	524,107	234,000	2,164,411	1,322,948	2,133,509	46,210
Total Income	**3,088,938**	**4,448,000**	**6,247,338**	**16,818,029**	**28,041,417**	**407,602**

III. Environmental Management

EN16 Report the total of direct and indirect greenhouse gas emissions by weight at the organization level.

and

EN18 Initiatives to reduce greenhouse gas emissions at the organization level and reductions achived.

and

EN26 Initiatives to mitigate environmental impacts of activities and services.

BRAC does not have any project which is directly related to greenhouse gas emissions. But BRAC started solar in 1998 as one of BRAC's green enterprises. BRAC's solar enterprise supplies an eco-friendly renewable source of energy to people in rural Bangladesh who live in off-grid areas. The power grid that supplies the greatest proportion of electricity in Bangladesh to date does not cover all areas of the country. There are many rural areas that are still not connected to the public power supply and thus, irrespective of affordability, electricity is inaccessible to many people in these areas. As a result, the affected communities would have

to limit many of their activities to those hours of the day with daylight.

BRAC started Recycled Handmade Paper (RHMP) in 2000 with an aim to help prevent environmental degradation by targeting the corporate urban market in Bangladesh to recycle their paper waste. Today BRAC RHMP operates as one of BRAC's three Green Enterprises, and produces synthesized paper products from recycled materials, such as, used papers, stalks of wheat, hay, water hyacinth, caustic soda, dye, barley, glue and cotton. BRAC also has nursery enterprise.

IV. Human Resource Management

LA1 Size and composition of total workforce.

BRAC has highly skilled workforce both at head office and field offices. The staffs are committed to organization's mission and values. The staffs run the programme effectively and smoothly. The staffs' devotion and loyalty for the programme ensure success of programmes/ projects.

Performance Management System (PMS): The newly adopted Performance Management System (PMS) is the systematic process by which BRAC involves its employees, as individuals and members of a group, in improving organizational effectiveness accomplishing organizational mission and goals. BRAC Human Resource Division (HRD) has a specialized section, Performance Management Team to identify performance of every staff. Performance Management Team constantly works to provide a complete scenario of staff performance to the top management. BRAC believes that the ability of the staff to perform well depends on qualities, skills and competencies. Performance Management Team institutes a performance assessment system for staff appraisal, which motivates the staff and his/ her supervisors for improving their competencies.

Organisational Change Committee (OCC): BRAC initiated the process of organizational change within the organization to realign the organizational culture with BRAC's vision and mission. A committee namely the Organisational Change Committee (OCC), with members being the senior management team, was formed to carry the process of organizational change forward. This committee is responsible for developing an internal and external communication strategy which will be in line with the overall strategic plan and also facilitate the organizational change.

Total staff of BRAC Bangladesh

Category	Total (as of December 2013)
Ragular Staff	42,826
Teachers (Education programme)	40,426

Project Staff	22,827
Service Staff (Non-grade)	1,704
Total Staff	107,783

Total staff of BRAC International

Country	Total (as of December 2013)
Afghanistan	1,451
Pakistan	770
Tanzania	1,444
Uganda	2,397
South Sudan	346
Liberia	415
Sierra Leone	480
Haiti	13
Philippines	46
Myanmar	45

Voluntary Work for Professionals

BRAC offers volunteer program to whom has professional work experience and can contribute to the work of the department by demonstrating their skills, experience and insight, where applicable. Volunteer has to work for minimum 6 months.

BRAC Internship

BRAC offers internship on the basis of the need in our various programmes to meet the expectations of both the interns and the programme itself. Internship duration can vary based on the requirement of the programme or the project assigned, however, not less than three months**.** Interns are placed into departments align with their interests and they are involved in research, administrative support, occasional to frequent field visits, preparation of communication materials.

Research fellowship/Full bright Scholars/Institutional Agreements with BRAC Internship

BRAC receive profiles from academics, Masters and PhD candidates and research fellows from different renowned institutes around the world, expressing interest for research/internship with BRAC. We believe they are the potential ambassadors of BRAC, and would like to provide them opportunity to work with us.

EC7 Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.

BRAC Human Resource Division (HRD) is responsible for all sort of appointments. HRD always tries its best to recruit the competent and knowledgeable staff who will contribute to BRAC's vision. BRAC prefers hiring local staff. In BRAC Bangladesh, all the staffs of senior management are Bangladeshi. For BRAC International, 3- 4% are expatriate, rest are locally hired. Details of hiring process are available on www.brachrd.org and Human Resource Policies & Procedures (HRPP).

LA10 Workforce training to support organizational development.

BRAC is committed to capacity development and professionalism of BRAC employees and programme participants through a wide range of human development and management training. We deliver training and learning programmes through ***28*** residential learning centres across Bangladesh, accommodating approximately 3,030 participants per day. We also contribute to the capacity development of government and development organizations at home and abroad.

Currently, with ***141*** faculty members (**42 p**ercent of whom are women), we provide tailor-made training and consultancy services to our employees around the world. In 2014, we trained a total of ***765,770*** participants and accommodated ***153,423*** participants in our learning centres for training, meetings and workshops. Our training materials are increasingly prioritizing effective performances. Our academic pillars for the last **four** years consist of three major areas: leadership development, social capital development, and sustainable development.

BRAC Learning Division established a case-bank to enrich learning resources and computer labs at learning centres to provide ICT training. In addition to that, we established a training, monitoring, evaluation and quality assurance unit as well as a material development unit. Capacity development of faculty members has been reinforced. We are exploring e-learning methods for training, as well as opportunities to strengthen our collaboration with BRAC University.

In 2014, amounts spend for training in Bangladesh is below:

	BDT	US$
Teachers' training	274,794,087	3,523,001
Members' training	638,617,276	8,187,401
Staff training and development	592,741,453	7,599,249

In 2014, training expense is 3.6% of the total budget of BRAC in Bangladesh.

LA12 Performance reviews and career development plans.

In 2014 BRAC Human resource Department assess all the existing position of all programmes, departments and Units on the basis of their current job responsibilities and existing workload of different programmes. They also evaluate the overall task/activities of every programmes/ Departments/ Units. After that they finalize the job description of every position, appropriate level of that position and skill required for that position. From 2015 BRAC will implement this new structure.

All employees (100%) received an annual performance appraisal in 2014. The appraisal includes objectives agreed by staff and supervisors, key achievements, internal and external constraints/ challenges, supplementary activities outside job role, international exposures, activities, professional development, training, leadership skills and values etc. Staff and line manager has 1:1 meeting during the performance appraisal. The annual appraisals are submitted to Human Resources Department. The performance committee reviews the performance appraisal of all the staffs. Senior managements are evaluated by 360 degrees feedback as part of performance appraisal.

LA13 Diversity in your organization displayed in the composition of governance bodies and employees.

Governing Body

BRAC governing body consists of 10 members. Distinguished professionals, activists and entrepreneurs of excellent repute have been elected to the governing body to bring their diversified skills and experiences to the governance of BRAC.

Gender		Nationality	Age break down		
Female	Male	Bangladeshi: 9	Below 50	50-70	Above 70
4	6	American: 1	0	4	6

BRAC International governing body consists of 10 members.

Gender		Nationality	Age break down		
Female	Male	Bangladeshi: 7	Below 50	50-70	Above 70
5	5	Indian: 1	0	9	1

		American: 1 Dutch: 1			

Senior Management

Female	8
Male	15

Total staff of BRAC Bangladesh

Category	Female	Male	Total
Full time staff	10,594	32,232	42826
Teachers (Education programme)	40,177	249	40,426
Project Staff	21,686	1,141	22,827
Service Staff (Non-grade)	608	1,096	1,704
Total Staff	**73,065**	**34,718**	**107,783**

Total Staff of BRAC international

Country	Female	Male	National	Expatriate	Total
Afghanistan	598	784	1,382	69	1,451
Pakistan	453	317	745	25	770
Tanzania	1,053	391	1,369	75	1,444
Uganda	2,029	303	2,332	65	2,397
South Sudan	88	258	319	27	346
Liberia	253	162	379	36	415
Sierra Leone	318	162	432	48	480
Philippines	30	16	38	8	46
Myanmar	32	13	39	6	45

NGO9 Mechanism for workforce to raise grievances and get response.

BRAC believes transparency and accountability brings success to organization. To ensure transparency and accountability throughout the organization, BRAC emphasizes on complaints mechanism. BRAC has an independent, well-managed mechanism for handling complaints. Staff or any stakeholder can complain regarding any issue. Details regarding handling complain

is available in Human Resource Policies & Procedures (HRPP). Usually following process is followed to handle complaint:

Step 1: Complaint is send to the Chief People Officer.
Step 2: The Chief People Officer sends the complaint to investigation team. Human Resource Division (HRD) also inform relevant department Director/Head regarding the complaint.
Step 3: Investigation team conducts all the necessary process which are necessary to find out the authenticity regarding the complaint.
Step 4: The investigation report is send to Chief People Officer.
Step 5: A grievance management forum is formed with the Chief Financial Officer; Director Education; Director Health; Director Microfinance; and Chief People Officer. The grievance management forum gives final decision regarding the complaint. Only the termination decisions go to the Executive Director for a second approval.
Step 6: HRD implements the final decision.
Step 7: Anyone can ask Ombudsperson to reconsider the decision.
Step 8: Executive Director takes final decision based on Ombudsperson's report.

Investigation unit: The investigation unit investigates complaints related to financial irregularities, violation of organizational rules and regulations, nepotism, indecent behavior and arbitrariness across BRAC. It also investigates grievances from BRAC's stakeholders. In 2014, investigation unit received and investigated a total of 168 cases in Bangladesh throughout the year. All these cases are resolved by HRD.

V. Responsible Management of Impacts on Society

SO1 Impact of activities on the wider community.

BRAC is committed to empower communities in situations of poverty, illiteracy, disease and social injustice. Most of BRAC projects work towards betterment of community. Various departments prepared projects and submitted it to Executive Management Committee (EMC) for approval. EMC review the project and send it to the Governing body with recommendation for approval. Then board review the project and approve it.

BRAC work very closely with communities to design the program which will bring betterment for the poor. BRAC conducts surveys before designing project with the help of staff and community. BRAC spends time with donor for projects which are financed by donor fund. BRAC signed agreement with donor regarding various aspects of the projects. BRAC implement the project in few areas as pilot project, monitor the progress and conduct impact assessment whether the project is fruitful for betterment of poor. If needed the project is re-designed according to community requirement. After project is implemented, monitoring department conducts periodic analysis to determine whether the key activities are being carried out as planned and whether they are having expected outcomes.

Community members are selected by community and BRAC together. Community members represent the voice of the whole community. Most of our community members are women. Programmes that involve community members are below:

BRAC has a programme name Community Empowerment who works to empower the community. One of our basic approaches strengthens rural communities by building community-based institutions (polli shomaj) to raise awareness and the voices of poor, while creating a platform for rural civil society and the local government to work together. We strengthen the process by addressing violence against women to create safe communities for women and children and increase the poor's access to information by using interactive communication tools. BRAC also works with community to eliminate gender inequality from the society. Such as, MEJNIN *(Meyeder Jonno Nirapad Nagorikotto* - safe citizenship for girls) project built awareness and confidence of students and community members to protect and protest against sexual harassment at public places. For its remarkable impact, GJD's gender equality action learning project received the Good Practice Award by the Ministry of Women & Child Affairs of Bangladesh and UNFPA.

BRAC's human rights and legal aid services creates an enabling environment for vulnerable and excluded communities to seek justice through formal and informal systems. We have mobilized communities by arranging workshops to sensitize local community leaders on human rights issues, so that the benefits of our justice services can be sustained beyond our intervention period. Participation in our local community leaders' workshops has increased from 330,074 participants in 2013, to 344,272 participants in 2014.

Under health, nutrition and population programme community health workers creates an effective bridge between underserved communities and formal healthcare systems including BRAC-run health facilities, for improving access, coverage, and quality of health services in communities across the country. Until 2014 under disaster, environment and climate change programme BRAC trained 200,010 community members and various other stakeholders on how to respond in different phases of a disaster. BRAC's launched integrated development programme (IDP) aims to address the need of the most marginalized and deprived communities who are socially and geographically excluded from the mainstream development interventions in specific areas of Bangladesh.

SO3 Process for ensuring effective anti-corruption policies and procedures.

BRAC has Anti Money Laundering (AML) and Combating Financing of Terrorism (CFT) policy. BRAC, in compliance with the requirement of Bangladesh Bank's (central bank of Bangladesh), publishes and preserves this policy. As per this policy, the Governing Body of BRAC shall ensure that all funds are utilized in a manner that is consistent with the goals, objectives and activities of BRAC. The policy sets zero tolerance to money laundering, corruption and fraud.

BRAC provides training to staff regarding Anti Money Laundering (AML) and Combating Financing of Terrorism (CFT) policy. All mid management and above staffs received training on this policy.

SO4 Actions taken in response of incidents of corruption.

BRAC takes immediate action against corruption and financial misappropriation incidents. The actions taken in response to above cases are as follows:

- After finding out any incident of corruption or financial misappropriation, the local programme management will inform the higher management immediately.
- As per instruction of the respective Programme Head, the Departmental Investigation Unit will start the investigation.
- Based on the seriousness of the incident, the Independent Monitoring & Investigation Unit can be assigned to investigate.
- In case of extremely serious incidents, the law enforcement agencies will be informed and/or general diary/cases will be filed.
- The respective programme will inform the Human Resource Division (HRD) about the investigation.
- The Investigation Unit will follow the following procedure regarding the investigation:
  - The accused staff is informed in writing about the allegations against him.
  - At least seven days time is given to the accused staff to submit his explanation in writing with supporting documents
  - The Investigation Unit will investigate through obtaining and verifying evidence by interviewing and observing suspects and witnesses, and by analyzing records.
  - The Investigation Unit will complete the investigation within twenty one days of receiving the complaint, and will prepare & submit investigation report to the respective programme Director within ten days.
- The respective programme Director will take decision/recommend within ten days and send all documents to HRD for execution.
- The HRD will take necessary steps to execute the decision as per the Types of Offences and Nature of Disciplinary Actions as mentioned in the Human Resource Policies & Procedures (HRPP) of BRAC.

BRAC has taken initiative to develop a Standard Operating Procedure for Fraud Management and also take initiative to develop a standard fraud reporting system. BRAC has also taken initiative to develop e-fraud management system within which can be accessible by stakeholders. All these initiative will be implemented within the year 2015.

VI. Ethical Fundraising

PR6 Programmes for adherence to laws, standards, and voluntary codes related to ethical fundraising, including advertising, promotion, and sponsorship.

BRAC raise fund basically through following processes:

1. Grant application: BRAC applies for grant or fund for various projects.
2. Often donor contacts BRAC directly, express their interest about financing various development projects. If terms & conditions match with BRAC and interested to conduct the project, then we accept the fund.

The Executive Management Committee reviews all the projects including donor's details. Governing body approved the projects.

The Partnership Management unit has been created by BRAC to establish a proper screening process and guidelines to facilitate fruitful partnerships and for creating an effective knowledge management structure at BRAC. The following process are followed:

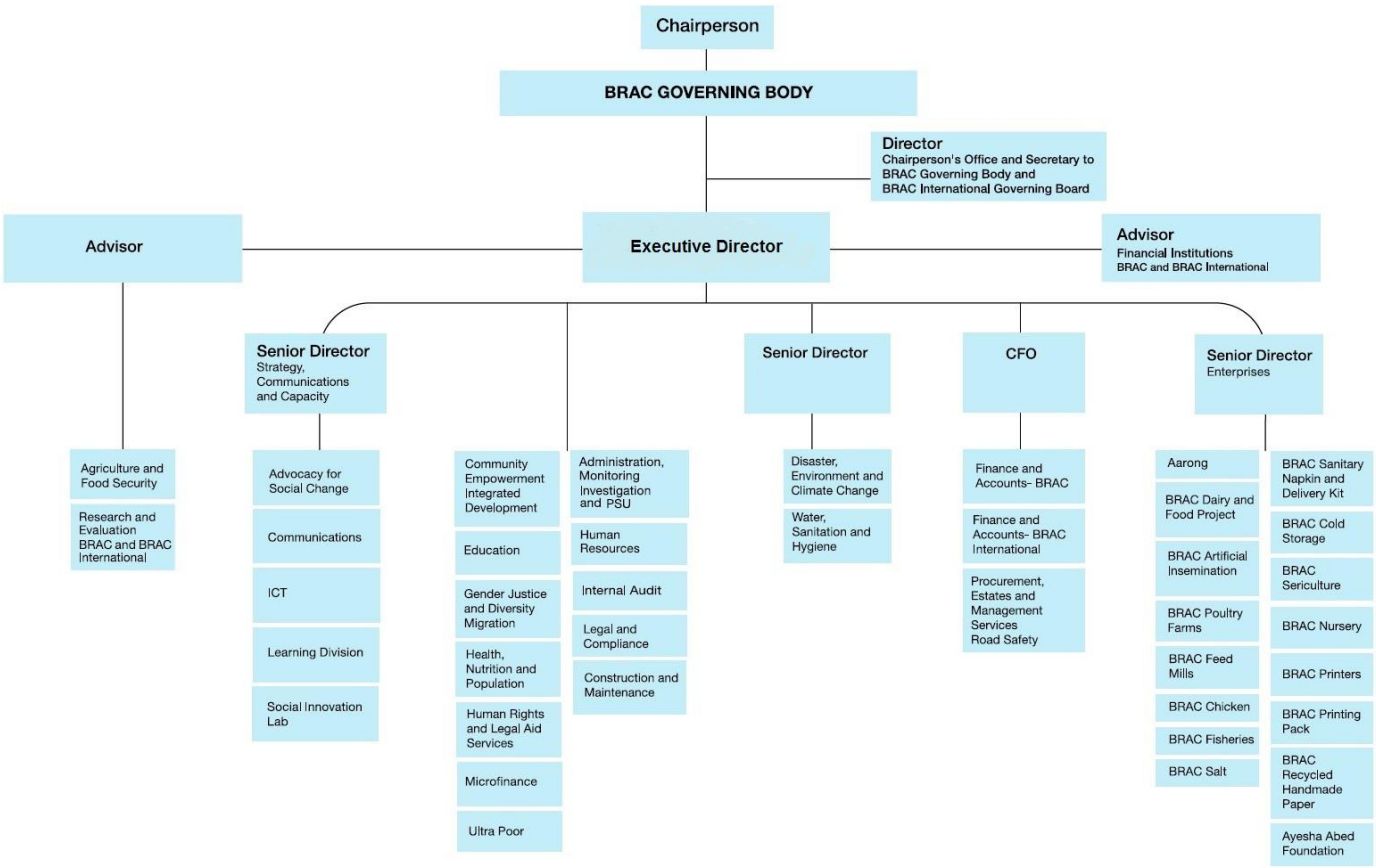
1. All partnership requests should be forwarded to the partnership management unit for initial review and documentation.
2. If the outcome of the initial screening is positive then depending on the type of partnership, another detailed partnership category specific screening would be conducted by the programme which should include financial aspects, capacity assessment, level of commitment etc. Partnership management unit would carry out the due-diligence process.
3. After the in-depth screening and conducting due-diligence, if the results are positive then a summary of that report would be handed out to the Executive Management Committee (EMC) by partnership management unit for review in the next EMC meeting.
4. Every partnership request must be reviewed and subsequently approved by the EMC before going operational.
5. Every stage of the partnership process should be documented jointly by relevant programme personnel and by the partnership management unit.

The Audited Financial Statements reflect the amounts that we received from different donors. The audited financials of all the countries are available on BRAC website at http://www.brac.net/annual-reports-and-publications

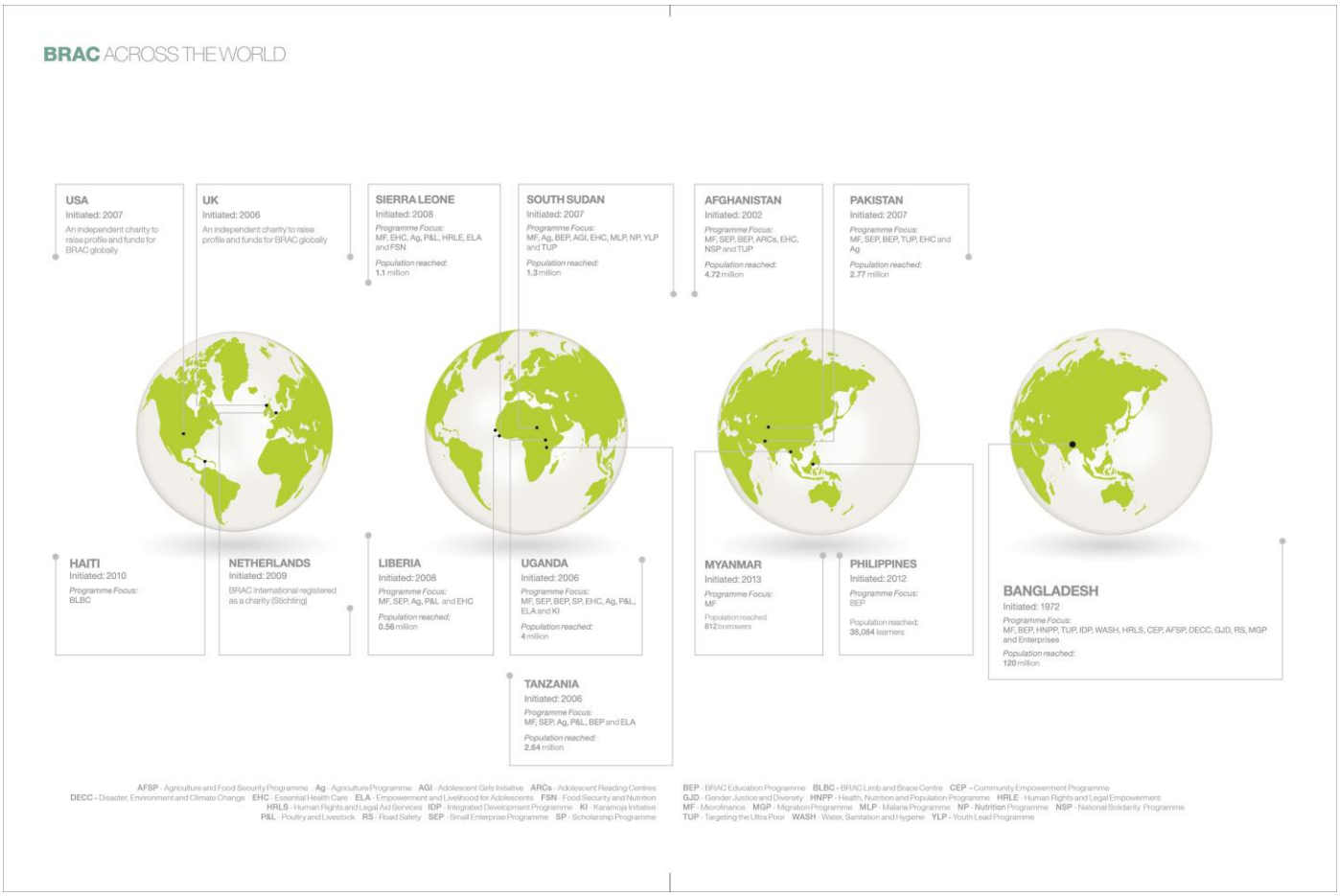
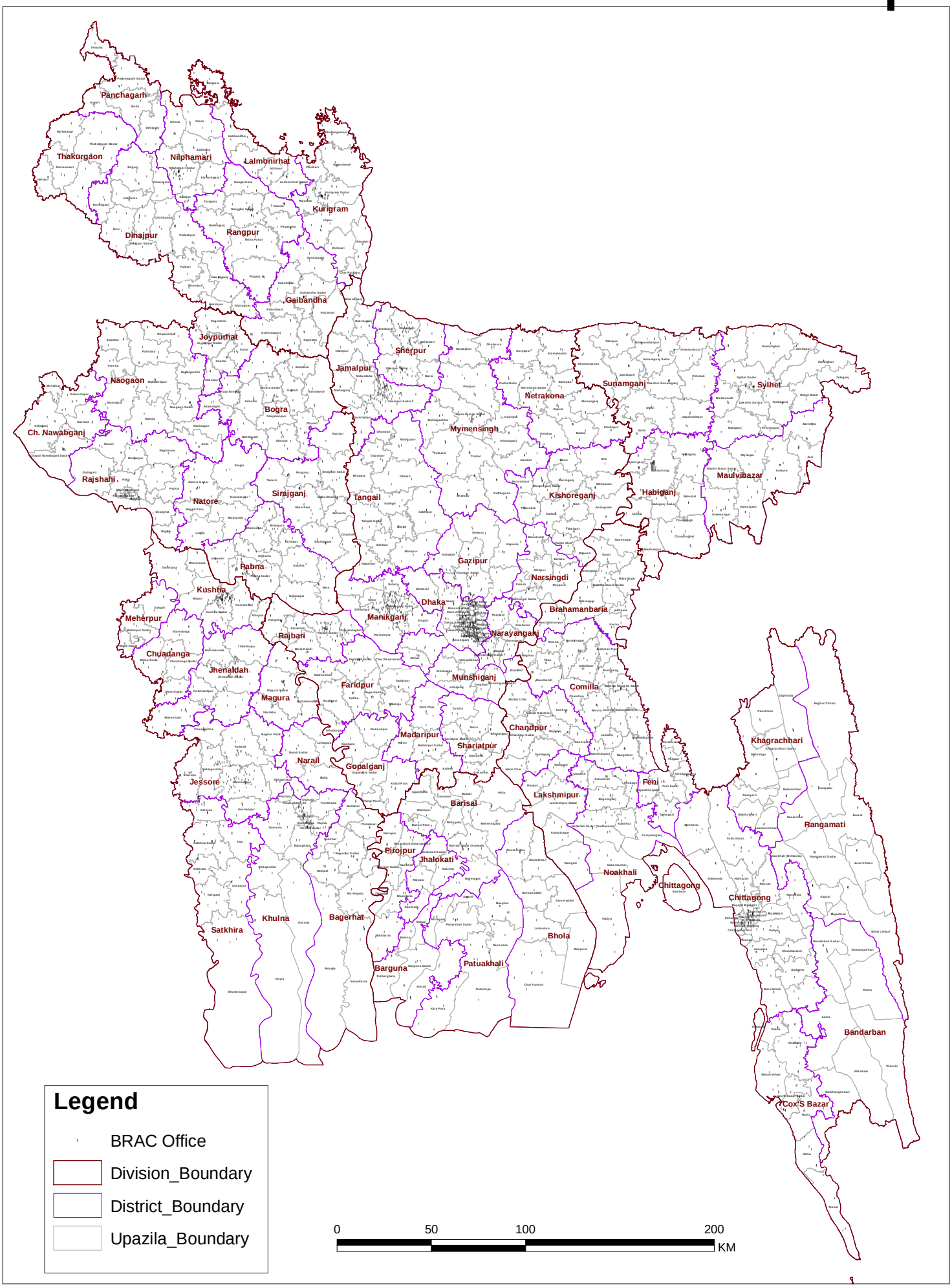
BRAC has independent charity in UK and USA to raise funds for BRAC globally.

Annexure 1

BRAC ORGANOGRAM



Annexure 2


BRAC ACROSS THE WORLD
USA
Initiated: 2007
An independent charity to raise profile and funds for BRAC globally
UK
Initiated: 2006
An independent charity to raise profile and funds for BRAC globally
SIERRA LEONE
Initiated: 2008
Programme Focus:
MF, EHC, Ag, P&L, HRLE, ELA and FSN
Population reached:
1.1 million
SOUTH SUDAN
Initiated: 2007
Programme Focus:
MF, Ag, BEP, AGI, EHC, MLP, NP, YLP and TUP
Population reached:
1.3 million
AFGHANISTAN
Initiated: 2002
Programme Focus:
MF, SEP, BEP, ARCs, EHC, NSP and TUP
Population reached:
4.72 million
PAKISTAN
Initiated: 2007
Programme Focus:
MF, SEP, BEP, TUP, EHC and Ag
Population reached:
2.77 million
HAITI
Initiated: 2010
Programme Focus:
BLBC
NETHERLANDS
Initiated: 2009
BRAC International registered as a charity (Stichting)
LIBERIA
Initiated: 2008
Programme Focus:
MF, SEP, Ag, P&L and EHC
Population reached:
0.56 million
UGANDA
Initiated: 2006
Programme Focus:
MF, SEP, BEP, SP, EHC, Ag, P&L, ELA and KI
Population reached:
4 million
TANZANIA
Initiated: 2006
Programme Focus:
MF, SEP, Ag, P&L, BEP and ELA
Population reached:
2.64 million
MYANMAR
Initiated: 2013
Programme Focus:
MF
Population reached
812 borrowers
PHILIPPINES
Initiated: 2012
Programme Focus:
BEP
Population reached:
38,084 learners
BANGLADESH
Initiated: 1972
Programme Focus:
MF, BEP, HNPP, TUP, IDP, WASH, HRLS, CEP, AFSP, DECC, GJD, RS, MGP and Enterprises
Population reached:
120 million
AFSP - Agriculture and Food Security Programme Ag - Agriculture Programme AGI - Adolescent Girls Initiative ARCs - Adolescent Reading Centres
DECC - Disaster, Environment and Climate Change EHC - Essential Health Care ELA - Empowerment and Livelihood for Adolescents FSN - Food Security and Nutrition
HRLS - Human Rights and Legal Aid Services IDP - Integrated Development Programme KI - Karamoja Initiative
P&L - Poultry and Livestock RS - Road Safety SEP - Small Enterprise Programme SP - Scholarship Programme
BEP - BRAC Education Programme BLBC - BRAC Limb and Brace Centre CEP - Community Empowerment Programme
GJD - Gender Justice and Diversity HNPP - Health, Nutrition and Population Programme HRLE - Human Rights and Legal Empowerment
MF - Microfinance MGP - Migration Programme MLP - Malaria Programme NP - Nutrition Programme NSP - National Solidarity Programme
TUP - Targeting the Ultra Poor WASH - Water, Sanitation and Hygiene YLP - Youth Lead Programme

ALL BRAC OFFICES IN BANGLADESH