

# ACCOUNTABLE NOW REPORT 2017



SOS CHILDREN'S  
VILLAGES  
INTERNATIONAL



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# 1. STRATEGIC COMMITMENT TO ACCOUNTABILITY

## 1.1 Statement from the most senior decision-maker of the organisation

On behalf of SOS Children's Villages International, we are very pleased to submit our 2017 report to Accountable Now. As reaffirmed in the federation's new programme policy, the SOS Care Promise, accountability is one of our four cornerstone values. It drives our decisions and our actions. We firmly believe that by engaging and consulting with all of our stakeholders we can build on and improve our work for children, families and communities.

In our [last full report in 2015](#), we described how this principle was central to the process for developing the federation's strategy. Since then, as we set out to implement Strategy 2030, we have taken great strides on many fronts to ensure that accountability continues to guide us.

First, we would like to share an important change in senior management at the General Secretariat. In January 2018, [Steffen Braasch](#) joined as our new Chief Financial Officer (CFO) and member of the Management Team.

Commitment and collaboration are crucial to achieving the goals we set for ourselves in Strategy 2030. At the General Assembly in 2016, the federation updated its [statutes](#) with a new section outlining our "principles of cooperation". These principles, currently being integrated into the statutes of member associations (see [3.6](#)), lay the groundwork for being accountable to each other and to our stakeholders.

Also crucial is assessing and adapting our work on an ongoing basis. As alluded to in our interim report, in 2016 and 2017 we undertook a global review of our programmes across six regions to evaluate their quality, impact, efficiency and relevance. While in the past, we have assessed our work on the national and programme level, this was the first time a review was carried out in such a comprehensive manner. The results provide an overview of where our programmes are meeting our high quality standards, where we need to implement improvements and where we need to hone our focus, including working with capable partners to carry on the work we started and identifying communities that have been empowered to continue services on their own. These results are now feeding into our annual planning processes and are aligned with our strategic goals (see [2.9](#)).

We have made great progress on taking informed decisions based on results, actively involving the people we serve along the way. In November 2017, the Management Council endorsed a results-based management (RBM) policy support document, which outlines how to apply an RBM approach in our programmes. Key to the approach is regular review of our work, with input from stakeholders. The roll-out began in 2018 in 23 member associations (see [5.3](#)). In 2017, we also published a consolidated report of social impact assessments done in seven programme locations and continued rolling out these assessments to other member associations. Please see our [international website](#) and [5.3](#).

We are very excited about our new programme policy, the SOS Care Promise (see [2.9](#)). Developed over the course of 2017, with input from across the federation including children and young people with care experience, the policy articulates our commitment to quality care. It unifies varying approaches and is already being rapidly mainstreamed across all quality management and monitoring systems. Fully aligned with the UN Guidelines for the Alternative Care of Children, the SOS Care Promise will set the bar on how to put this central international framework into practice.

Being open about our successes and our failures is also how we understand and live accountability. By sharing accurate and timely information, we aim to engage in constructive dialogue with our stakeholders on how to learn and improve. Being open ensures transparency and informs our practice in stewarding donors and keeping children safe.

As announced, we have now made our Annual Corruption Case Report publicly available on the Integrity and Compliance page of our website. It outlines statistics concerning reported corruption cases within the SOS Children's Villages federation over the past 12 months. Please find the yearly publications under the following links: [2015](#), [2016](#), [2017](#).

As an organisation that directly works with and cares for children and young people, we are committed to doing everything we possibly can to continuously improve our child safeguarding systems. In 2017, in addition to workshops and e-learning courses on child safeguarding across the federation, SOS Children's Villages took a proactive role to understand and learn from child safeguarding incidents that may have happened decades ago (see [5.2](#)). We also launched an online whistleblowing channel, including a child-friendly form in easy-to-understand language, to report suspicions of fraud or child protection concerns, complementing a wide range of existing reporting options (see [5.2](#) and [5.18](#)). Lastly, in 2018, we will begin publishing our Annual Child Safeguarding Report on our website.

Be it via adapting our programmes to respond more effectively to the needs of the people we serve or by being transparent about our shortcomings and where we need to improve, accountability is guiding our journey to 2030. We have a lot to share in this report. We look forward to your feedback.



Norbert Meder  
Chief Executive Officer



Steffen Braasch  
Chief Financial Officer

## 2. ORGANISATIONAL PROFILE

### 2.1 Name of the organisation

SOS Children's Villages International – General Secretariat (GSC)

### 2.2 Primary activities

#### We care for children

SOS Children's Villages is a non-governmental and non-denominational child-focused organisation which provides direct services in the areas of care, education and health for children at risk of losing parental care and those who have lost parental care. The universally accepted UN Guidelines for the Alternative Care of Children and the UN Convention on the Rights of the Child form the international framework for our actions.

Our internal frame is the federation's Strategy 2030, with its central message that "no child should grow up alone". It is a road map to build and drive change for children and was developed by SOS Children's Villages member associations and in broad consultation with 200 young people. Our Strategy 2030 directly relates to the UN Sustainable Development Goals (SDGs) in key areas such as poverty, inequality, education, health, social and child protection, and decent work.

SOS Children's Villages works with children, young people, different kinds of families (including biological families, SOS families and foster families) and communities. Within the SOS Children's Village Programme, action is taken through three types of interventions:

1. Direct, essential services
2. Capacity building
3. Advocacy

For more information on our services, please see our [2017 International Annual Report](#).

In answering the panel's request to link our main interventions and fundraising to our strategy, we want to elaborate that our interventions (direct, essential services; capacity building and advocacy) directly relate to our strategic initiatives 1 to 5 (innovate alternative care, strengthen families, empower young people, advocate for children, create a movement). Our fundraising work relates to strategic initiative 7: invest for funding growth. An overview of our initiatives is available [here on our website](#).

#### We raise funds for our work with children

To implement and grow our work with children, we need a diverse and sustainable source of income. We create this by raising funds through various means, including regular giving and sponsorships, philanthropy, governmental subsidies, institutional support and corporate partnerships. We are guided by principles and policies that ensure ethical and accountable fundraising, as described in section [5.21](#) of this report.

Some member associations, called promoting & supporting associations (PSAs), specialise in fundraising to support fellow member associations who cannot fully cover their programme costs from local sources. These member associations are called national associations (NAs). Most of our national associations also conduct local fundraising.

### 2.3 Operational structure of the organisation, including national offices, sections, branches, regional and field offices, main divisions, subsidiaries and joint ventures

The General Secretariat (GSC) leads the federation's daily operations, facilitates member cooperation, and implements and monitors the decisions of the federation's legal bodies. The GSC provides services to member associations (MAs), focusing on member capacity development. The GSC consists of the International Office (IO) located in Austria and six International Offices Region (IORs):

- Asia
- Central and Eastern Europe & Commonwealth of Independent States (CEE & CIS)
- Eastern & Southern Africa (ESAF)
- West & Central Africa (WCAF)
- Middle East & North Africa (MENA)
- Latin America & the Caribbean (LAAM)

At the IO, functions are organised into International Competence Centres, which bundle skills and knowledge from throughout the federation. This ensures the right competences on international subjects and increases the relevance of IO support and topic leadership. In addition to the International Competence Centres, the Finance and Controlling department is also part of the IO. With regards to changes, in 2017, we started building up an Internal Audit unit and bundled our communications and brand resources into its own unit as well.



## 2.4 Location of organisation's headquarters

SOS Children's Villages International  
Hermann-Gmeiner-Str. 51  
6020 Innsbruck, Austria

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

SOS Children's Villages International works for children, young people and families in 135 countries and territories. Details can be found on our [website](#). Please have a look at page 34 of our [2017 Annual Report](#) for statistics on our programmes worldwide as of 31 December 2017.

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

SOS Children's Villages International is registered as an association in the Register of Associations at the Federal Police Headquarters in Innsbruck, Austria. As laid down in its statutes, SOS Children's Villages International is a non-governmental, non-political and non-denominational organisation and operates as a non-profit charitable social development organisation pursuant to Art. 34 ff. of the Austrian Federal Tax Code working exclusively in the public interest or in support of people in need.

SOS Children's Villages International (also referred to as "SOS Children's Villages") comprises 118 autonomous member associations (or similar legal set-ups for example foundation or trust) with their own boards of directors who work on an honorary basis. As members of the federation, each SOS Children's Villages association is committed to applying the federation's statutes, standards for quality child care, and stringent financial and administrative practices. In a few countries and territories where no autonomous member associations are established due to existing socio-political circumstances, the GSC directly runs programmes and operations. However, ongoing monitoring is established to ensure transition to regular membership as soon as local circumstances permit.

## 2.7 Target audience: Groups of people we serve including geographic breakdown

The federation of SOS Children's Villages is active across five continents (Africa, America, Asia, Europe and Oceania). As mentioned in section 2.5, an overview of our programmes and the countries and regions where we are active can be found on our [website](#). Our principal programme participants and stakeholders are children who are without parental care or at risk of losing it, their families and their communities. Recognising that we cannot reach all children within our target group, we need to choose who we focus on within our programmes: children in the most vulnerable care situations as well as those in less vulnerable situations where we can significantly improve their situation. This includes children in care situations where:

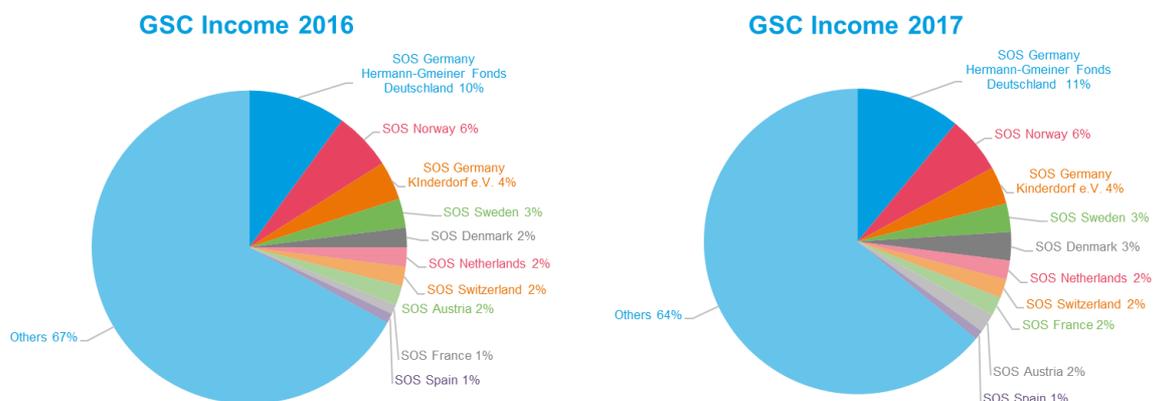
- A child is living without caregiver. There is an absence of quality care. The child's well-being and development is at serious risk.
- A child is living with caregiver, but there are shortfalls in quality care. The child's well-being and development is at serious risk and/or there is a high risk of separation.
- A child is living with caregiver, but there are shortfalls in quality care. The child's well-being and development is put at risk over time and/or there is an increasing risk of separation if left unattended.

The above reflects the work we do with children primarily through family-like care and family strengthening. However, our reach is not limited to children and adults who are directly supported by our programmes: through our advocacy work at national and international levels, we support children and adults worldwide who are part of our target group. In our current strategy, we are also putting a strong emphasis on young people aged 15 to 24 around issues of care and employability.

Some key figures on our target group from 2017: With our care programmes, we reach a total of almost 593,000 children, young people and adults. In 6,200 SOS families, 57,400 children and young people are being cared for, and 98,000 families are being supported through our family strengthening programmes. For more detailed information, also regarding the geographical distribution, please see statistics in our [2017 Annual Report](#). With regards to gender, 49% of the children and young people that are supported in SOS programmes are female and 51% are male.

## 2.8 Scale of the reporting organisation

As published in our [2017 Annual Report](#), from 2016 to 2017 the total gross income of the federation grew by 4.6% from €1,207 million to €1,263 million. According to the statutes of SOS Children's Villages International, each member association is required to pay a membership fee. The membership fee system contains two fee elements (a governance fee and a support fee) which cover the running costs of the GSC. In addition to this, GSC costs related to special projects and actions are financed through other, dedicated income sources. In 2016, the total income of the GSC was € 43.6 million, of which €38.2 million was membership fees. In 2017, the membership fees amount to €39.8 million and additional €4.4 million from dedicated income sources amount to a total income of €44.2 million. Considering the different income sources, the split is similar in 2016 and 2017 and has also not changed considerably since the 2015 report.



The above split of promoting and supporting associations (PSAs) shows only their membership fee; other income received from these PSAs is included in "Others".

Elements that comprise “Others”:

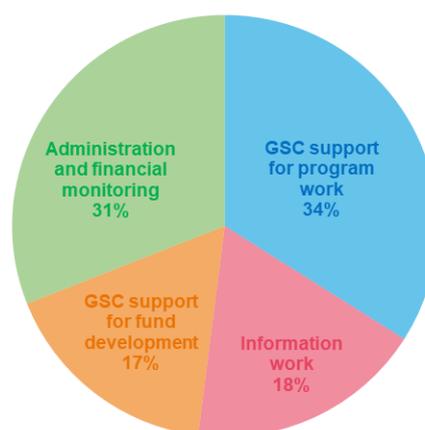
- Membership fees from national associations paid by PSAs in order to save transfer costs
- Direct membership fees from SOS Italy, SOS Luxembourg, SOS Finland, SOS United States, SOS United Kingdom, SOS Belgium, SOS Canada and SOS Iceland
- Non-membership fee income received from all member associations
- Other SOS Children’s Villages associations and local income from GSC offices (occasional donations, legacies and bequests, donations in kind, direct donations from abroad, revenues, fees from other facilities, sale of assets, rent, bank interest and miscellaneous revenues)

The total expenditures of the GSC for 2016 amount to €42.4 million, which corresponds to 3.7% of the total SOS Children’s Villages worldwide expenditures of €1,153 million. Slightly lower is the share in 2017 with €44.2 million total GSC expenditures or 3.6% of the worldwide expenditures of €1,218 million. The distribution of these expenditures is shown in the graph below. A slight increase can be seen in the share of administration and financial monitoring. This is due to the build-up of the Integrity, Compliance & Legal unit and the introduction of an Internal Audit unit.

**GSC expenses by segment 2016**



**GSC expenses by segment 2017**



GSC assets include land and buildings, furniture, vehicles, equipment and machines, projects under construction, licences, royalties and leaseholds. Total GSC assets in 2016 were €5.7 million and in 2017 €5.0 million. The major parts of this deviation come from the sale of a security for setting up personnel provisions and the disposal of hardware.

The number of employees can be found in section [5.12](#).

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

There were no significant changes with regards to size (see section [5.12](#)). Changes in the top management of the GSC have been noted in the opening statement. In terms of the structure of the organisation, we report in section 2.3 that certain functional areas have been strengthened.

Changes with regards to governance are reflected in the updated federation statutes (approved by the General Assembly in 2016) and updated Rules of Procedures (approved by the Senate in 2017).

Some of the changes include:

- New section on principles of cooperation (see [4.1](#))
- Limited terms of office for the President, Vice-President and Senate members
- Management Team as executive body of the federation (replacing Secretary General)
- Changed Senate composition to better balance representation of member associations and the possibility to establish standing committees
- Formal establishment of the Management Council (statutes), with role and responsibilities detailed in the Rules of Procedure (see [4.1](#))

We would also like to report that at the General Assembly in 2016, anonymous digital voting was used for the first time.

With regards to former reports on cooperation in the federation, the panel asked in its feedback on section [3.8](#) if the 2014 member association survey touched on all accountability commitments. In response, the survey covered mainly governance-related accountability aspects. The findings from the survey were a direct input for the update of the federation statutes (see paragraph above).

The panel also commented that membership for the whole SOS organisation could contribute to the principle of joint responsibility to promote, strengthen and protect the global SOS brand, and expressed its full support in this direction. In response, in 2018 the federation will embark on a development project called *Federation 2030 – Accountable and Together* to strengthen accountability and togetherness among members and other entities in the federation. This new initiative follows up on the cooperation in the federation project (see [2015 report](#)) and further develops crucial discussions. Progress will be reported in future reports. For more information on how our accountability commitments are upheld in our member associations, please see section [3.8](#).

With regards to our programme work, we want to report on the following changes: As referenced in the opening statement, we have a new programme policy in place, the **SOS Care Promise**. Approved by the International Senate in April 2018, it was developed over the course of 2017 in order to improve our response to children, more effectively deploy donor investments and support in meeting the targets set by Strategy 2030. The SOS Care Promise evolved from existing SOS policies and is anchored in the international frameworks that guide our activities: the UN Convention on the Rights of the Child, the UN Guidelines for the Alternative Care of Children and the UN Sustainable Development Goals.

As an umbrella policy document, the SOS Care Promise sits above all other programme-related policies, guidelines and tools. Based on our foundations – Who We Are, the SOS Children’s Villages International Statutes and Strategy 2030 – it outlines what we do in our programmes and how we ensure quality services for children and young people.

Nine care commitments describe the programme quality we commit to deliver in all our programmes across the federation. For more information on the commitments, have a look at the [publication on our website](#). The SOS Care Promise will be implemented as an integral part of ongoing processes. During 2019 for example, there will be a strong focus on ensuring that every member association has up-to-date gatekeeping guidelines aligned with local authorities. For more information on implementing the SOS Care Promise, please see [4.15](#) and [5.4](#).

As mentioned in our [2016 report](#), we conducted an extensive **programme review** and critically examined the relevance, impact and efficiency of approximately 1,700 programmes globally. Overall, major parts of our programmes were found to be doing well and do not require significant improvement, i.e. they are relevant, meet our quality aspiration and are run efficiently. Some parts of our programmes were identified as requiring improvements. These improvements vary in terms of scale, urgency and investment. Necessary improvements relate to target group focus, gatekeeping strategies, social integration of children and young people in communities, focused youth care, building renovation, and improvements in government and community partnerships to enhance sustainability. The necessary improvements will be supported in course of the SOS Care Promise roll-out. In some cases, it was found that our programme services are no longer as relevant as they once were. As a result, some of these identified services were (or will be) handed over or closed. It is important to note that phasing out a programme does not mean that local children or families will go without these services. In all instances, where other organisations in the area also provide such services, we facilitate a transition so that they can best serve the children and families in the community.

In the last years, many innovations and developments have taken place in the programme area. New activities are now being offered, and new forms of alternative care have been introduced. Thus, a **new programme structure** was approved in 2016 to more accurately reflect these activities and results and to align our structure to the UN Guidelines for the Alternative Care of Children. The new programme structure supports the diversity of services we offer in our programmes, including: SOS family care, youth care, small group homes, foster family care and other alternative care services; family strengthening; education and emergency response. It also captures the range of services provided by the federation by tracking the individual needs of each and every young person in SOS care, from early childhood care to development, employment and entrepreneurship training. This ensures that more accurate data is available on time for steering purposes and enables more efficient and effective measurement of the impact of our Strategy 2030. The new structure is currently being implemented across the federation for 2019 planning. Full results in this format will be available in 2020.

Following up on the cooperation in the federation project (see former reports), a federation-wide project, SOS Children’s Villages **Leadership Journey towards 2020** and beyond, was initiated in

order to strengthen leadership and change management capacities in all member associations and at the GSC. Please see section [5.14](#) for more information.

As requested by the panel, we also want to follow up on **virtual collaboration** within SOS. The collaborative tools introduced in 2016, including the collaboration platform, Mediabox and a tool to facilitate information flows between member associations and the GSC, have been broadly adopted within the federation with continued growth in usage (active users as well as content shared). This growth is attributed to not only the growing awareness of these tools and their relevance, but also to the activities of the collaboration community and key user networks that provide guidance and self-service support for staff. In addition, the global governance of collaboration tools has been strengthened to better represent all stakeholders across the federation. To further streamline information sharing and collaboration, the focus for 2018 is to fully integrate the Office 365 tools suite with the collaboration platform and ensure all users have access to these tools.

## 2.10 Awards received in the reporting period

Some examples of awards received in this reporting period:

In 2016, SOS Children's Villages received the Princess of Asturias Award for Concord from the Royal Family in Spain. The award aims to recognise those "whose work contributes in a relevant way to the defence of human rights, the promotion of peace, freedom, solidarity, protection of heritage and, in general, progress and understanding of humanity." In 2017, the President of SOS Children's Villages International was chosen as one the recipients for the Sri Lankan National Honour for "distinguished service of highly meritorious nature". The Managing Director of the SOS Children's Villages Gulf Area Office has won both the *Emirates Humanitarian Woman of the Year*, as well as the overall *Emirates Woman of the Year 2017* awards in the UAE.

## 3. REPORT PARAMETERS

### 3.1 Reporting period:

This is our bi-annual full report covering the years 2016 and 2017.

### 3.2 Date of most recent previous report

Our last full report covered the period January – December 2015. In 2016, we handed in an interim report covering improvement areas as identified by the Independent Review Panel.

### 3.3 Reporting cycle: Bi-Annual (interim reports in between)

### 3.4 Contact point for questions regarding the report or its contents

Ms Manuela Radelsboeck, Strategic Project Management Advisor, [Manuela.Radelsboeck@sos-kd.org](mailto:Manuela.Radelsboeck@sos-kd.org)  
Ms Kristina Vér Foley, Chief of Staff/International Director, Communications and Brand  
[kristina.ver-foley@sos-kd.org](mailto:kristina.ver-foley@sos-kd.org)

### 3.5 Process for defining report content

The process is based on broad stakeholder involvement throughout the GSC, as well as key guidance and approval by the Management Team. This includes clear communication and awareness-raising steps such as publishing the panel feedback on our federation-wide collaboration platform and inviting staff members to provide feedback (see our [2015 report](#) for more details). The process also triggers strategic discussions and decisions which are integrated into our planning. For example, the panel's feedback on our 2016 report fed into our ongoing discussions on child safeguarding and reporting. Also, we have also worked to further improve external transparency via the international website. Recent developments include our [statement](#) on child safeguarding and reporting, the publication of our Annual Corruption Case Reports (see [5.20](#)), and the publication of our Annual Child Safeguarding Report (see [5.2](#)).

### 3.6 Boundary of the report

Membership in Accountable Now is held by the GSC, which is the executive office of SOS Children's Villages International. This report therefore focuses on the activities and policies of the GSC itself. However, as the majority of our programmes are implemented by member associations, we also include information on the entire federation where we think it will help the reader to understand the role and operations of the GSC.

As clearly stated in previous reports, our federation policies are well aligned with our accountability standards. We are committed to further strengthening alignment, implementation, and monitoring in member associations (MAs). One example of this commitment is demonstrated by the project to align the national statutes of our MAs with federation-wide standards as summarised in our national model statutes. Confirmed by the President and the CEO in 2017, these model statutes provide a framework for drafting statutes of SOS Children's Villages International member associations. The document is in line with the SOS Children's Villages International statutes and with major provisions on the Association Manual. After ensuring that critical provisions have been considered in the updated statutes, the CEO gives final confirmation for the change.

With regards to the panel's recommendation to extend accountability commitments to MAs as part of the new statutes for the entire federation, we want to highlight that our federation statutes can only be updated every four years via the General Assembly. Strengthening our accountability commitments will be an important topic dealt within the Federation 2030 development project (see [2.9](#)). Based on the outcome of this project, the statutes might be adapted for our next General Assembly in 2020.

### 3.7 Material content limitations

We have significantly progressed on the areas mentioned as limitation in our last reports. For example, we have set up a whistleblowing mechanism and are now annually publishing corruption case reports (see [5.18](#)). Moreover, we have greatly increased our transparency with regards to publishing and having a dialogue on critical child safeguarding incidents (see [5.2](#)). In terms of our environmental performance, we have built on the results of a pilot project and are now in the process of setting up an environmental management system for our offices in Austria (please see [5.10](#)). In 3.8, we explain how our accountability standards are upheld in our joint venture, Joint Systems. The sections [5.6](#) and [5.21](#)

address how we hold our partners accountable. However, in the case of feedback and complaints mechanisms (see [5.2](#)), unfortunately we did not progress as much as we had planned.

### 3.8 Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities. Assurance that national entities comply with accountability commitments

SOS Children's Villages International is a shareholder of Joint Systems Fundraising & IT Services GmbH which provides outsourced shared services such as fundraising systems and fundraising expertise to a number of member associations and the General Secretariat. With regard to the panel's question as to how SOS' general commitment to accountability is upheld in this joint venture, we want to share the following: Joint Systems fully commits to the goals and values of SOS Children's Villages in its own company strategy. Co-workers at Joint Systems also sign an agreement on data processing which is fully aligned with our SOS Children's Villages Code of Conduct. We also have data processing agreements between the SOS entities and Joint Systems that meet the requirements of European Commission's General Data Processing Regulation (GDPR).

As explained in our 2014 report, SOS Children's Villages policies are structured in basic policies, core policies, quality standards and policy support documents. The [International Statutes](#) and [Who We Are](#) (our vision, mission and values statement) provide fundamental frameworks guiding all member associations. With regards to our programme policies, the SOS Care Promise also helps to simplify the policy structure by consolidating existing policies. Please see section [2.9](#).

Addressing the panel's question on which mechanisms are used to track the application of our Good Management and Accountability Quality Standards (GMAQS), we want to provide information on our cross-functional internal audits, which are carried out to check whether MAs are working according to the processes and standards as defined in policies and related policy support documents. The usage of the concept of cross-functional internal audits (CFIA) increased significantly in 2017. Cross-functional internal audit means that all functions of an organisation are covered where applicable, e.g. programmes, finance, fundraising, HR, IT, governance and compliance. The selection of member associations and audit areas is mostly risk based.

In 2017, 22 internal audits were conducted with 11 internal audits using the CFIA approach (= 50%). The internal audit plan for 2018 includes 27 internal audits, of which 16 are planned as CFIA (= 59%). All MAs are audited based on standard internal audit work protocols. These protocols are guided by the GMAQS and the SOS Internal Controls Handbook, covering aspects such as: budgeting and planning; interaction between board and management; leadership of management; adaption and training of Code of Conduct and Anti-Fraud and Anti-Corruption guidelines; programme planning, execution and monitoring; set-up and functioning of internal control system; accurate and proper accounting; management reporting and steering; control over assets; fair and competitive procurement process and proper funds management.

Whenever an internal audit leads to findings, a comprehensive action plan is compiled by the MA to remediate and improve processes, systems or internal controls. In addition, during the course of conducting internal audits, good practices are shared.

Standard 2 of the GMAQS, "Fighting fraud and corruption", is underpinned by the Anti-Fraud and Anti-Corruption Guideline (AFACG). Through the establishment, further development and growth of the federation-wide Integrity and Compliance Network (see [5.19](#)) in 2017, enabled and supported by the Integrity, Compliance & Legal unit, awareness of the AFACG in member associations has significantly increased. For example, some member associations provide a copy of the AFACG to new co-workers, and ask them to read and sign the document. In another member association, regular meetings are held at programme level to discuss the meaning, relevance and practical application of the AFACG. Furthermore, through the roll-out of the network, many local integrity and compliance contacts reported that they held awareness trainings on integrity and compliance across their member association, regularly referencing the AFACG and its contents. Finally, support materials developed by Integrity, Compliance & Legal and shared in the network, e.g. the Situation & Solution and Topic in Practice series (first introduced in our 2016 report), have been specially designed to highlight and communicate specific topics discussed in the AFACG in a user-friendly, accessible and easy-to-understand format.

### 3.9 Significant changes from previous reporting periods

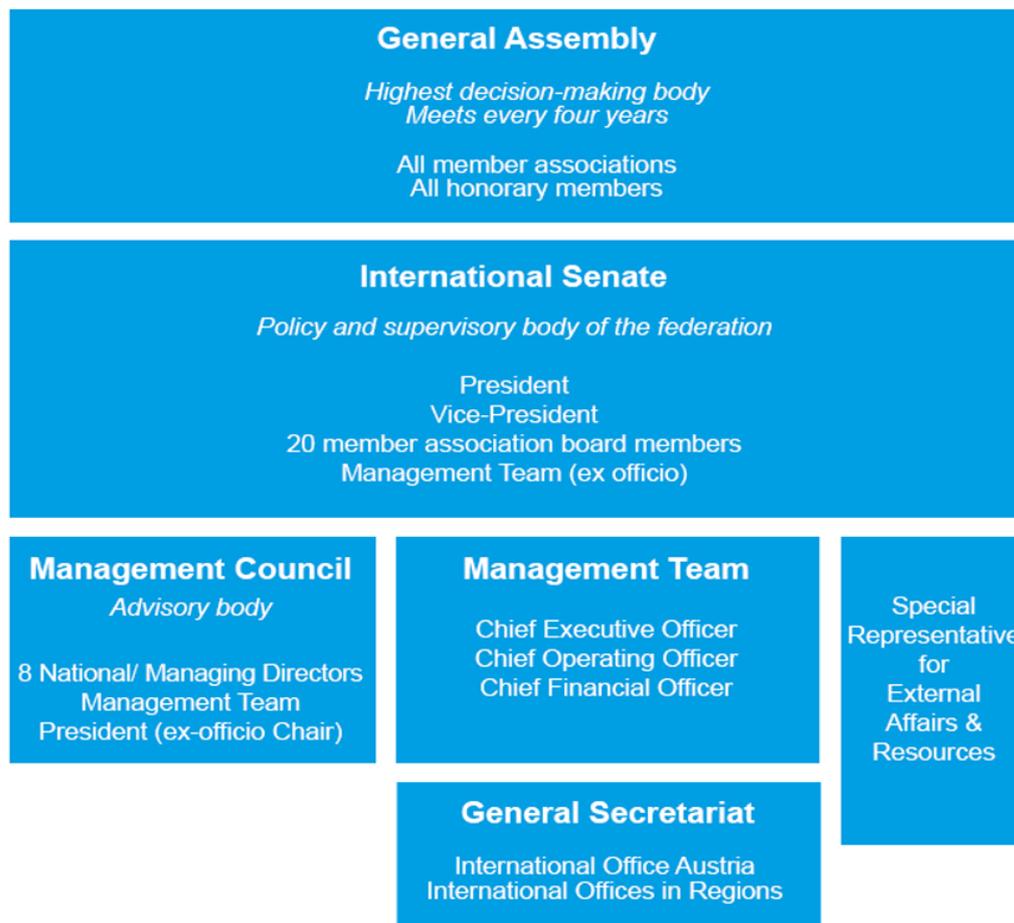
There are no significant changes from the previous reporting period in terms of timeframe, boundary or measurement methods. In terms of scope, the report covers the GSC.

## 4. GOVERNANCE STRUCTURE AND KEY STAKEHOLDERS

### 4.1 Governance structure and decision-making process at governance level

The following governance structure (see [statutes](#)) enables us as a federation to continuously grow and develop by sharing resources and finding relevant ways of supporting each other. It also safeguards the viability of our programmes by promoting a close connection between donors and programmes, including direct lines of communication between member associations. The updated 2016 statutes articulate our principles of cooperation:

- We are a federation of autonomous, interdependent member associations and support each other in a spirit of solidarity.
- We continuously grow and develop our programmes pursuing the highest possible impact and ensure their viability by fostering a mutually respectful partnership between the member associations.
- We are jointly responsible to promote, strengthen and protect our global brand.



#### The General Assembly

The General Assembly is the supreme decision-making body of our organisation and is convened every four years. Each member association (118 at the end of 2017), represented by its chairperson, and each honorary member (currently five) has the right to participate and vote at the General Assembly. The next ordinary General Assembly will take place in June 2020.

#### International Senate

The International Senate is the overriding policy and supervisory body of the federation. It consists of a maximum of 20 members, as well as the President and Vice-President. The term of office is four years. Re-election is permitted for a second and third (final) term in office. The current members were elected at the General Assembly in June 2016. One seat is reserved for the Austrian SOS Children's Villages association, being the first SOS Children's Villages association founded. Ten seats are allocated to those member associations which make the largest financial contribution to the federation's international work. Ten seats are allocated to other member associations in order to ensure balanced representation. The members of the Management Team are ex-officio non-voting members.

Meeting twice a year, the Senate has several functions, including formulating policy changes and drawing up of procedural guidelines. These functions are exercised with the assistance of three designated Senate committees with specific tasks in terms of programme auditing, financial auditing and leadership selection.

### **The Management Council**

The Management Council (MCO) is an operational body, taking decisions and acting within a mandate and accountability defined by the Senate. The MCO is not a legal body of the federation and it does not have a supervisory nor executive role in the federation. The role and responsibilities of the MCO were further defined in an updated version of the Rules of Procedures approved by the International Senate in October 2017.

The MCO supports the International Senate and the Management Team to ensure strong involvement of all stakeholders across the federation. Therefore, it plays a key role in the governance frameworks and brings together the programme and funding side and the GSC by balancing the interests of the federation as well as the interests of their stakeholder group. Through discussion and exchange between members of all parts of the federation, the MCO prepares recommendations for Senate decisions, takes action on matters delegated by the same as well as on matters put forward by the Management Team or MCO members relating to federation management.

The MCO consists of eleven members and the President as ex-officio chair. In addition to the Management Team (CEO, COO and CFO), four members are from member associations financially contributing to international programme work. Another four members are from member associations in the regions (Africa/Middle East, Asia, CEE/CIS and Latin America). All eight representatives from the member associations represent the federation in their role and not their national associations. The MCO meets at least twice a year, chaired by the President. Additional meetings can be called by the MCO itself.

### **The Management Team**

The Management Team (MT) is the executive body of the federation and consists of the CEO, the COO and the CFO. It is led by the CEO. The Management Team is responsible for the day-to-day operations of the General Secretariat, translating federation strategy into concrete actions, and enabling cooperation between members associations within the respective portfolio of work areas that each MT member is responsible for.

### **The General Secretariat**

The General Secretariat (GSC) comprises the International Offices in Austria and in the Regions. The GSC is responsible for implementing strategic decisions taken by the General Assembly and the International Senate, developing and monitoring federation quality standards, and representing the federation in international communications and forums. The GSC is led by the Management Team.

### **The Special Representative for External Affairs & Resources**

The Special Representative for External Affairs & Resources is mandated by the International Senate and focuses on high-level liaison with selected global organisations. This role represents the federation's positions to international bodies such as the United Nations and the European Union, and supports and develops relationships with institutional and corporate donors and other potential partners at a global level.

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

The positions of the President and the Vice-President of SOS Children's Villages International are legislative and non-executive. The President assumes the overall coordination of the governance bodies (Senate, MCO and MT) and ensures consistency of approach. On behalf of the Senate and the General Assembly, the President performs the oversight over the MT and the MCO in coordination with the Senate committee chairs.

## **4.3 Number of members of the highest governance body that are independent and/or non-executive members**

As of end of December 2017, in addition to the President and Vice-President, eighteen out of the twenty members of the International Senate are non-executive. Two members hold the positions of an executive board member in their national associations. For more information about our structure, please refer to section [4.1](#) of this report and/or to our [website](#).

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

In our [2015 report](#) we described a number of formats that we have that are especially designed to channel and use expert know-how across the federation, thereby providing internal stakeholders the opportunity to influence strategic directions on all levels (e.g. Federation Town Hall after Senate meetings, GSC Café, SOS Children's Villages International representative being part of national boards, Staff Council for the GSC in Austria, regular leadership meetings, broad stakeholder involvement in projects, etc.).

Following the request of the panel to show how staff can address the International Senate directly and which levels of internal stakeholders provide what kind of feedback and how it is incorporated, we would like give a short insight into the development process of the SOS Care Promise, our new programme policy. This is an example of how internal stakeholders can provide recommendations and feedback to the Senate via our participation processes. As the SOS Care Promise provides an overall picture of programme work and of the quality we commit to, it was crucial for the global project team leading the development of the policy to incorporate input from representatives of 20 member associations, regions and the 2030 Youth Coalition in the draft version. Based on feedback from 84 young people from Albania, India, Côte d'Ivoire, Morocco, Peru and Rwanda (youth consultation April 2017) and co-workers from 76 member associations and 15 GSC units, the draft version was updated and given to 46 member associations, 10 GSC units and 3 National Director Forums for final considerations before the final version was handed in for approval by the Senate.

As an example, the respondents of the youth consultation in April 2017 stated their need for support across a range of areas for their successful development, such as emotional support (70%), support in developing life skills (62%), support in education (62%) and involvement in decision making (58%). To boost their quality, these areas have been strongly highlighted in Commitment 7 (We provide individual support to achieve goals, improve gender equality and increase impact) and Commitment 8 (We promote education, participation and steps to increase independent life) of the SOS Care Promise. This example demonstrates how the voice of internal stakeholders is heard and shapes key documents that are discussed in the Senate. More on involvement of children and families in decisions that directly affect their lives can be found in section [5.1](#) of this report.

Moreover, member associations can propose topics for discussion at the International Senate meetings. Specifically, member association representatives that have a seat on the Senate are proactively consulted if they want to propose topics for the agenda. The President as Chair makes the final decision.

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

Apart from the President and the Vice-President, all Senate members are part of governance bodies of member associations. With the exception of two Senate members who are part of the executive board in their associations, International Senate members are non-executive board members in their associations and work without remuneration. The President and the Vice-President receive expense allowances as defined by the Leadership Selection Committee of the Senate. The engagement of the President is a full-time commitment with according compensation. The Leadership Selection Committee recommends compensation packages for the Management Team members and is guided by the principles of GSC conditions of salary as well as benchmarked with other NGOs and the relevant local labour market. The average gross salary/allowance of the President and three members of the Management Team was 162,000 EUR for their full-time commitment in the year 2017.

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

There is a strong focus on avoiding conflicts of interest in the selection of national board members. For example, current co-workers, relatives of a co-worker or board member, or persons with a commercial relationship to SOS Children's Villages are not eligible to become members of the board. This is anchored in our National Association Manual, our member association model statutes and our guideline on "Recruiting the right board and association members". The issue of possible conflicts of interest is also addressed in the orientation phase of new International Senate members, thus raising awareness in order to handle potential problems. Boards regularly assess their own performance to ensure effectiveness (including the handling of conflicts of interest) and also establish rules of procedure, which guide their own activities and structures.

We currently do not have a separate conflict of interest policy, but regulations dealing with potential conflicts of interest in board member recruitment, board work and self-assessment are anchored in respective sections in our policies, guidelines and tools. The importance of preventing people from misusing their position or authority to further personal interests is also mentioned in our Good Management and Accountability Quality Standards. Our Code of Conduct, which every co-worker and board member is obliged to sign, also contains a section on the responsible use of power and position. Please see section 4.6 in our [2014 report](#) for more details. Please also see [5.2](#) for the roll-out status of the Code of Conduct.

Our Anti-Fraud and Anti-Corruption Guideline also contains guidance on how to deal with conflicts of interest. To further aide co-workers in identifying and managing conflicts of interest in relation to business relationships with third parties, our Integrity, Compliance & Legal is currently developing dedicated support material. In addition, our feedback and complaints handling working paper states that the next level of supervision is involved in cases where a conflict of interest may arise. Also, our international policy support document on GSC Procurement describes procurement standards within the GSC offices including regulations on how to responsibly handle conflicts of interests.

As stated in [section 3.8](#), monitoring of policies and standards is ensured via internal functional audits that are regularly carried out in member associations. Internal audits also cover aspects of potential conflict of interests. Thus, potential conflicts of interest scenarios are included in the internal audit work program. The internal audit team checks (a) the selection of suppliers invited to the procurement tendering process and their potential link to employees of the member association by performing random internet-based background checks, (b) the inclusion of the conflict of interest clause in employment contracts (in order to ensure that the employee is aware that he should avoid and/or report potential conflict of interests to his superiors) and (c) proper notification when a board member is subject to a conflict of interest in case of decisions made by the board or board committees (e.g. employment of relatives in management position, selection of legal advisors where the board members hold/held a management or shareholder position, selection of audit firms where the board member hold/held a management or shareholder position, selection of major supplier, for example in construction projects).

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

In our [2015 report](#) an overview of the board development cycle was provided as well as term limits and other details regarding the performance evaluations of boards. We also provided examples of board evaluations that were carried out. In this report we want to follow up on these examples and highlight improvements that were realised.

As reported, an external assessment was carried out by KPMG for SOS Israel, in which the association's governance set-up was benchmarked against international standards. The assessment led to concrete improvements regarding the board's succession planning. Since 2015, the composition of the board has partly changed and the alignment with model statutes has begun. The board of SOS Israel has set itself two targets for 2019: to implement succession planning for the president and to fully align their national statutes with model statutes.

From SOS Georgia substantial improvements in the cooperation between the board and the national management team for the sake of further development of the national association can be reported, after two self-assessments were carried out in 2015 and 2017 by the national board. A regular and professional exchange of information needed for decision making was implemented and will continue to be maintained.

The self-assessments undertaken by the national board in SOS Hungary, also carried out in 2016 and 2017, resulted in full affiliation with the federation. Additionally, the board and the national management team reached a common agreement on how to further develop their national association according to our international standards.

On federation level, we have also continued our initiatives to improve decision making and cooperation. For example, in order to foster more exchange, we have set up a federation leadership team structure, where the President and Vice-President meet with the Management Team on a quarterly basis to discuss the overall direction for the federation. We also had a global interaction of all federation members during a conference in 2017, which had a special emphasis on the review of quality in our core services (see [4.12](#)).

Finally, while the updated federation statutes define principles of cooperation that are binding for all members and bring stakeholders closer together (see section [4.1](#)), it quickly became clear that we need a federation-wide effort to create lasting improvements in how we live these principles. Thus, in 2018 we initiated the Federation 2030 development project to strengthen our accountability and togetherness as a federation. As part of the project, a seminar day with members from the Senate, MCO and other federation representatives will be held. Improving our governance and management structure will be a major part of the project. Progress on these developments will be shared in future reports.

#### 4.12 Externally developed environmental or social charters, principles or other initiatives to which the organisation subscribes

Our work is guided by two externally developed frameworks: The UN Convention on the Rights of the Child and the universally recognised UN Guidelines for the Alternative Care of Children. We promote the full implementation of the Guidelines so that children without parental care or at risk of losing it receive the necessary and suitable care for their well-being and development that is their right. We also lead their further implementation with a wide coalition of partners. Additionally, our Strategy 2030 explicitly embraces the Sustainable Development Goals (SDGs) and guides our work towards the achievement of five SDGs that are particularly relevant for our target group and thus for our organisation – for details see our [2015 report](#).

Since our last report, we have initiated and actively joined a new global partnership. In June 2017, the CEOs and senior leaders of six child-focused agencies (Child Fund, Plan International, Save the Children, SOS Children's Villages, Terre des Hommes and World Vision) came together to join forces to accelerate achieving the SDGs relevant for children with at least one or two joint initiatives. They committed to focus on the areas where they consider that only together they can achieve significant improvements in the lives of children. The two initiatives agreed upon are:

- Joining Forces to End Violence Against Children (first steps taken in 5 pilot countries)
- Joining Forces to advance children's rights - Child Rights Now (a joint child rights situation report is being carried out in 20 countries to be used for monitoring SDG implementation)

Addressing the panel's questions on how our Strategy 2030 is implemented, we want to mention the following: The federation's 2030 goals as outlined in Strategy 2030 come alive by implementing seven *strategic initiatives*. In order to assess progress towards the 2030 goals, as well as to provide essential information for steering, *2030 measures* were introduced in 2017 as standardised indicators for each strategic initiative. On federation level, reviews of 2030 measures are reported twice a year. Review results and agreed corrective actions provide an important input for the member association's mid-term and annual planning, creating a strong link between planning and steering.

The strategic initiatives are further broken down into *actions for the federation*. All member associations are recommended to implement the actions for the federation in order to keep up with federation developments. The progress of the actions for the federation and key strategic projects is regularly reviewed on different levels of the organisation in order to ensure corrective actions and influence the next planning cycle. Learning, exchange and alignment across the initiatives and actions is fostered via functional networks, and regional management. A review of our Strategy 2030 will be completed by June 2020, adapting it to external changes and internal learnings. Member associations and young people will participate in this review process, ensuring continued strong ownership and implementation.

In response to the panel's question regarding tensions between MAs concerning our strategy, the 2030 Come Together meeting that was held in July 2017 can be mentioned. It was organised in order to reflect upon and engage with our common cause and to reaffirm member associations' commitment to quality care and our strategy overall. It was a powerful demonstration of how leveraging our collective passion, capacity and leadership can positively influence the change we want to make for children. It was also the first time a draft of the SOS Care Promise was presented to such a large, international and diverse group.

#### 4.14 Stakeholder groups of the organisation

As reported last year, our stakeholders include, in the first place, our target group – the children, families and communities with and for whom we work. Our stakeholders are also our donors, sponsors, co-workers, volunteers, corporate partners, governments, national and international institutions, foundations, academic institutions and organisations with whom we work or who support our activities to improve the lives of our target group. Please see also section [2.7](#).

#### 4.15 Process for identification, selection and prioritisation of key stakeholder groups

SOS Children's Villages works with diverse stakeholders at the international, national, location, and individual level. Internationally and nationally, we identify like-minded NGOs and partner with them to advocate for the rights of children and quality care. Wherever possible, we also work with government to improve the recognition, rights, and response for children without adequate parental care. As mentioned in our [2015 report](#), child rights situation analyses conducted at the national level every three to five years ensure that we identify stakeholders and develop relevant programmes according to the needs in the country. These analyses also indicate which specific locations might need our services.

In these locations, needs assessments are conducted, which include an in-depth stakeholder analysis. Through this, we identify existing responses, analyse potential partners, and determine who is best-placed to serve the needs of the target group. The needs assessment methodology encourages a participatory approach and critical reflection to ensure the following: the needs of the community are relevant to our target group; existing responses cannot cover the needs; and SOS Children's Villages is best-placed to respond to the needs. If these criteria are met, we will proceed with detailed programme design and planning. The roll-out of a results-based management approach for programmes is providing more opportunities for participatory programme planning alongside the community. During programme planning workshops, key stakeholders such as local authorities, potential programme participants, and community-based NGOs are invited to give feedback and input. In addition, in our new programme policy, SOS Care Promise, we commit to mutually beneficial partnerships when implementing programmes to ensure the needs of the target group are fully met.

We also work alongside key stakeholder groups at the individual level, ensuring that persons close to the child are involved in development planning. This often includes the social welfare authorities, biological parents, social workers, the child him/herself (if age-appropriate), and others. These stakeholders come together to define the specific goals of this child and to agree on how to support his/her development over time.

Lastly, we clearly identify and review which groups of children are without parental care or at risk of losing parental care in order to specify and understand which specific groups of children are living in an inadequate care situation and fall within our target group. To provide guidance to member associations on their role and responsibilities in the gatekeeping process – the process of referring children and families to appropriate services or care arrangements – we started to develop Gatekeeping Guidelines during 2017.

These guidelines are mainly aimed at providing an overview for member associations, including board members and co-workers from all departments. They will be supported by a user manual, which offers more hands on guidance and links to related tools for those programme staff working with the gatekeeping process. These gatekeeping guidelines do not stand alone. They must be seen as part of a wider case management and programme approach. How SOS Children's Villages actually works with the national gatekeeping process may vary across countries. Each MA works according to a national set of gatekeeping guidelines, which will be developed in line with these global guidelines. The national guidelines are to be formally approved by the board. SOS Children's Villages' role depends on the quality of these national gatekeeping process, as well as on the role of the authorities and other stakeholders in that particular context.

## 5. PERFORMANCE INDICATORS

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

#### Involvement of children and families in decisions that directly affect their lives

Every child participating in one of our family strengthening or alternative care programmes has their own **individual development plan**. Detailed information on the processes of the child's development with his or her full participation can be found in our [former reports](#).

We are committed to including young people in the important decisions relating to our global youth work. At the beginning of 2015, we established the **International Youth Coalition** as the highest formal body representing young people in the organisation. The coalition of 20 young people from 10 countries, representing all SOS Children's Villages regions, strongly shaped the organisation's 2030 Strategy and two young people were invited to the Strategy Kick-Off Meeting as youth spokespersons in January 2017. Since then, the youth coalition has been functioning as a platform for consulting young people on globally relevant issues with the member countries of the coalition changing every two years. During 2017, 198 young people from all continents gave their inputs on various topics related to their vision for SOS Children's Villages, their understanding of our goals, their perspectives on quality care (e.g. support towards independence, contact with families of origin, etc.) as well as on environmental issues. The results of one of the consultations served as a crucial input for the development of the SOS Care Promise (see [4.4](#)), ensuring that areas considered crucial by our programme participants are well reflected in the policy.

**YouthCan!** is a partnership project focused on giving vulnerable young people the opportunity to become ready for the job market and to lead independent lives. Project partners make use of their expertise, networks and experience to create new avenues and opportunities for young people to transition successfully into professional life. YouthCan! also offers a digital platform (YouthLinks), where young people can connect online with their mentors and trainers.

Young people were at the heart of the design process of YouthCan! and **YouthLinks**. At the project start, a focus group of participants identified the problems they face around employability and came up with youth-led solutions addressing these problems, for example a digital platform for peer-to-peer exchange and online mentorship. During implementation on local level, youth needs assessments and feedback sessions regularly inform the project direction and help shape the trainings. The digital YouthLinks platform enables peer-to-peer exchange and support amongst all programme participants. Since its implementation in 2017, YouthCan! has been rolled out in 20 countries and has been supported by over 100 partners (NGOs, corporations, government authorities, etc.), including six global corporate partners. In its first year, YouthCan! reached almost 5,000 marginalised young people without adequate parental care worldwide with different activities, out of which 56% were girls. Over 1,300 volunteers/employees were involved in the different activities in 2017 and over 500 people have joined the YouthLinks digital platform since beginning 2017.

In many programmes, we have established **village committees**, which consist of a number of children in the programme who directly contribute to the programme management, give feedback to the programme leaders and bring in their ideas (approximately 850 children/young people are part of those committees).

Another example for young people's participation is **Youth Day**. We started to work on formally involving young people in the evaluation of youth programmes in 2007. At that time, there was no uniform approach in place to collect the views and opinions of young people participating in SOS programmes on the quality of youth care. An internal self-evaluation called "Youth Day" was introduced as an annual event and has been taken up in many countries as a part of the annual and strategic planning process of member associations. This internal self-evaluation process is fully youth-led and includes youth facilitation during the proceedings. Young people representing every programme location in the country come together with co-workers and brainstorm what works well and what doesn't, and identify a small number of thematic themes for deeper evaluation. As an output, youth work priorities are identified for the following year and concrete actions are suggested for the member association's annual plan.

Due to its success, in Croatia, SOS Children's Villages has expanded the youth "day" to a three-day event, including social activities. The SOS Croatia team stress the importance of providing feedback to the young people and now compile a youth day report. Each annual SOS Croatia Youth Day begins

with feedback to the young people on what has been done in response to the suggestions that young people made in the previous year and how this has influenced the quality of care.

### **Involvement of community-based stakeholders in our programmes**

SOS Children's Villages works with governments as well as various community-based duty bearers to develop strong social support networks for children and their families. For more details, please see section [4.15](#) and [5.5](#).

### **Involvement of children and families in our programme and advocacy work**

A good example of including young people in programme as well as advocacy work is the European Union co-funded project, [Prepare for Leaving Care Project – A Child Protection System that works for Professionals and Young People](#). It is a two-year project that was kicked-off in January 2017 together with CELCIS and five MAs: Croatia, Latvia, Lithuania, Italy and Spain. At international level, young people with care experience are part of the project steering group as well as the International Young Expert Group; at national level they form national young expert groups. Their input was frequently collected through meetings on key project activities and outputs. During the first months of the project, young people organised peer-to-peer interviews in each country to determine what was missing in the national leaving care systems. The results from these interviews were analysed together with the information provided by key national stakeholders through a mapping of the leaving care system as well as a qualtrics questionnaire. The final scoping report was used to inform the development of the Prepare for Leaving Care Practice Guidance and Training Manual. Two Master Trainers from each country took part in a six-day Training of Trainers delivered by CELCIS during the fall of 2017. At national level, shortly after the Training of Trainers, young people with care experience worked together with the Master Trainers to prepare the national trainings, which were scheduled for the spring of 2018.

At the project mid-term meeting in November 2017, the International Young Expert Group developed key messages for the project as well as an evaluation to measure how meaningful youth participation in the project is. This evaluation will be completed at the end of the project by all young people with care experience involved in project activities. For more information on the involvement of children and young people in advocacy work, see section [5.5](#).

### **Recommendations from young people with care experience on child and youth participation**

With regards to individual planning, the following evidence-based recommendations on children's participation were put forward in the Prepare for Leaving Care Practice Guidance:

- Children – individually and as a group – must be offered, or be able to request and obtain, all information relevant to their present and future options if they are to have an informed voice – in other words, if their “participation” is to be meaningful (as set out in the Convention on the Rights of the Child).
- This information must be realistic in terms of their prospects, opportunities and support that can truly be available, and must be provided in a way they can understand.
- The views of the child/young person must be solicited in a manner and in a context which enable him/her to express those views freely. They should neither feel pressured nor constrained when giving an opinion.
- The child/young person must be informed from the start that it may not be possible to act fully in accordance with his/her requests and desires. The child/young person should also be fully informed as to the reasons why subsequent decisions are made, whether or not they correspond to his/her expressed wishes. Whatever the outcome, this should lay the foundations for devising a plan that the young person helps to develop and understands.

In response to the request regarding the participation of children and young people in the programme cycle (planning implementation, monitoring and evaluating of programmes and projects), we have drawn a list of recommendations from our experiences in 2017:

- Adopt a child rights-based approach and invest in a well-trained child care workforce
- Empower children and young people to participate meaningfully (express an opinion and make decisions on their own or contribute to decision making and change) through socio-emotional skills development programmes
- Meaningful participation requires relationships built on trust to enable children and young people to open up and share their views, and to express (sometimes difficult) feelings
- Define with children and young people what meaningful participation means to them; use this as a basis for evaluating their participation
- Aim for meaningful participation of children/young people in matters that affect them as a part of daily life; consciously build spaces for participation to get the process going

- When involving children and young people in the design, monitoring and evaluation of programmes and projects, be clear about the purpose, what their role will be, what are the benefits and risks of taking part, how the results will be shared and confidentiality issues
- Provide feedback to young people on how their ideas and inputs have been used and how this has influenced change (action)
- Assure children's and young people's safety and protection; communicate child safeguarding policy and principles with partner organisations
- Prepare children and young people well for events (such as being a spokesperson) and give them a chance to reflect on their participation (give feedback and debrief)

### Self-evaluation processes

As part of the SOS Care Promise implementation, a new self-assessment tool is being introduced which covers both family strengthening and alternative care. It replaces all former self-evaluation tools. 2017 can be seen as a transition phase between former self-evaluation processes and new tools.

### Development of SOS Children's Villages policies

As we have reported previously, wide member participation is ensured in the development of our policies. Please see for example the development of the SOS Care Promise (4.4) or 5.1 in our [2014 report](#) for more information.

## 5.2 NGO2 – Mechanisms for stakeholder feedback and complaints on programmes and policies and in response to policy breaches

SOS Children's Villages always strives to provide the highest quality care and support. In this regard, we recognise the importance of learning from the people, communities and partners we work with, so that we can constantly improve the quality of our work. Thus, we highly appreciate feedback, complaints, or compliments on any of our services, actions and policies, including those of our partners and suppliers.

As explained on the [feedback and complaints page](#) on our website, we have the following independent processes in place:

- Child safeguarding concerns and allegations: [Our website](#) contains a child safeguarding page including a [reporting form](#) where any child safeguarding concern or incident can be submitted. For more information, please refer to the Child Protection Policy available on [our website](#).
- Fraud and corruption allegations: Steps to be taken concerning reporting, investigation and responding are stated within our Anti-Fraud and Anti-Corruption Guideline [available on our website](#). Our website also contains an [Integrity and Compliance page](#) including information on how to report a suspicion of corrupt conduct.
- Complaints related to international child and village sponsorships: Most feedback and complaints related to international child and village sponsorships are best dealt with by the SOS Children's Villages association where the sponsorship is registered. However, any concern related to international child and village sponsorships can of course also be directed to the International Office using the reporting form on the website or sent to [donor.services@sos-kd.org](mailto:donor.services@sos-kd.org). This e-mail address is provided in the [sponsorship section on the international website](#).
- Feedback and complaints on all other topics: The formalised feedback and complaints handling mechanism described in the [working document available on our website](#) gives all external stakeholders an easy-to-use format to register their feedback and complaints at any time on all other topics not covered by the above-mentioned processes (for example, this mechanism is for feedback and complaints concerning overall programme quality and advocacy, fundraising practices, or concerns related to staff). A [feedback and complaints form](#) is available on our [website](#).

### Feedback and complaints handling

When implementing the feedback and complaints handling mechanism, each member association is required to define relevant contact points for stakeholders to provide feedback or raise complaints and to ensure proper communication of their channels to their stakeholders. As a minimum requirement, MAs must establish a dedicated e-mail address. Special consideration should be put into developing mechanisms that are child- and youth-friendly to gather feedback and complaints at programme level, as well as other ways that enable all programme participants to provide feedback or complaints (e.g. people without reading or writing skills). The national director assigns the responsibility for receiving feedback and complaints coming in via the e-mail address and other channels and for the sequential

steps of recording, acknowledging receipt, forwarding and responding to a specific unit in the national office.

In 2017, we received 27 feedback and complaints cases via the reporting channels of the GSC and the six MAs that have implemented the feedback and complaints handling mechanism. Out of the 27 cases, 20 cases were received via the channels provided by the GSC. Ten cases were related to staff, 3 to fundraising, 8 to programme quality and 6 related to other topics. The majority of cases were raised via the feedback and complaints handling e-mail address at federation or national level and concern member associations in all regions. Cases are distributed among different MAs and there is no noticeable amount of cases that concern a particular MA. The vast majority of cases were sent by either young adults in SOS programmes or people who have another relationship status. The cases mainly addressed programme quality issues and fundraising. All cases were resolved and closed. Please see our [2016 report](#) for the feedback and complaints cases received in 2016.

Based on the learnings from the pilot phase, we updated our feedback and complaints handling mechanisms in the GSC and six MAs. However, the roll-out to further MAs did not progress as planned. As stated in 2.9, in 2018 the federation will embark on a development project called *Federation 2030 – Accountable and Together* to strengthen accountability and togetherness among members and other entities in the federation. In the course of this project issues such as feedback and complaints handling will also be addressed.

As noted in previous reports, our [SOS Children's Villages Code of Conduct](#) contains the commitment that if staff members and board members become aware of any breaches of the Code of Conduct, the colleagues are duty bound to report these to their respective manager or to the next level if applicable. For more information on the Code of Conduct roll-out, please see the end of this section.

### Child safeguarding

SOS Children's Villages is unique among child-focused NGOs in that we are child care practitioners with guardianship and/or daily responsibility for the direct care (including housing, education and healthcare) of some 71,200 children and young people.

All employees and associates of SOS Children's Villages are obliged to report any concerns, suspicions or allegations of any child abuse. Types of child abuse are described in the [SOS Children's Villages Child Protection Policy](#), along with the mandatory steps to be taken by the employee if a case of abuse is suspected. The [Code of Conduct](#) emphasises that each employee is personally responsible for reporting. In any case of suspected abuse, the very first priority is to immediately secure the safety and well-being of the alleged victim.

The particular steps for dealing with the reported incidents vary depending on the type of abuse, the individual context and the local laws, but every concern or incident reported is taken seriously. If the reported allegations include a possible criminal offence, the incident is reported to the appropriate national authorities. The national director of the member association is ultimately responsible for any decisions and action taken.

Detailed child safeguarding reporting and responding procedures are described in the policy support documents, "Child safety is everybody's business: Child safeguarding reporting and responding procedures in member associations" and "SOS Children's Villages child safeguarding investigations". Should the child safeguarding incident need to be escalated to the General Secretariat due to a conflict of interest involving management of the member association, the process of dealing with such incident is described in the policy support document, "Working together to protect children. Role and responsibilities of the GSC in the reporting and responding process". The policy support documents are binding for all member associations and the General Secretariat.

The implementation of the child safeguarding reporting procedures in member associations was completed by most of MAs by June 2018. The implementation process will continue through regular workshops and discussions. The implementation of the reporting and responding procedures will be continuously monitored, and identified gaps and weaknesses addressed with relevant mitigating actions. As part of the monitoring process, lessons learned will be also collected so that existing procedures can be further improved.

The implementation of the procedures related to child safeguarding investigations was organised through regional trainings for selected co-workers from member associations, in cooperation with Keeping Children Safe.

Reports on child safeguarding incidents are shared with the Management Team regularly and with the Programme Audit Committee of the International Senate bi-annually.

The implementation of the Child Protection Policy and related child safeguarding procedures is reviewed on an annual basis through our child safeguarding survey. The survey is based on the assessment tool developed by the Keeping Children Safe coalition, of which SOS Children's Villages is a member. With the survey, we review five critical areas of our work in regard to child safeguarding. Below, please find an overview of the findings of the **Child Safeguarding Annual Survey 2017**.

- **Putting the Child Protection Policy into practice**  
 Successful implementation of the Child Protection Policy is conditional on having the policy available in the local language of the SOS co-workers, children and young people and communities we work with. Based on that, effective introduction of the Child Protection Policy can be organised on all levels of the organisation and in all its functions and programmes. According to the Child Safeguarding Annual Survey 2017, most member associations fully met this requirement. In 2017, MAs showed strong commitment to sharing and explaining the Child Protection Policy towards their co-workers, with more than 80% fully meeting this requirement.
- **Organising staff: Capacity building, roles and responsibilities**  
 Findings of the 2017 survey confirmed that child safeguarding procedures are well-embedded in programmes and relevant functions of member associations. This includes setting up child safeguarding structures both on national and programme level, incorporating child safeguarding in HR procedures such as police and reference checks during recruitment and organising induction process for new co-workers. In more than 75% of MAs, these requirements were fully met.
- **Planning: Local mapping and risk assessment, planning child safeguarding measures**  
 In 2017, child safeguarding measures were included in the annual plan of approximately 70% of MAs. However, this planning process is not always based on a thorough analysis of the local context and existing child safeguarding risks. This local mapping and risk assessment has therefore been prioritised for 2018 and onwards.
- **Implementing: Resources for child safeguarding activities, reporting and responding**  
 The 2017 survey confirmed that MAs have strong child safeguarding reporting and responding procedures in place with almost 80% of member associations fully meeting this requirement, and they are clear about which incidents must be reported to the General Secretariat. It was also confirmed that MAs put actions in place to prevent child safeguarding incidents. In case of a reported child safeguarding incident, rehabilitation services are provided to the victims either internally or through arrangements with other service providers. Where applicable (depending on the local law), MAs have trained child safeguarding investigators in place to ensure that reported child safeguarding incidents are thoroughly investigated in a professional way. This topic was specifically addressed by the organisation in the past years and it will remain a priority in the future.
- **Monitoring and review**  
 Member associations introduced relevant tools to monitor progress in the area of child safeguarding including reported child safeguarding incidents. This includes a child safeguarding incident register and periodic reports from programmes to the national office, with more than 70% of the MAs fully meeting this requirement.

For more information, please see our Annual Child Safeguarding Report 2017/2018, [available on our international website](#).

To support further capacity building of co-workers across the organisation, it was decided to launch e-learning courses on child safeguarding. The first one, on child safeguarding reporting and responding procedures in member associations, was introduced in 2017. The course is available in six languages (Arabic, English, French, Portuguese, Spanish and Russian) to all co-workers worldwide. By the end of June 2018, 4669 co-workers had enrolled and 3840 of them had successfully passed the course. The participants were from 113 countries representing all seven SOS regions.

In 2017, SOS Children's Villages International underwent the Level 1 Certification process by Keeping Children Safe to validate whether existing child safeguarding procedures within the federation were in line with international standards. In September 2017, SOS Children's Villages International was awarded Level 1 Certification.

In order to provide more opportunities for both internal and external persons to report child safeguarding concerns and incidents, [a child safeguarding page](#) is available on the international website. Besides information on child safeguarding policies and procedures of SOS Children's Villages, there is also a [reporting form](#) where any child safeguarding concern or incident can be submitted. It is also possible to submit an anonymous report there.

### The Independent Child Safeguarding Review

In October 2016, the International Senate took the decision to establish an Independent Child Safeguarding Review. SOS Children's Villages has a proud history of almost 70 years working for the care, protection and rights of children. The many success stories and positive testimonies of people who grew up in SOS Children's Villages, the dedicated staff and the tangible social impact of our work illustrate this. Unfortunately, some children did not receive the protection they were entitled to and experienced abuse and rights violations whilst in the care of SOS Children's Villages. Following improved internal child safeguarding systems and reporting channels, as well as higher public awareness towards historical child abuse, a number of women and men came forward many years later to share their experiences.

The Senate commissioned the Independent Child Safeguarding Review to look into an appropriate response to historical child safeguarding allegations across the organisation, and to ensure that our child safeguarding policies and practices are robust and efficient, and in line with best practice. It is independently carried out by Keeping Children Safe. Based on the outcomes of the pilot review, which was conducted in 2017, the Management Team has already put actions in place to implement some of the recommendations and lessons learned. These include:

- A dedicated project to strengthen child safeguarding policies and procedures in member associations with high child safeguarding risks
- Child safeguarding training and capacity building, focusing on the specific responsibilities of managers in regional offices of the GSC
- Recommitment to continue strengthening the child safeguarding reporting and responding procedures and investigation capacities as well as prevention and awareness-raising activities across the federation
- Guidance and support to MAs to support people who step forward with historical child abuse allegations on their path towards healing and closure

The Independent Child Safeguarding Review continues its work and will do three more country case reviews in 2018 and 2019.

### Critical Staff-to-Child Abuse Incidents

During 2017, critical staff-to-child abuse incidents<sup>1</sup> involving 279 SOS staff as perpetrators were reported (in total, over 40,000 SOS employees<sup>2</sup>), as Table 1 illustrates. Almost half were incidents of physical abuse, which mostly involved acts of corporal punishment by SOS parents and aunts. The next largest group are incidents of neglect and negligent treatment, which mostly involved acts of failing to provide adequate supervision, nutrition, clothing or meeting a child's education and safety needs, followed by emotional abuse, which mostly involved behaviour, speech and actions that had a negative impact on a child's emotional state and development. Sexual coercion and abuse by SOS co-workers accounted for three percent, or 21 incidents, reported and confirmed in 2017. Finally, there were two critical incidents where a child's privacy was violated.

**Table 1: Number of staff perpetrators in confirmed critical child safeguarding incidents**

Type of abuse	No. of perpetrators	% of total
Physical abuse	135	48%
Neglect & negligent treatment	70	25%
Emotional abuse	51	18%
Sexual coercion and abuse	21	8%
Violation of privacy	2	<1%
<b>Total</b>	<b>279</b>	<b>100%</b>

<sup>1</sup> A child safeguarding incident is defined as a situation when a SOS co-worker breaches the Child Protection Policy and/or Code of Conduct. A child safeguarding incident is considered to be a critical incident if any of the following criteria is met: (1) The incident is a criminal act according to national law. It is reported to the relevant authority, such as police, court and/or child welfare authority. (2) Disciplinary action was taken by SOS Children's Villages against the perpetrator. This includes issuing a warning letter or dismissal.

<sup>2</sup> Average full-time equivalent

During 2017, 21 incidents of sexual coercion and abuse involving SOS staff as perpetrators were reported globally. Dismissals of staff members were a direct consequence. Table 2 further breaks down the type of sexual coercion and abuse incidents that were reported in 2017.

**Table 2: The number of staff perpetrators and the number of child victims according to the type of sexual coercion and abuse**

Type of sexual coercion and abuse incidents	No. staff perpetrators	No. child victims
Indecent exposure	0	0
Recording of inappropriate and/or sexually degrading imagery of children / young people	2	6
Exposing children/youth to pornography	1	1
Attempted rape	0	0
Rape	0	0
Harassment / inappropriate touching	13	28
Child / young person manipulated and/or coerced into sexual acts <sup>3</sup>	5	7
<b>Total</b>	<b>21</b>	<b>42</b>

As is the case with corruption and child safeguarding incidents in any organisation, country or context, there is a risk of underreporting. Underreporting is a real problem in terms of sexual exploitation and abuse, as a result of various interlocking barriers ranging from victims dependence on the abuser to fear of stigma and the social consequences should the abuse become known.

The child safeguarding scandal in the aid and development sector in early 2018 increased the awareness of the need to cast the safeguarding net more widely to include vulnerable women in communities and the workplace. Reports centred on the unbalanced power relations between aid workers and vulnerable population groups, and furthermore between male employees in higher positions, and female employees in lower positions, and employees in Western headquarters and in other offices around the world. As such, there is a strong push for organisations to develop clear guidelines on how such power imbalances can be prevented, identified and penalized in the aid sector. Power imbalances certainly played a role in the 21 incidents of sexual coercion and abuse where children and young people were targeted.

One important learning is that there is a need to widen the safeguarding net within SOS Children's Villages to include incidents of exploitation and abuse of adult programme participants within the communities we work in and staff. SOS mothers are particularly vulnerable to power imbalances.

#### Measures we take to reduce the risk of child abuse

Prevention activities are anchored within the programmes, regions and functions that are responsible for managing particular child safeguarding risks. Targeted prevention measures aimed at children, young people and care professionals include capacity building to help them recognise abuse as well as equip them with the attitudes, knowledge, and skills to respond to risky situations or abuse.

#### Positive discipline

Physical and emotional abuse constitutes 60.2 percent of all child safeguarding incidents within SOS Children's Villages in the Latin America & Caribbean region (LAAM). For this reason, the International Office Region LAAM specifically invested in building the capacity of parents and caregivers to equip them with the knowledge and skills to apply positive discipline in their interaction with children. A practical guide on positive discipline was developed as a frame of reference and support to member associations in LAAM and other regions interested in the topic. It intends to help caregivers, other care professionals and families of origin to raise children with a positive parenting approach through one of the key tools: positive discipline.

In the initial and ongoing training and development of care professionals in all member associations, parenting skills including positive discipline are main components.

<sup>3</sup> Incidents where a staff member exerts his or her power to coerce or manipulate a young person into sexual acts. This particularly applies to incidents where the victim has reached the age of consent.

### Protective Behaviours Programme

Protective Behaviours is a preventative, life skills programme which enables people of all ages, but especially children and young people, to develop skills which promote resilience and empower them to deal with risky, unsafe or abusive situations. Following the programme's roll-out by SOS Children's Villages South Africa in all its programmes in 2016, two International Offices Regions – Asia and West and Central Africa – provided a training-of-trainers to their member associations. Since then, ten MAs in Asia have rolled out the Protective Behaviours programme in their locations with programme co-workers, SOS mothers and aunts, children and young people. The remaining MAs intend to roll out the training by the end of June 2018.

International Office Region West and Central Africa (IOR WCAF) organised a week-long training for co-workers from 17 member associations on children's rights for care professionals and on protective behaviours in November 2017. As of the end of March 2018, 13 out of the 17 MAs had held trainings for relevant co-workers, children and young people at their programme locations. Around 500 care professionals from the 13 MAs were trained. Additionally, 409 children and young people participated in various interactive discussions, trainings and group meetings in member associations.

### Child safeguarding in emergencies

Ensuring that children and young people we support through different programme interventions are safe and protected against any form of harm and abuse is one of the key tasks of our organisation. Given the challenges related to very often unstable, fragile and fast changing context in the areas where our member associations provide emergency response, this task is even more important but also far more difficult.

To address the needs of MAs operating in such a challenging environment, in November 2017, the International Office Region Middle East and North Africa (IOR MENA) organised a three-day training on child safeguarding in emergencies. As a final outcome of the training, participants drafted an action plan reflecting the needs related to their country specifics and existing (or planned) emergency response programmes.

### Code of Conduct roll-out

The Code of Conduct was approved by the Secretary General in September 2011 as part of the implementation of the Child Protection Policy; by the end of 2017 the Code of Conduct had been rolled out by around 90% of member associations. Within the GSC, by the end of 2017, around 90% of co-workers had signed the Code of Conduct and 68% of GSC co-workers had attended the Code of Conduct workshop. As mentioned in previous reports from 2014 onwards, each co-worker signs the Code of Conduct together with the employment contract when joining the organisation.

### Allegations of corrupt conduct

Regarding the handling of allegations of corrupt conduct and breaches of the Anti-Fraud and Anti-Corruption Guideline and other corruption-relevant policies, please see section SO3, as well as the respective section in previous accountability reports. For information on our Annual Corruption Case Reports, please see section [5.20](#), as well as the respective section in previous Accountability Reports.

## 5.3 NGO3 – System for programme monitoring, evaluation and learning (including measuring programme effectiveness and impact)

Regarding a system for programme monitoring, evaluation, and learning, we made great strides in the past years. In November 2017, the Management Council endorsed a results-based management (RBM) policy support document, which explains how to apply an RBM approach in programme locations. It covers planning, monitoring, reporting, evaluating, and using results. A related toolkit offers practical tools and templates that programme staff can use to start to manage according to RBM. A coordinated roll-out process started in 23 member associations in 2018 through face-to-face trainings. Reactions to the trainings are overwhelmingly positive, with an average satisfaction rate of 95%, and 97% stating they will use RBM in their daily work in the future. Additionally, we have seen many countries investing more in monitoring and evaluation (M&E), for example, through hiring more M&E officers. We have also noted increased usage of the programme database, SOS Children's Villages' system to track programme participants.

On location level, we conduct feasibility studies that bring more in-depth insights into the local situation of the target group, involved stakeholders, relevant responses and the recommended role of the SOS programme in making such responses. This should include a stakeholder analysis, whereby all relevant stakeholders are identified and an assessment made of who is best placed to do what. The study should also make clear recommendations on how the SOS programme best fits into the picture.

As RBM is rolled out, feasibility studies will be replaced with needs assessments. A needs assessment is an objective analysis of the situation of the target group in a given location in order to identify the issue(s) faced and stakeholders present, while a feasibility study is an assessment of the practicality of a proposed programme. The current feasibility study methodology applied in SOS is very similar to a needs assessment. We changed the name of the tool and updated the method in order to align with external terminology trends.

Member associations are responsible for ensuring an approach with the most impact, which also means including local partners and programme participants, ideally at every stage of results-based management. For more information on how we identify, select and cooperate with stakeholders at the community-based level, see also [4.15](#), [5.1](#) and [5.6](#). Based on the needs assessment, member associations develop concept notes to submit for funding applications, which may be either internal or external. The regions and International Office check the concept notes for quality and relevance to ensure proposed programmes are in line with internal and external frameworks. If approved, the next step is to develop a results framework, which would state the impact, outcomes, and outputs that the programme is striving for and offers indicators and baseline against which progress can be compared.

In addition to the RBM approach, we have three more developments that support programme monitoring, evaluation, and learning. Firstly, as briefly mentioned above, we have a global programme database, which has been available since 2014; we are currently conducting a major update to make the system's user interface faster and more user-friendly. In addition, we are aligning it to the case management process so it can support social workers to track programme participants' development over time. As of 2019, the programme database will be the single source of information on SOS programme participants and will strongly support results-focused reports. Secondly, a set of 12 programme KPIs were defined to help staff, particularly programme managers, to track certain indicators in their programmes and assess the overall status. These include input, activity, and result KPIs. A first report has been launched to display the information easily and transparently across the federation, with the aim of learning and improving data quality. Lastly, SOS Children's Villages is also planning to invest in a programme management system, which would make grant, project, and programme management more transparent and efficient.

**Social impact assessment** is an integral part of results-based management. Broadly speaking, analysing outputs and outcomes can be done in a standardised way, whereas for impact more in-depth analysis is required. During 2013-2015, we developed a rigorous model for assessing the long-term impact of our programmes. The model assesses impact on the individual level, the community level and in terms of the social return on investment. For more information on the approach and methodology, please see our [publication](#) on the [international website](#).

As reported in 2015, social impact assessments (SIAs) were piloted in two programme locations in Africa, and completed in five further locations in Africa, Asia, Eastern Europe and Latin America. The findings from the two pilots in Ethiopia (Hawassa) and Swaziland (Mbabane) as well as the first five SIAs in Côte d'Ivoire (Abobo-Gare), Togo (Kara), Nepal (Surkhet), Senegal (Dakar) and Tanzania (Zanzibar) were consolidated in a [report](#) in 2015. A summary is available on our [international website](#), as well as "[snapshot](#)" reports from each individual assessment.

Among the most interesting findings was that a majority of former programme participants who took part in the assessments – 79% in family strengthening and 84% in family-like care – were doing well in at least six of the eight dimensions considered. On community level, local stakeholders indicated that they highly value the organisation's work in their communities. The organisation is highly regarded and well positioned in the communities, with some promising examples of community-based approaches. The programmes' long-term financial impact on society, gauged by the programmes' social return on investment, has also shown positive results, with a €1 investment yielding benefits to society of €14 using conservative assumptions.

The results also reveal potential areas for improvement for the seven programme locations and beyond. These results confirm our strategic direction. For example, ensuring youth employability emerged in all the reports, which is a topic taken up in strategic initiative 3 of Strategy 2030.

The results and learnings generated from the SIAs and the organisation's monitoring and evaluation work are used locally and nationally to inform improvements to programmes, to feed into strategic decision making and results-based management, to inform the global research agenda and exchange learnings between co-workers. Impact and progress against these results as a benchmark is monitored and evaluated against our strategic objectives on different levels. At the national level, we

monitor and evaluate progress against our strategic objectives in the course of bi-annual reviews of annual plans. Please see [4.12](#) for more information on the implementation of Strategy 2030.

At least seven more assessments, including locations in the Middle East and Western Europe, will be completed in the coming two years. For more information on the SIA roll-out, see [5.18](#). The next consolidated report is planned for 2019 and will draw on the social impact assessments as well as previous impact-related studies from approximately 30 countries.

#### 5.4 NGO4 – Measures to integrate gender and diversity into programme design and implementation, and the monitoring evaluation, and learning cycle

With regards to SOS Children's Villages' programme policies, we would like to note that changes are foreseen: As mentioned throughout this report, the SOS Care Promise was approved by the Senate as our new central policy for programme work. As such, the SOS Children's Village Programme Policy is no longer valid, nor are its related implementation documents which are now replaced by the SOS Care Promise and its guidelines and user manuals. Until 2020 other programme policies, such as the Gender Equality Policy, the Education Policy, the Inclusion Policy and the HIV policy, will remain valid, but will evolve into guidelines and other tools that further support the SOS Care Promise implementation. Our intention with this new ordering is to simplify our programme policy structure.

Gender and diversity are cross-cutting themes in the SOS Care Promise and addressed in particular in Care Commitments 1 (We focus on children without adequate parental care), 5 (We promote and continuously strengthen the care profession), 7 (We provide individual support to achieve goals, improve gender equality and increase impact) and 8 (We promote education, participation and steps to independent life). For more information, see the [SOS Care Promise publication on our website](#).

The roll-out of the SOS Care Promise began in 2017, with introductory orientation meetings in three regions. This will be accelerated in 2018 and 2019, where all layers of the organisation will be trained on the direction outlined in the policy ensuring a strong focus on programme quality. To support this, a range of methods will be applied, including:

- An e-learning course to gain an overview on the policy and to encourage reflection. Eventually, this will become part of the onboarding process for every co-worker joining the organisation
- In-person trainings in regional and national offices to analyse the current implementation status and to identify measures for improvement
- A comprehensive self-assessment tool enabling each programme to rate the current performance along the nine commitments and to decide on next steps to boost programme quality.

From 2018 onwards, the six International Directors of Regions will meet bi-annually with the Management Team to report on progress implementing the policy and to decide on next steps.

##### Gender Equality Policy roll-out

In 2014, SOS Children's Villages developed a Gender Equality Policy which was endorsed by the Senate as a working paper. The policy was piloted in 2015 in four member associations and one regional office with the objective of enabling implementation of the policy and gaining learnings for the global roll-out. As part of the pilot, trainings on gender mainstreaming were conducted with gender focal person teams who subsequently disseminated the same training to all co-workers at the field locations. Sensitisation workshops on gender mainstreaming were held for programmes. A gender component was added to the orientation package of all new employees. Sensitisation of children and young people on sexual reproductive health issues was also conducted. Action plans were formulated to address gaps identified through gender audits. Some examples of results include:

In **Vietnam**, after two years, 1,257 co-workers, mothers, aunts and teachers; more than 3,000 children in SOS Children's Villages; 810 children and their families supported by family strengthening activities; as well as partners of SOS (15 DHL leaders and staff) were trained on gender equality. A pre- and post-training survey revealed that participants' perceptions significantly changed.

In **Malawi**, almost 95% of managers and approximately 40% of core care co-workers were trained in gender responsive budgeting and basic concepts of gender. A sexual harassment policy has been developed. The proportion of female board members increased from 23% in 2015 to 44% in 2016. The gender coordination function now reports to the National Programme Director and is part of National Management Team. Five gender focal teams have been formulated.

In 2017 the Gender Equality Policy was rolled out in six additional member associations: Ethiopia, Zambia, Zimbabwe, Tanzania, Nigeria and Swaziland.

In **Ethiopia**, a gender audit was undertaken in 2017-18 and a gender action plan is currently being finalised.

Financed by the Grieg Gender Programme<sup>4</sup>, focused activities to reduce gender barriers in families and communities and to ensure equal education for girls and boys took place in six member associations. Below are statistics as provided by the Grieg Gender Programme Annual Report 2017, which presents the main results from Malawi (part of pilot starting in 2015), Zambia, Zimbabwe, Tanzania, Nigeria and Swaziland:

Changing people's lives:

- There was a reduction of early pregnancies after 17,316 children were given sexual and reproductive health education.
- 452 children (339 girls/113 boys) can continue their education after having dropped out of school.
- Improved sanitation in schools for 23,648 children and youth have clearly reduced girl's absenteeism and drop-out from school.

Influencing whole communities:

- Through campaigns, approximately 55,002 community members have been informed and challenged on cultural attitudes towards girls and equal rights for girls and boys.
- 9,213 teachers have been trained on children's rights and how to protect children from violence. This has increased the security of girls and boys going to/from school.

In 2016 a policy support document to achieve gender equality was developed in the Latin America & the Caribbean region. The document arose from the need to interpret the implications of the Gender Equality Policy in light of the realities of Latin America and the Caribbean. In 2017 a strategy for gender mainstreaming in the LAAM region was developed with the objective of how to advance gender mainstreaming in the organisation.

At the **global level**, SOS Children's Villages formulates actions for the federation, aligned with Strategy 2030, which earmark budgets and define outcomes, KPIs and deliverables for each year (see [4.12](#)). In November 2017, a call was given to member associations under actions for the federation to roll out the Gender Equality Policy and mainstream gender in their programmes in 2018. Six member associations prioritised rolling out the policy as part of their annual plans, which includes gender mainstreaming activities in programmes and moving towards meeting the target of 40% women in senior management by 2020. We will report on the results in our next report. Other developments in 2018 include the recruitment of a Global Gender Advisor. Finally, a network of counterparts in Human Resources and Organisation Development has been established with clear action points on the collection and updating of disaggregated data collected annually by sex and age. Sex and age disaggregated data is collected for the programme participants through the programme database system (see [2.7](#)).

As the panel asks for evidence that these policies are implemented, well-known, and have led to positive management response, we explain our policy structure and how policies are generally implemented in section [3.8](#). Moreover, internal audits are carried out to check whether member associations are working according to the processes and standards as defined in policies and relating policy support documents. Section [3.8](#) provides more details around these internal audits. As requested by the panel, our inclusion policy can be found on our [website](#).

Referring to last year's panel feedback, we do not have a separate policy on discrimination, as our policies are based on the principle of non-discrimination in all aspects. Our policies are guided by external frameworks on human and child rights, such as the UN Convention on the Rights of the Child. Furthermore, the UN Guidelines for the Alternative Care of Children is a key reference document for us.

<sup>4</sup> The Grieg Gender Programme of the Grieg Foundation works to secure equal rights and opportunities for girls and boys, and is in line with the UN Sustainable Development Goals 4 (Quality Education) and 5 (Gender Equality). It makes investments to strengthen girls access to and benefit from education, to increase the capability of women and girls to realise their rights, determine their life outcomes, and influence decision making and to limit the reproduction of gender inequality across generation.

## 5.5 NGO5 – Processes to formulate, communicate, implement and change advocacy positions and public awareness campaigns

### SOS Children's Villages' advocacy positions

At SOS Children's Villages, advocacy positions towards public policies, as well as public awareness campaigns, are centred on the promotion of the rights and needs of children without parental care or at risk of being so. All advocacy positions aim to hold governments accountable and inspire the necessary quality reform of social welfare and alternative care systems for children worldwide, according to three global frameworks:

1. The UN Convention on the Rights of the Child;
2. The UN Guidelines for the Alternative Care of Children;
3. The UN 2030 Agenda for Sustainable Development.

The process to formulate, approve and communicate such positions is framed by Strategy 2030 and the SOS Care Promise and is defined by an internal protocol called "SOS Positions and Partnerships", a paper that guides the development, approval and administration of organisational positions, policies and partnerships of external relevance. The content development is organised so as to allow an inclusive process that brings together inputs from different experts in the organisation, experiences and promising practices from programme work, and the views collected by a number of children and young people in our target group.

### Stakeholder participation

As part of our Strategy 2030, advocacy is instrumental to give a voice to our target group of children and young people. These are both programme participants and children who are placed in the care of other service providers. As a result, we invest in building the capacity of these children and young people to speak up, be their own advocates and represent their peers in policy forums. To do this, advocacy works closely with child care professionals and programme directors to identify children and young people interested in such work, and involve them in activities like child rights workshops, child parliaments and public awareness events at the local level. At the international level, the children and young people who are selected as young advocates in international forums, or as content owners in message development processes (e.g. towards positions or advocacy publications), have already engaged in similar work at the local or national level, so that they have already acquired the necessary experience and skills, and can keep building on it. This continuous participation in advocacy activities and the preparatory work for it makes their engagement more legitimate and relevant for their personal development. Another ingredient that ensures that participation is meaningful relates to the environment in which this happens: It must be open to listen to the child's view, and to the follow up of the participation, which includes a review with the participants of the experience and the use of their views as source of information for the formulation and planning of further actions.

### How we are taking corrective action

We structure our advocacy projects according to the principles of project management, which include a risks analysis and proposed corrective actions should the risks occur. To illustrate this approach, we would like to share the following example from our "Advocacy Now project". "Advocacy Now" is an international advocacy project which intends to strengthen the capacities of our member associations to contribute to improving public policies and laws in favor of our target group (strategic initiative 4 of Strategy 2030). After three years of operation, the regular monitoring of the project and its yearly evaluations demonstrated the need to adapt the approach. While investing in tools, monitoring and evaluation of the members' strategy on advocacy, we realised the importance of member associations receiving adequate support from the General Secretariat. This is the reason why we decided to reorient the project to a second phase, Advocacy Now 2.0: Advocate for Quality Alternative Care, where the efforts are focused on (1) consolidation of regional advocacy strategies, (2) knowledge sharing with monthly webinars, one platform of information sharing and one bimonthly newsletter and (3) technical guidance at global level.

Another example is our partnership in Joining Forces at the project "Child Rights Now", where, as the six largest child-focused agencies, we work together in a structured way to jointly report to governments and UN bodies regarding the situation of children and the progress towards implementing their rights and achieving the SDGs (see [4.12](#)).

### Our process for exiting a campaign

As part of the project management, the process for exiting a campaign involves a final evaluation that can be carried out either by an SOS co-worker or by an external evaluator, who will involve different campaign participants as well as revise the campaign progress reports and results. The last advocacy campaign of SOS Children's Villages International dates back to 2015 and was called Care for Me!. In

response to the Accountable Now Panel's recommendation to share actual outcomes from the Care for Me! Campaign evaluation, we can report that the campaign provided a good basis for future advocacy work and campaigning, having built competence, connections and confidence in the organisation. In many places, the campaign was successful in delivering a range of important outcomes in terms of positive policy changes, better implementation of existing policies, increased or promises of increased financial support for existing policies. Countries where policy successes were reported include Benin, Lithuania, Norway and Algeria. Other successes of the campaign include a better understanding of the benefits of advocacy and campaigning within the organisation, the building of advocacy capacity and skills, and the positioning of the organisation as an advocacy partner in most of the countries that participated in the campaign.

## 5.6 NGO6 – Processes to take into account and coordinate with other actors

As reported in previous years, in the planning phase of any programme, SOS Children's Villages carries out a feasibility study which includes an analysis of the key actors at local level (see [5.3](#)). Contacts are established during the programme planning stage to ensure good coordination with the activities of other stakeholders. Our programmes build on existing capacities and initiatives within the community and support communities to strengthen their capacity to provide assistance to children and families. Our interventions therefore complement the activities of local stakeholders and duplication is avoided.

International organisations and other international stakeholders have increasingly recognised the special situation and needs of children in alternative care. Collaborating with these organisations and stakeholders is therefore of great importance to SOS Children's Villages to ensure that our international advocacy work is as efficient and effective as possible. For example, SOS Children's Villages has forged international partnerships for the implementation of the Sustainable Development Goals for children such as the Joining Forces initiatives (see [5.5](#) and [4.12](#)). Another example is our CEO's participation in the global board of UNICEF's Generation Unlimited initiative, which helps share our knowledge about youth empowerment and jointly improve opportunities for vulnerable youth. We are also part of coalitions like the Global Coalition to End Child Poverty, and networks such as Child Rights Connect, the Better Care Network, Eurochild, and the Fundamental Rights Platform.

The following example provides evidence that partnering works well in practice: It relates to an advocacy initiative of 2016, when SOS Children's Villages International called on the United Nations to address the worrying data gaps on children without parental care, making them invisible and unreachable by State protection. To do so, we reached out to other organisations in the care and child protection sector, as well as to other human rights focused organisations. More than 250 civil society organisations have joined our SOS-led advocacy action in developing facts-based policy recommendations and used them to educate governments, national statistical offices, international development organisations, other advocates, the media and the public. Results are for examples achievements with the governments of Netherlands, Italy and Norway; the political support of UNICEF; the financial support for our cause by the [World Bank and the Global Partnership on Sustainable Development Data](#); the inclusion of the issue in the agenda of the first UN World Data Forum in 2017; the support of 45 UN member states for our cause at the UN Statistical Commission; the mention of our target group in the [2017 UN Secretary-General's Report on SDG progress](#) (p. 13); the public endorsement by the [Better Care Network](#) and the media coverage in [The Guardian newspaper](#) and the [United Nations Development Programme platform](#).

In 2016, we trained 20 MAs to analyze the potentials and engage in partnerships for advocacy. This also included the use of the handbook, Working in Partnerships. Inspired by this training, the Advocacy Now project developed the Advocacy Strategy Development Guidelines. These guidelines are intended to help member associations understand how to run a sound strategy development process, how to establish advocacy as an integral part of overall strategy and what the components are of a robust, coherent strategy.

The guidance provided in our Working in Partnerships Handbook is also further elaborated in additional tools, for example the Practical Guide for Institutional Funding. The guide is applied by SOS staff directly involved in institutional funding projects.

When SOS Children's Villages cooperates closely with institutional or peer organisations in the frame of a project or on a certain topic, a memorandum of understanding is signed with our partners. Our memorandi include a reference to meeting high standards of accountability, including child safeguarding in line with our international policy. We also have a due diligence process, which global corporate partners must go through before we enter into any international agreement. Our Leadership

Giving policy support document contains our guiding principles for partnering with the corporate sector, high net worth individuals and foundations. For more information, see [5.21](#).

The following is an example of how we ensure that partners also meet high standards of accountability: In order to offer young people the opportunity of practical exposure to a work environment through job shadowing and internships, we partner with employers from the private sector on national and international level (see also [5.1](#)). Before the co-workers of our partner corporates start working together with the young people, they receive an introductory training on SOS Children's Villages' Code of Conduct, which at the end they also have to sign. With this signature they confirm clear behaviour expectations from our side. Also, if they observe any non-compliant behaviour, they know where to turn. See [5.2](#) for more information on the Code of Conduct.

To ensure our partners' satisfaction with their collaboration with SOS Children's Villages, our key account managers are in close contact with our partners to take up their input at any time. We also include them in the planning of these partnerships as soon as possible. For example, in the Youth Can! Project, not only were young people included in the project planning, design and reviews, but also some of our corporate partners, to ensure alignment with the local labour market and an employer-led approach. This was also an opportunity for young people and partners to raise and discuss challenges and find ways to address them.

Some of the challenges that have been defined in the past years are: Building up a relationship between corporate partners and young people takes time and is not always easy. Two different worlds are coming together, with different views, different cultures, different languages. Our experience shows that in order to develop a good relationship it is important to take small steps in the beginning, for example organise mutual visits, do team building activities together, etc. It is also essential to have clearly defined contact persons to turn to and to be clear about available resources. It is recommended to carefully assess the amount of exposure (time) needed for youth to be properly orientated, trained and/or exposed to the work floor. Time spent in an activity type (e.g. training) is more important than being involved in a great number of different activities.

More general challenges when building partnerships relate to requests for partnerships where programmes are already fully developed and the possibility for co-creation is limited. Another example are requests for volunteering, as we do not generally support flying people from one country or continent to another to deliver a service that could have been delivered locally and at a lower cost. Requests of this kind are dealt with on an ad-hoc basis and may be managed differently on local level.

At the global level, we have a partnership with ECHO, the humanitarian arm of the European Union, which audits all their partners on a regular basis and provides feedback and recommendations with regards to what they have found in the audit. We closely follow up on the recommendations from the audit and implement improvements, where necessary.

For global corporate partnerships we have a routine of in-depth evaluations, which involve in-person meetings once per year where we discuss learnings and highlights and strategise on what to bring with us for the following year. In addition, all partnerships are renewed on a regular basis and so far, most of our global partners have agreed to at least one prolongation which is evidence of satisfaction. For example, we have one partnership where we were trying out different joint initiatives and ways of working together and where the evaluation was used to streamline and focus our efforts into two strategic focus areas rather than the three to five we had in the beginning. This way our partnership goals became clearer and our work more effective. We have set KPIs to easier follow up on our progress; these are also modified through the process.

Evaluation is an ongoing joint process where together with our partners we constantly learn and develop our work in order to ensure we are working towards the highest possible impact in the lives of our programme participants, while contributing to other goals around the partnership. In addition to the above process, we will develop a written evaluation form for a more formal and standardised evaluation that is comparable between international corporate partnerships.

An overview of SOS Children's Villages' corporate partners, foundations and individuals with whom we cooperate can be found in our [Annual Report](#). As stated in previous years, as an organisation dedicated to children's well-being, we do not associate with companies, major donors or foundations strongly linked to issues that are directly harmful to children, that put children at great risk, or that are a prominent root cause for child abandonment. For more information on ethical fundraising, see also section [5.21](#).

## 5.7 NGO7 – Resource allocation, tracking and control

### Resource allocation & planning

In 2017, the federation started a new planning and steering process. Besides defining strategic objectives, each member association now conducts a financial mid-term plan for the next three years in addition to the annual plan. The mid-term plan has a strategic focus while the annual planning focuses on operational planning and the allocation of resources to budgets. These mid-term plans build the base for federation-wide resource planning in line with our Strategy 2030. The same applies to the GSC where resource allocation is also driven by the focus to give the best services and support to our member associations to strengthen quality and impact in our programmes. More details on the strategy can be found in section [4.12](#).

### Tracking & deviation analyses

To improve the controlling infrastructure in the organisation, in 2016 the Analysis and Management Tool (AMT) was rolled out federation-wide. In this regard, with 2015 year-end budget/actual data all national associations (NAs) started working with the new tool. The aim of the AMT is to facilitate the process of comparing budget/actual data twice a year, once mid-year for the first six months and once at the end of the year for total year to provide relevant steering information. Different cost and income drivers help to identify the main reasons for deviations.

AMT further supports management with sound information on an aggregated level (national, regional and international level) and puts the focus on important developments. The tool should facilitate a common analysis approach in all SOS units, member associations and the GSC. The purpose of the new tool and process is:

- A standardised approach to analyse deviations based on cost and income drivers within the entire organisation
- To provide further automation which enables NAs, IORs and the IO to increase their controlling abilities and save time
- To have a set of cost and income drivers at hand which point out the main reasons for deviations at first glance. The analysis process becomes more efficient as users can focus on most significant developments
- To capture the exchange rate development automatically without the need for additional explanation
- To use a common language and understanding in relation to possible deviation factors
- To provide consolidations and explanations on national, regional and international level to support the management with sound information on an aggregated level

In the GSC, comparisons of planned and actual figures are conducted monthly. In the second half of the year, the budgets are updated to reflect the latest forecast for the year. In general, the team is constantly working on improving the controlling mechanisms and is moving more and more reports into the new reporting tool Microsoft PowerBi which increases understandability, provides interactive visualizations and is very user-friendly.

### Audit reports & accounting

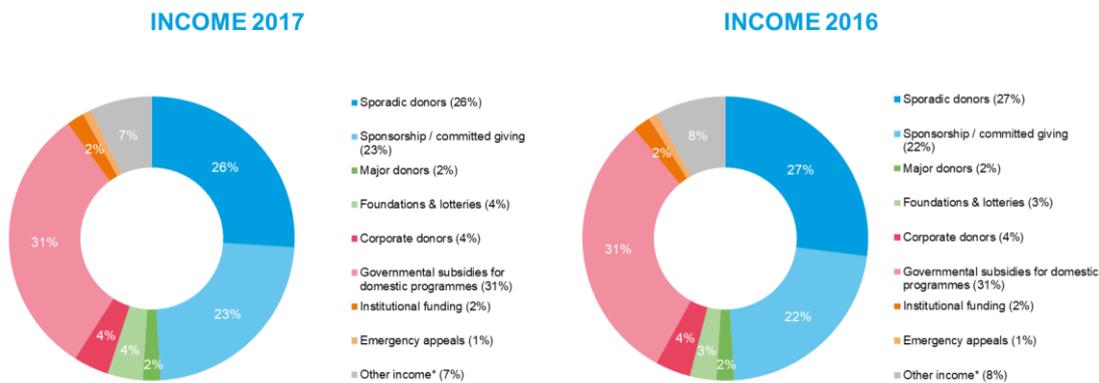
A uniform chart of account which is used by the majority of our member associations and the GSC builds up a solid base of data for decision making and ensures transparency. This International Chart of Accounts provides entities with an orientation on how to use a particular accounting code, facilitating daily accounting work and a consistent method of bookkeeping. Furthermore, it allows consolidation on a world-wide level. The International Chart of Accounts is regularly updated based on feedback. As the review panel requests that we share the International Chart of Accounts, it will be provided directly to Accountable Now together with this report. As also foreseen in the federation statutes, all material operations are subject to full independent external audit as required by national laws, and these statements together with independent auditors' statements are all published in the relevant jurisdictions. In this regard, all member associations are obliged to submit a yearly external audit report. With regards to the GSC, there is one audit report for the International Office and the IOR CEE/ CIS located in Vienna, together known as GSC Austria. The other IORs outside of Austria conduct their own audit reports. The short version of the audit report of GSC Austria can be accessed [here](#).

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

In 2016, 82% of the GSC's income came from membership fees. Of this, 31% was paid by the five largest supporting associations. In the year 2017, 90% of the GSC's income came from membership fees. 30% of this was paid by the same five supporting associations as in 2016: Hermann-Gmeiner-Fonds Deutschland (€4.7 million), SOS Children's Villages Norway (€2.7 million), SOS-Kinderdorf Germany (€1.9 million), SOS Children's Villages Sweden (€1.5 million) and SOS Children's Villages Denmark (€1.2 million). Further information about funding from our member associations is shown in section 2.8.

With regards to federation income, SOS Children's Villages has managed to continuously grow total income over the last years reaching more than €1.2 billion in 2016 and almost €1.3 billion in 2017. Sporadic donations and sponsorships / committed giving represent approximately half of our total income. Governmental subsidies for domestic programmes continue to be a large portion of our revenue and represented 31%, or more than €368 million, of our income in 2016 and 32% (€392 million) in 2017.

The graph below shows the different funding sources of the whole federation in 2016 and in 2017.



\*Other income refers to financial income such as interest (supporting associations), operational income from facilities, and local income from events or merchandising.

## 5.9 EN16 – Total direct and indirect greenhouse gas emissions by weight at the organisational level

For years, a number of environmental initiatives have been in place throughout the organisation (i.e., the use of energy-saving appliances or digital communication tools). However, a systematic approach for environmental management at the organisational level was, until recently, not in place. To address this need, in 2015 we ran a pilot project to measure the carbon footprint of GSC office facilities in Innsbruck and Vienna. One of the recommendations that came out of the pilot project was to establish an environmental management system (EMS) under EU regulations to regularly monitor and evaluate the environmental key performance indicators of these office facilities. Currently, we are in the process of becoming EMAS certified. EMAS (Eco-Management und Audit Scheme) is a community eco-management scheme, under EU regulations, a tool for companies and organisations to improve their environmental performances while saving energy and other resources.

In order to monitor and evaluate the development of our environmental impacts, we regularly collect relevant data. As part of the data collection, we record the CO<sub>2</sub> emissions generated by the two offices of GSC Austria. CO<sub>2</sub> emissions were calculated based on the Greenhouse Gas (GHG) Protocol as well as the emission factors of the Federal Environment Agency of Austria. Until 2015 we used the DEFRA emission factors (Department of environment, food & rural affairs, UK) to calculate our CO<sub>2</sub> emissions of heating and electricity. However, since their introduction in 2016, we have been using the Federal Environment Agency of Austria factors. Since we have changed emission factors, there are some differences between 2015 and 2016 emissions as might be expected. Moreover, since our focus is currently on reducing our largest CO<sub>2</sub> emissions generators, we have decided to leave out CO<sub>2</sub> emissions caused by water and paper input as these emissions were negligible.

The data below presents the baseline carbon footprint of the GSC Austria office locations in Vienna and Innsbruck in 2015. In line with the GHG Protocol, the following definitions were used to categorise emissions by emission scopes:

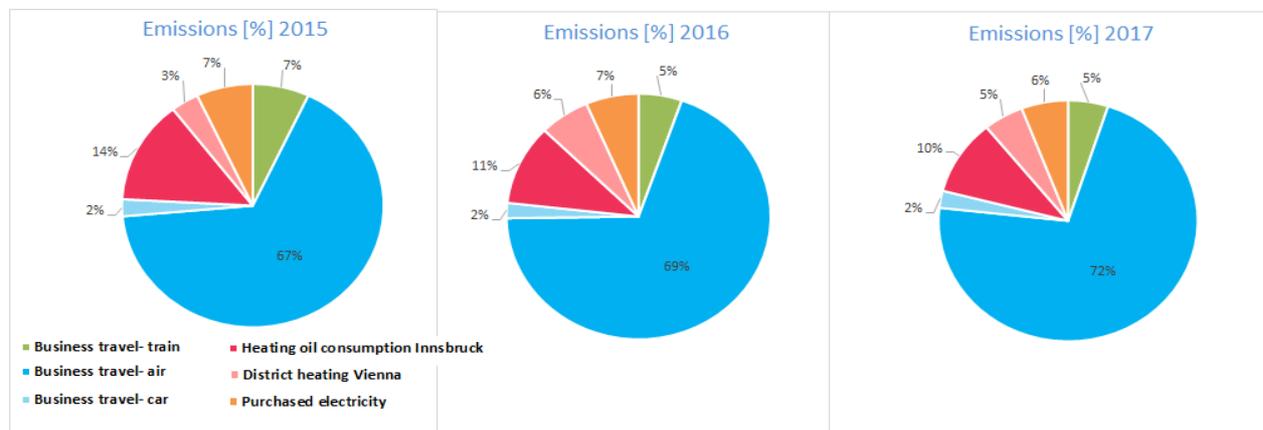
\* Scope 1: Emissions are direct emissions from assets owned and controlled by the organisation

\* Scope 2: Emissions are indirect emissions resulting from the generation of purchased or acquired electricity, heating, cooling, and steam consumed within the organisation

\* Scope 3: Emissions are indirect emissions not included in scope 2, including supply chain emissions

GHG emissions [t CO2eq]	2015			2016			2017		
	Scope 1	Scope 2	Scope 3	Scope 1	Scope 2	Scope 3	Scope 1	Scope 2	Scope 3
Business travel car	17			14			16		
Heating oil consumption IO Innsbruck	45			74			71		
Purchased electricity		54			45			41	
District heating IO Vienna		26			43			35	
Business travel- train (paid by GSC Austria)			53			37			35
Business travel- air (Paid by GSC Austria)			523			485			501
<b>Sum</b>	62	80	576	88	88	522	87	76	536
<b>Total emissions</b>	718			698			699		

**Emissions by activity**



As shown in the data above, we have slightly reduced our emissions. We managed especially to reduce our heating oil consumption in our International Office in Innsbruck. However, this reduction is partly caused by the change in methodology since we changed from DEFRA emission factors to Federal Environment Agency of Austria factors. Our CO<sub>2</sub> emissions caused by business flights have decreased from 2015 to 2016 but again increased in 2017. Therefore, we are currently designing a plan, in line with the EMAS certification, on how to reduce our CO<sub>2</sub> emissions in the coming years.

- Except for the business travel data, all data was collected from supplier invoices where possible to ensure accuracy for the GSC office locations in Austria.
- Business travel data was collected from our internal travel expense accounting and booking. The data includes all trips that were booked and paid for by the International Office in Austria. However, it also includes travel bookings for non-GSC Austria staff.

All other emission categories refer to the office locations and employees that work at these offices only.

**5.10 EN18 – Initiatives to reduce greenhouse gas emissions at the organisational level and reductions achieved**

SOS Children’s Villages International sees environmental responsibility as part of our accountability. Although it does not constitute the organisation’s core business, sustainable use of resources eventually benefits the growing up and living conditions of children all over the world. Therefore, as reported in prior reports, individual SOS associations actively support a wide range of environmental initiatives each year to reduce greenhouse gas emissions and improve their local environments. These range from projects within the areas of environmental education, education for sustainability, energy utilisation and capacity building, waste disposal, pollution control, tree planting, organic gardening, and healthy living. Strategy 2030 includes a focus on the environment in the context of our educational mandate: “Train care co-workers on how to prepare children, young people and parents to

succeed in life, become economically sustainable, gender-sensitive and environmentally conscious individuals.”

In 2017 for example, we carried out a youth consultation, which covered environmental aspects. In total, 84 young people from six countries participated. The consultations were led by a member of the International Youth Coalition in each country. Young people provided their input on environmental SDGs, why they think these SDGs are important and how we can protect the environment in SOS families. Ideas for improvement centred around recycling, water, cleaning, gardening, clean energy and awareness raising. Concretely, activities like organising cleaning campaigns within and outside SOS, setting up youth committees to promote awareness for the environment or organising campaigns in local schools were suggested.

In line with this environmental program, the GSC office in Vienna has been certified by the Austrian Ökoprofit in 2017. For this certification an EMS has been established. In order to expand this EMS to the International Office in Innsbruck, we are currently in the process of becoming EMAS certified by the end of 2018. In the process of become certified and in the years before, both offices set measures to reduce greenhouse gas emission like virtualisation of servers, introducing LED lights, purchasing of Energy Star products, extension of the virtual collaboration to avoid air travels, reducing short-haul flights, improving waste management as well as the reduction of one-way goods. We are currently designing our environmental programme and goals for the coming years. For 2019 we will focus on reducing our CO<sub>2</sub> emissions caused by heat generation. We are planning on implementing an alternative for heating with oil.

Additionally, we see value in collecting data on our energy in- and outputs on a regular basis and will undertake our first external energy audit in the first months of 2019. Henceforth, we will carry out an external energy audit every four years, as required by the Austrian Federal Energy Efficiency Act.

### 5.11 EN26 – Initiatives to mitigate environmental impacts of activities and services

The main environmental impacts of SOS Children’s Villages programmes themselves come from operating the homes, kindergartens, schools, social centres, health clinics, vehicles and administrative offices. We strive to reduce our environmental impacts by using energy-saving appliances and lightbulbs, by relying on public transportation and minimising air travel, and by communicating digitally and reducing printing. All re/construction/renovation and modification projects are evaluated to ensure environmental improvements, such as these below:

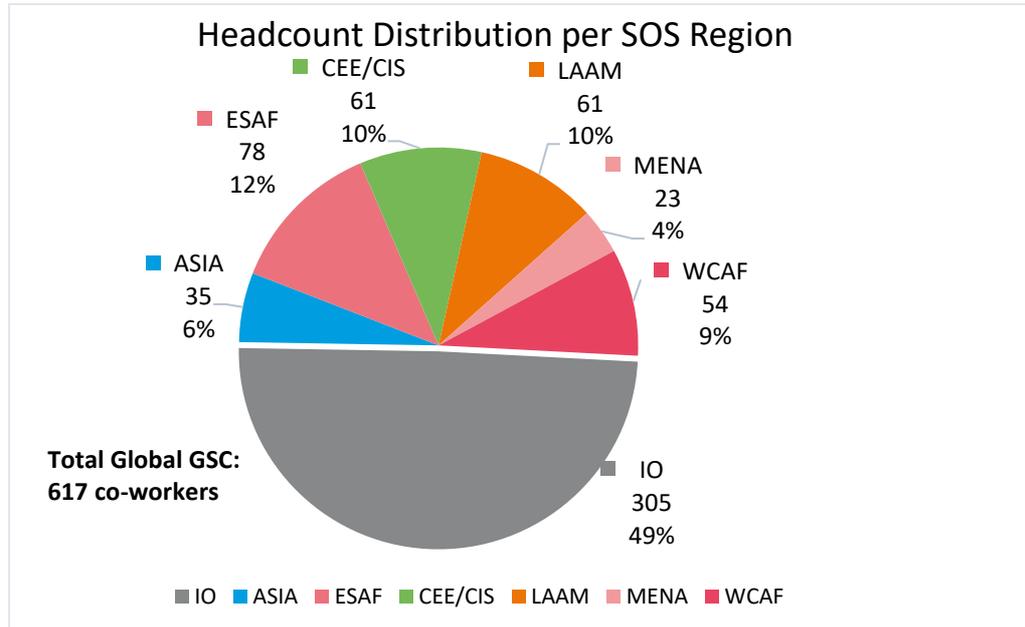
- Whenever possible we produce our own electricity by installing grid connected or off-grid photovoltaic systems. Before installing a photovoltaic plant an energy audit is the basis to plan the new energy saving concept. Solar heaters can be a part to save energy wherever it makes sense.
- In cold regions, we reduce CO<sub>2</sub> emissions by improving the U-value of roofs, walls, windows, doors and slabs.
- If needed, we use water treatment plants to ensure drinkable and healthy water to children.
- Sewage water is either deposited to public sewage plants or collected in underground concrete tanks. The underground tanks are pumped out by tank trucks and the sewage is disposed in a public sewage plant for treatment. In some cases SOS Children’s Villages separates drinkable water from grey water and uses grey water to flush toilets.
- Rainwater harvesting systems are used to water vegetable gardens and fruit trees.
- Trees are planted to reinforce soil layers and are useful in case of strong rains.
- In the area of construction, SOS Children’s Villages always works together with local architects, consultants and construction companies to ensure that local economies are supported and that local and proven designs, methods and materials are used. To avoid additional CO<sub>2</sub> emissions, SOS Children’s Villages specifically considers that new locations or programmes are situated in proximity to public transport stops, near markets where local food can be bought and near public kindergartens and schools.
- SOS Children’s Villages aims to realise construction/reconstruction or modification projects with environmental friendly and locally available construction materials, furniture and equipment to ensure sustainable construction projects.

### 5.12 LA1 – Size and composition of total workforce

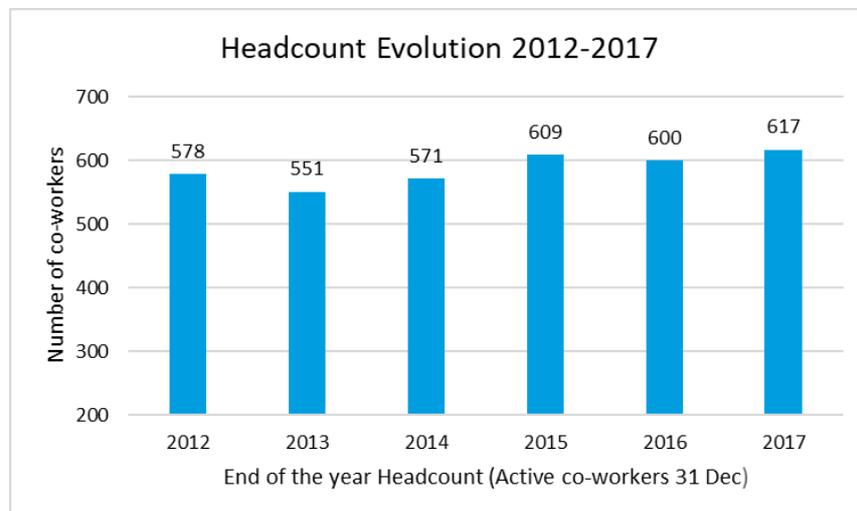
The figures presented in this section correspond to the headcount in the GSC as of 31 December 2017, not full-time equivalents. Co-workers reported are active co-workers, i.e. not on extended leave. This overview includes co-workers engaged in limited duration projects.

**Number of GSC co-workers**

In December 2017, the GSC had a total of 617 co-workers worldwide, distributed across six International Offices Region (IORs) and the International Office (IO), as presented in the chart below. The figures represent the headcount of each region, followed by the percentage of the total of GSC co-workers.



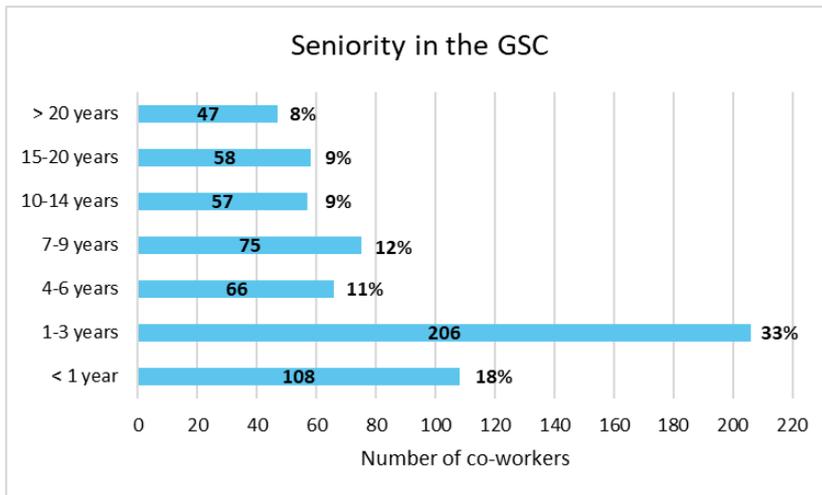
The number of active staff decreased from 609 in 2015 to 600 in 2016 and then increased to 617 in 2017. Based on strategic decisions to increase the services in some areas, some teams were strengthened, including Emergency Response. Additionally it was decided to establish new units in the International Office, namely Communications and Brand and Internal Audit.



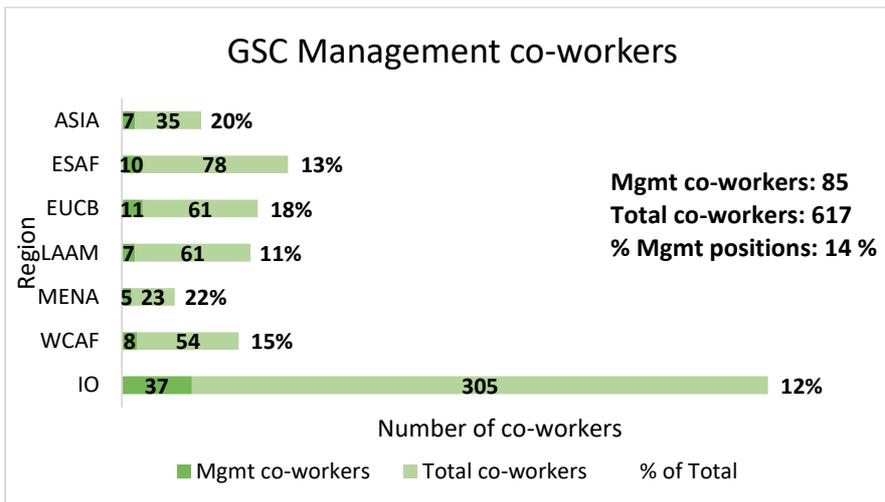
**Composition of GSC workforce**

As in 2015, the majority of GSC co-workers (81%) in 2017 work full-time. Most of the part-time co-workers are based in the International Office in Austria. Most GSC co-workers (86%) are employed under unlimited contracts. This is a common practice across all GSC units, which encourages employee commitment. Limited contracts are used to employ staff for projects and actions of limited duration as well as for interns, who gain first professional experience within the GSC. Compared to 2015, the percentage of co-workers with limited contacts dropped by 3%.

Seniority in the GSC refers to the time (in years) that an active co-worker has worked for the GSC. The average seniority is six years, which increased by 2% compared to 2015. To provide a better overview, seniority is classified in seven categories, as shown in the chart below. 18% of co-workers have worked for the GSC for less than one year. This number also includes interns.



As of December 2017, 85 co-workers were engaged in management positions in the GSC (which includes the Management Team, leaders of the different International Competence Centres and departments in the IO and leaders of the IORs and functions). They represented 14% of the total of GSC co-workers globally. The average length of service in the GSC for these co-workers is 9 years, +3 years above the global average for all co-workers.



**Workforce segmentation**

Workforce segmentation in the General Secretariat is still in the process of global alignment, after the strategic decisions to increase services in some areas and strengthen some teams (e.g. Emergency Response; Integrity, Compliance & Legal; Internal Audit) and to establish new units in the International Office (Communications and Brand, and Internal Audit). These strategic organisational changes aim at increasing the effectiveness of the services of the GSC. A common classification framework of segmenting different responsibility levels, reflecting these organisational changes, is planned to be rolled out across all General Secretariat offices in 2019.

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

As reported previously, we do not have an official written policy on local hiring for the GSC, and there is still no intention to develop one. Our Human Resources Manual provides national associations with a clear policy direction regarding the effective management of staff. It deals with local employment and local employment conditions and states that national staffing patterns are developed for all facilities, based on international guidelines.

International employment is not mentioned in the Manual as the GSC does not normally assign international staff to national operations, with the exception of very few, time-bound assignments. SOS Children’s Villages hires locally in almost all cases, including for executive staff and legal bodies. We strongly believe that for our national operations local ownership of programme work is important and thus its relevance is best ensured by hiring local staff. Consequently, we better serve children’s

integration in their communities and better support communities in embracing children's rights and developing sustainably. For more information on the number of SOS employees by region and area of work, please see page 38 of our [2017 Annual Report](#).

#### 5.14 LA10 – Workforce training to support organisational development

To advance our mission and achieve our strategic goals, SOS Children's Villages attracts, develops and retains highly skilled co-workers. We encourage them to take responsibility and support their individual development according to current and future requirements. We strongly encourage that they share their expertise with colleagues via peer exchange and internal trainings. Overall, we want to provide fair and sustainable working conditions and foster a positive working atmosphere. Therefore, we continuously work on improvements in these areas.

Through the annual Performance Appraisal Talks (PATs), we ensure that co-workers see how they are contributing to our important mission and we identify individual development needs. In addition to the collection of individual development needs in the PATs, the GSC also conducted a federation-wide survey in Q3 in 2017 to identify the development needs of MAs globally. This allowed us to assess the development priorities across the federation in order to build synergies and focus our resources to the most important topics. Out of all MAs who were asked to provide feedback, 59 gave comprehensive input on their current development offers and requests.

We no longer have a general target of investing a certain percentage of payroll budget into development actions. Rather, we aim at strengthening the competencies that are most relevant for our mission and for implementing our strategy (e.g. programme related knowledge, leadership). Thus, we strategically invest in corresponding development actions. We focus on using the internal expertise of co-workers across the GSC, as it is considered part of their job to provide trainings to co-workers and leaders in the federation. We are proud of having a high percentage of internal webinars and trainings and a strong culture of knowledge sharing and learning. In addition to that, we continue to offer trainings with external trainers. All development actions aim to support co-workers to reach their goals and create desired impact towards our mission.

People development is structured as follows: People development in member associations is a national responsibility, with IORs consulting and supporting MAs, as well as overseeing quality and alignment with relevant policies. Human Resources and Organisational Development (HROD) in the IO primarily provides development activities for co-workers in GSC Austria (i.e. from the IO and the IOR CEE & CIS, based in Vienna). In 2017, HROD offered the following trainings:

Topic	Events	Participants
About the Organisation	20	562
IT	6	67
Languages	5	38
(Self) Management	14	214
Health/Sports	6	87
Leadership Development	3	45

This training offer translates into 12.41 hours of trainings / webinars per employee, which is a total of 3,785 hours for 305 GSC Austria co-workers in 2017. In 2015, the training hours per employee were slightly higher with 13.10 hours per employee. The total of 3,369 hours in 2015 was lower due to a lower numbers of co-workers in GSC Austria.

Our internal training programme is based on the results of the individual development plans of our co-workers (as part of the performance management cycle) and on the overall needs of the organisation. In addition, the International Competence Centre Programme and Strategy hosts a series of webinars on the key, content-related topics of our programme work over the year. In 2017, Programme and Strategy hosted 16 webinars with an average of 60 participants from both the GSC and member associations. In addition to that, some co-workers also participated in external trainings, which is not included here in the table.

While most of the development activities organised by the IO are attended by co-workers from GSC Austria, some selected development initiatives are also available to MAs and IORs. Three examples will be explained in more detail: the Harvesting workshop to strengthen knowledge sharing and drive positive change, Introduction Days and the global leadership development initiative.

### Harvesting workshop

In the yearly Harvesting workshop, about 24 long-standing co-workers from all across the world come together to share stories about the best moments in their work life. Harvesting participants exchange on their rich and varied working experiences through a specific storytelling approach that is combined with Appreciative Inquiry, a strength- and resource-oriented methodology. Harvesting is a knowledge sharing workshop with a holistic approach. Goals are set on the individual, workshop and organisation level. The overall ambition is to discover what works well in daily activities, what gives strength to SOS co-workers and what SOS Children's Villages can build on so that we can grow in that direction.

### Introduction Days

Introduction Days take place three to four times a year and the target group are co-workers from the IO, IORs as well as from our MAs. This workshop is a unique opportunity to learn about SOS Children's Villages in a compressed form and to meet colleagues from different parts of the federation. It is designed for recently recruited co-workers to ensure they understand the collaboration in the federation and how their own job relates to the overall mission. In 2017, 94 co-workers from the GSC (International Office and International Offices Regions) and 14 co-workers from different member associations participated in the Introduction Days.

### Leadership development

Leadership development is a crucial topic to drive the implementation of Strategy 2030 and ensure that the organisation can reach its goals. Therefore, several leadership development measures have been initiated:

- a. To strengthen leadership capacities and a shared leadership culture globally, the federation initiated a project that will run between 2018 and 2020. A global project group will research leadership requirements, design a leadership development roadmap as well as content and implement the development modules in the federation. The roll-out of the reviewed leadership competencies will be done together with the global leadership development programme.
- b. On *regional level*, we piloted the 360° Leadership Appraisal approach in 2017, where 14 national directors from the region Eastern and Southern Africa (ESAF) volunteered to participate in this development initiative. People who were collaborating regularly with these national directors were invited to provide anonymous feedback to their leadership competencies. An aggregated report about the leadership development needs was delivered in November 2017 and will be considered for the global leadership development programme.

### Evaluation of trainings and successful transfer

In order to measure the impact of our development offers as well as the satisfaction of our employees with the trainings, we aim to evaluate every seminar and training. Overall ratings suggest that participants of our trainings are either very satisfied (77%) or satisfied (20%) with the trainings they participated in. They also rate the relevance of trainings for their daily work very favourably (73% very relevant, 24% relevant). In addition to that, the transfer of the training into daily work is followed up individually between co-worker and supervisor.

### Digitalisation

SOS Children's Villages enables the children and young people in its care to make use of the digital age in the best possible way to support them on their path to independence. To accomplish this and to train co-workers as well, we have implemented and are planning various digital learning and mentoring measures to foster education and employability.

- The Digital Village project aims at integrating technology into the everyday lives of SOS mothers by providing access to computers and the internet as well as tailored trainings on topics such as internet safety and digital literacy.
- SOS Children's Villages, in partnership with MobilTrain, an Indian company specialised in providing learning solutions using mobile technology, has implemented Text2Change. This mobile phone based learning project aims at enhancing the parenting skills of mothers in Bangladesh, Nepal and Sri Lanka.
- In addition, we use e-learning to train co-workers on a global scale. The "SOS virtual learning community" was official relaunched as the e-learning platform for the region Latin America & the Caribbean by the International Office Region in 2015. In 2017, more than 1,200 participants from member associations across the region enrolled in e-learning courses. Overall, 15 courses were available in 2017. For selected courses, the e-learning platform was also used globally. One example of this is the e-learning course, Child Safeguarding Principles and Process. For more details on the child safeguarding e-learning course, please refer to section [5.2](#). In the future, more courses will be provided globally, for example, a course on the SOS Care Promise. The SOS Care

Promise e-learning course will familiarise co-workers with the main content of our care foundations and our care commitments. A virtual training on information security again will aim at our staff to step up to their roles in keeping and maintaining a high level of data and information security.

In general e-learning will be further expanded with a focus of bite-sized learning. We are also envisaging an advanced type of virtual training which we call the “Digital Care Assistant”. It aims to take e-learning to the next level as care co-workers can address issues and questions virtually to immediately get support.

In the frame of its digitalisation strategy, the GSC is looking beyond a pure technical and application context, including ways to foster a digital mindset throughout all business units and levels and increase digital dexterity.

### 5.15 LA12 – Global talent management

Performance management at SOS Children’s Villages starts with the performance appraisal talk at the beginning of the year, where (1) performance of the previous year is assessed, (2) feedback on collaboration is exchanged, and (3) work and development objectives are agreed for the upcoming year. Part of the discussion is also a medium-term outlook on possible career development. These performance appraisal talks are followed by regular meetings the supervisors and their co-workers to provide ongoing support and feedback. After half a year, a mid-point review is conducted to ensure that adaptations and corrective measures can be carried out, if necessary. This table refers to the percentage of co-workers who had a performance appraisal talk with their supervisors and agreed on work and development objectives for 2017:

Respective Offices	%
International Office	73%
ESAF	85%
WCAF	82%
MENA	80%
ASIA	100%
CEE & CIS	86%
LAAM	85%
<b>Average</b>	<b>84%</b>

Overall, completion rate of PATs increased in CEE & CIS, WCAF and LAAM, while it remained the same in the International Office and ASIA. A small decrease could be observed in MENA and ESAF. In 2018 we aim for higher completion rates in the International Office and continue to work on improving the quality of the performance appraisal talks through trainings and preparatory briefing sessions.

The organisation will take the next step towards a more systematic Talent Management Approach. It is planned to negotiate a company agreement between the Management Team and the Staff Council in the International Office that will regulate the process for talent identification, used tools and the rights of participants. The roll-out will begin once the company agreement has been signed in late 2018.

### 5.16 LA13 – Diversity in your organisation displayed in the composition of governance bodies and employees

#### Composition of the International Senate

The International Senate (see also section 4.1) consists of 22 members including the President and Vice-President. Apart from the President, all are representatives of national member associations. Nineteen different nationalities are represented. Six members are female (including the Vice-President) and sixteen are male. In line with the overall aim to enhance our gender balance in senior positions, we will make special efforts leading up to the elections in 2020 to strengthen the female representation in the Senate so that we can achieve our set target of 40%. In general our federation statutes state that nine seats on the International Senate shall be allocated to representatives from ordinary members in a way that ensures balanced representation of geography, gender and other groupings of ordinary members. However, a balanced representation is also aimed at for the remaining seats.

Since the International Senate members are representatives of MAs, their succession planning is handled by the national member association. Hence, the GSC actively supports board development

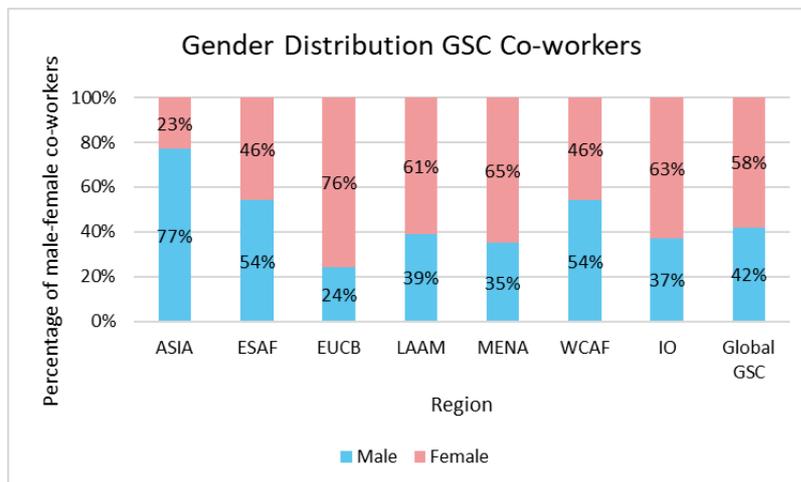
activities. For more information on national board development, please see section [4.10](#). For information on the term limits of Senate members, please see section [4.1](#).

### Composition of GSC co-workers

Globally in the GSC workforce, 58% of co-workers are female and 42% are male. A summary of the gender distribution in terms of number and percentage of co-workers is shown in the following charts.

For management positions in the GSC in 2017, 39% of co-workers are female (7% decrease compared to 2015). This decrease is particularly accounted for by a somewhat large number of vacant senior positions during 2017 within the GSC; it is intended to give particular consideration to female applications when filling these positions. Our strong effort in our succession planning is to increase the ratio of women in our top management and we are working on it. In general we address this gap with special measures to increase focus on a gender-balanced recruitment strategy. This includes a visible commitment stated in all our job announcements for senior positions strongly encouraging female applications. i.e. "SOS Children's Villages International strives to ensure gender balance in senior management."

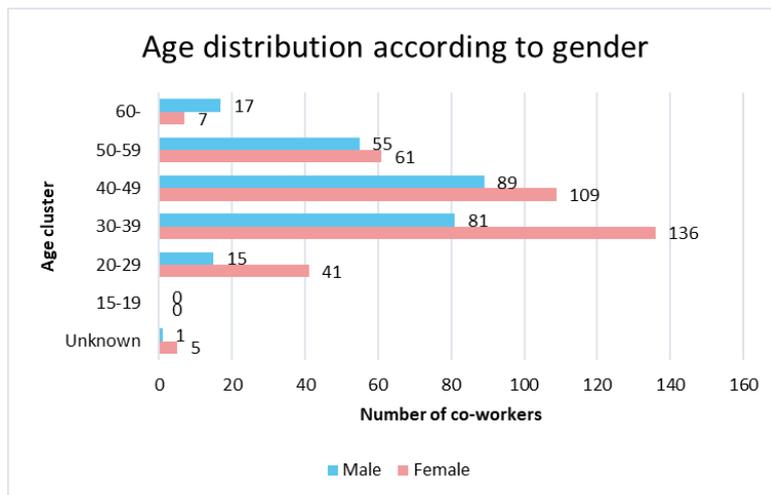
GSC co-workers	Female	Male	Total	Female%	Male%
Management	33	52	85	39%	61%
Non-Management	326	206	532	61%	39%
Global GSC	359	258	617	58%	42%



### Gender equality in national management

In the course of endorsing the Gender Equality Policy (see [5.4](#)), the International Senate set clear targets on gender equality for national director positions and national board members and has committed SOS Children's Villages to achieve a 40% of female representation in both categories by 2020. While for national board members we have surpassed our target by 3% showing now 43% female representation, we are still slightly under the target for our national directors, i.e. at 37%, but we increased by 2% compared to 2015.

The average age of co-workers in the GSC globally is 41 years. For a more detailed overview of age, please refer to the chart below.



### Percentage of co-workers with disabilities

The number of co-workers with disabilities within the whole GSC is not tracked. No process has been put in place to track and drive the topic. In reflection, we do not intend to pursue tracking of such data, but rather to strengthen and show our efforts to advocate for systems within the organisation to accommodate diversity of any form including disability. Our commitment in this respect is deeply anchored in our Code of Conduct and a range of policies which are applicable to the whole of the federation. In today's landscape where data protection and related laws have deepened our understanding of respecting privacy of personal information, we feel that such information is sensitive and should remain an individual choice to be revealed to an employer.

### 5.17 NGO9 – Mechanism for workforce to raise grievances and get response. Health and safety standards

Staff can always raise grievance via supervisors and regular reporting lines. As highlighted in [NGO2](#), our Code of Conduct demands that if any staff member becomes aware of any breach of the Code of Conduct, they are duty bound to report it to their respective manager or another person in a position to receive such reports. Additionally, co-workers can always contact the International Director of Human Resources and Organisation Development as well as our two HR Business partners in Vienna and Innsbruck to raise concerns or issues they are not comfortable raising within the regular reporting lines. As mentioned in our [2015 report](#), the Management Team actively seeks dialogue with staff in regular exchange sessions. For these sessions, staff can submit questions and concerns beforehand or can also directly address individual Management Team members. These exchange sessions take place regularly over the year. Other exchange possibilities and formats, such as the GSC Café, are explained in our [2015 report](#) section 4.4.

In addition to the SOS Children's Villages Code of Conduct, which applies universally to all employees, every region has its own employee handbook containing the rights and obligations of both the employee and the employer.

The **Staff Council** is elected according to the Austrian Labour constitution law as a representative body of staff employed by the SOS Children's Villages International association. Registered in Innsbruck, Austria, it promotes and protects the economic, social, health and cultural interests of employees within the GSC in Austria. Employees in its jurisdiction can bring forward issues to and raise grievances via the Staff Council, for example by means of staff meetings. This also allows staff to raise grievance outside regular reporting lines.

In 2017, 6 partial company meetings took place in each of the two office locations in Austria, and the social partners of GSC Austria (Staff Council and Management Team) signed the first company agreement (Company Agreement on Whistleblowing tool). Further company agreements are being negotiated and will be signed in 2018.

The Staff Council received around 72 queries from staff and took action in 25 individual cases in 2017. All queries and actions could be resolved within the social partnership parties. Additionally, employees can contact the Staff Council individually at any time. The Staff Council discusses issues brought forward to management in order to negotiate and develop viable solutions. Physical meetings with management take place on a quarterly basis and monthly if needed. During these meetings, the Staff Council discusses with management on a peer level exerting its advisory role, requesting information

and raising issues regarding accountability, transparency, equal opportunity and overall business governance. The interaction between the Staff Council and management is primarily concerned with labour law related to case management. The Staff Council and management strive to strengthen the social partnership through constructive cooperation.

The health and safety of employees are central concerns of the organisation and local labour laws are complied with. In accordance with the Austrian labour law, which has a strong focus on health and safety, a wide range of actions is implemented in Austria. As an excerpt, the following actions can be again mentioned:

- A company doctor is available in the office on a regular basis
- Partnership with experts who provide workplace inspections upon request to improve quality and safety
- Designated first aid helpers and regular skill refreshment courses
- Designated fire prevention officers and regular fire drills
- Burnout prevention sessions for supervisors and co-workers in the IO
- Two resilience workshops, which showed methods on how to balance between personal resources and professional requirements

In addition, we continue to offer a comprehensive internal education programme with one section dedicated to health and sports programmes. For more information, please refer to section [5.14](#).

In 2018 we will be developing a Security Policy to enable SOS Children's Villages International and its member associations to operate in the safest and most secure way possible, while pursuing the aims of its projects and programmes. The objective is to offer the highest possible levels of safety to all staff, without infringing on the rights and interests of programme participants. The draft policy and corresponding manuals for implementation build on existing mechanisms of member associations – formalising good practice from member associations and external actors to face the challenges of a changing security environment of NGOs.

### 5.18 SO1 – Impact of activities on the wider community

As described in our previous reports, before SOS Children's Villages establishes any programme in a country, a child rights situation analysis is performed by an external agency. This provides us with a solid understanding of the needs and how our expertise might help with respect to our target group and the wider community. The analysis of our target group is not a one-time event, and the results are benchmarks for the long-term national planning process. Updates are made on a regular basis (e.g. every three to five years) or if there are any significant changes within the country.

Feasibility studies are conducted to provide even more in-depth analyses on potential locations for programmes. If the feasibility study justifies a new programme, or revision of an existing one, a proposed package of appropriate responses (programme interventions) is developed according to the best interests of the children within the target group and the community as a whole. Feasibility studies will be replaced with needs assessments as RBM is rolled out. For more details, please see [5.3](#).

#### Understanding our impact

As outlined in NGO3, SOS Children's Villages has a rigorous approach to assessing our social impact on various levels, including the wider community. The approach also includes an assessment of the relevance, effectiveness, efficiency and sustainability of a programme in a given community. We evaluate our community-level impact through individual stakeholder interviews, focus group discussions and any available documentary evidence. Key dimensions of community development that are assessed include community awareness, community-based support systems, progress towards sustainability and the situation of alternative care. For more information on our assessment methodology, please see our [international website](#).

Since our last report in 2015, we have published the findings from our first seven social impact assessments (SIAs) in a consolidated report (available [here](#)) as well as “snapshot” reports from each individual assessment. We are currently preparing further snapshots for other assessments that have been completed and will release them – and subsequent snapshots – as they become available. We plan to publish our next consolidated report in 2019.

#### Key takeaways from our consolidated report

On the community level, local stakeholders indicated that they highly value the organisation's work in their communities. SOS Children's Villages is highly regarded and well positioned, with some promising examples of community-based approaches. Almost all programmes successfully raised

awareness about the situation of vulnerable children and families in the community, and children's rights. Child safeguarding mechanisms in the community are mainly in place, but need to be further strengthened, and in this sense, the programmes could do more to advocate for changes in this regard with their local authorities in the locations in question. While some locations have taken successful steps to strengthen civic engagement, community-based organisations and relevant partners, there is a general need to further strengthen these in order to proactively respond to the needs of disadvantaged children and families.

### **SIA roll-out**

In terms of the roll-out of the SIAs, since our [2015 report](#), three assessments have been completed (in Bolivia, Bosnia & Herzegovina, and Mozambique), five more are currently underway, and four more are to be launched by the end of 2019.

As the impact methodology is rolled out to more SOS programmes around the world, we will be better able to draw conclusions about the quality and impact of our programmes. The individual assessments are greatly supporting programme improvement, and member associations are also using the findings for fundraising and external communications on the national level. The SIA also feeds into our results-based management project (also described in [5.3](#)), which is oriented towards internal refinement of our management approach.

Finally, knowledge-sharing activities continue to help us to refine our programmes across the federation. Co-workers are using webinars and conferences coordinated by the GSC to share their successes, failures and open questions, learn from peers and collaborate on problem-solving, capacity building and innovation.

## **5.19 SO3 – Process for ensuring effective anti-corruption policies and procedures**

The Integrity, Compliance & Legal unit continues to build on the foundations laid in the area of corruption prevention which have been outlined in our [2015](#) and [2016](#) Accountability Reports and letters to the Panel. In 2017, the federation's anti-corruption framework was further strengthened in areas of prevention and detection of corrupt conduct, as well as the response thereto.

### **Recent developments in the area of corruption prevention**

In the spring of 2017, a federation-wide integrity and compliance network was rolled out and implemented to heighten awareness of integrity and compliance topics at member association level. In addition to members of Integrity, Compliance & Legal, the network includes over 120 regional and local integrity and compliance contacts. As a platform for the exchange of knowledge, resources and experiences, the integrity and compliance network strengthens the integrity and corruption prevention framework at SOS through capacity building, best practice exchange and knowledge sharing.

### **Recent developments in the detection of corrupt conduct**

A significant milestone was achieved in November 2017 with the launch of an additional reporting channel, the SOS Children's Villages International online whistleblowing channel, complementing the existing reporting options for reporting corrupt conduct as outlined in our organisation's Anti-Fraud and Anti-Corruption Guideline. Through the online whistleblowing channel, an IT-based, specially secured communication application (not a standard email system), individuals can report suspected corrupt conduct online, also anonymously if desired. First reports have already been received through this channel.

### **Recent developments in the response to corrupt conduct**

Lessons learned and best practice approaches have been incorporated into the creation of additional communication and support materials which are continuously developed by Integrity, Compliance & Legal, also throughout 2017. This included, for example, the extension of the previously introduced Situation & Solution series and the creation of an internal, virtual anti-corruption training and communication platform, accessible to integrity and compliance network members.

Advancements in the communication of corruption cases include the ongoing optimisation of Corruption Incident Papers and the creation of a Corruption Incident Paper Reporting Platform in 2017, which serves for regular distribution and archiving of all Corruption Incident Papers, informing selected federation stakeholders about newly reported incidents, providing updates on already reported cases and, furthermore, providing an additional quarterly overview outlining recently reported and updated Corruption Incident Papers. The new Corruption Incident Paper Reporting Platform has

significantly streamlined stakeholder information and communication flows, in particular with regard to data protection and confidentiality considerations.

## 5.20 SO4 – Actions taken in response to incidents of corruption

An Annual Corruption Case Report has been published internally since 2015 and made available within the federation. As announced in our response to the Panel's feedback on our 2016 report, the Annual Corruption Case Report has been adapted for external audiences. The 2015, 2016 and 2017 Annual Corruption Case Reports are externally available through the [integrity and compliance page](#) of the international website.

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

SOS Children's Villages continues to promote a responsible approach to fundraising in our member associations through strong policies and guidelines that ensure children's rights are respected and that advertising and promotion are accurate and truthful. Our policies in this area – which have not changed significantly since the last report – are based around firm principles, respecting a child's right to privacy as well as a commitment to transparency and accountability. Our [2015 report](#) gives an overview of relevant documents, such as our Fundraising Manual, Child Protection Policy and Sponsorship Handbook, as well as our ethical approach to developing institutional and corporate partnerships at international and national levels. We publish the names of our partners in our International Annual Report, which is freely available [here](#).

In 2017 we received three complaints related to fundraising practices, which were handled according to our feedback and complaints handling process (see NGO2 for more information.) The cases were resolved and closed. Specifics about the procedure are provided in [5.2](#).

SOS Children's Villages is engaging with external stakeholders, including the NGO community, to ensure that its policies and procedures regarding the responsible use of images is in line with best practice, including the protection of privacy, respect for children's rights, and involvement of programme participants in the process. SOS Children's Villages supports [the Concord Code of Conduct on Images and Messages](#). SOS Children's Villages also continues to make adjustments to internal guidelines to ensure that appropriate consent is obtained and that compliance with laws (for example GDPR) is assured.

#### International child and village sponsorships

The panel has asked for more information regarding feedback and complaints for international child and village sponsorships, especially regarding cases the GSC receives directly. The GSC serves as the sponsorship office for a small number of sponsors (just under 400) who do not have a sponsorship office available to them in the country where they live. The GSC is the main point of contact for these sponsors and handles communication with them directly. In 2017, these sponsors submitted 16 complaints and enquiries directly to the GSC which were tracked via an online tool, all of which were successfully resolved within two weeks.

With regards to international sponsorships registered with member associations, the GSC provides a major centralised service for processing information from the national office where the child or village is located and sharing it with the SOS association where the sponsorship is registered. A large part of these enquiries are processed and tracked in a tool, and the rest are handled through other channels, such as email. In 2017, the GSC processed and closed enquiries and complaints totalling less than 1% of our international sponsorships. The vast majority of these cases are for general issues, such as timely receipt of sponsorship information, sponsorship information lost in the mail, questions regarding content or pictures provided to sponsors, and contact details.

#### On the horizon

Our Leadership Giving policy support document and its support tools are currently being revised with input from colleagues in MAs and the Integrity, Compliance & Legal unit, and will be rolled out in 2019. Major changes include:

- Clearer definitions of “no-go areas”, including alcohol
- The addition of violent video games as a no-go area, using the video game content rating system as reference
- The threshold for the acceptance of donations or for entering partnerships with companies, HWNIs or foundations that derive part of their revenue or capital from distribution or sales of armaments and weapons or that invest in this has been lowered from 5 percent to 1 percent.

## LIST OF ABBREVIATIONS

AFACG	Anti-Fraud and Anti-Corruption Guideline
AMT	analysis and management tool
CEE & CIS	Central and Eastern Europe & Commonwealth of Independent States
CFIA	cross-functional internal audit
EMS	environmental management system
ESAF	Eastern and Southern Africa
GMAQS	Good Management and Accountability Standards
GSC	General Secretariat
HROD	Human Resources and Organisation Development
IO	International Office
IOR	International Office Region
LAAM	Latin America & the Caribbean
MA	member association
MCO	Management Council
M&E	monitoring and evaluation
MENA	Middle East and North Africa
MT	Management Team
NA	national association
PAT	performance appraisal talk
PSA	promoting & supporting association
RBM	results-based management
SIA	social impact assessment
WCAF	West and Central Africa

# A LOVING HOME FOR EVERY CHILD



SOS CHILDREN'S  
VILLAGES  
INTERNATIONAL

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