



VOLUNTARY PRINCIPLES ANNUAL REPORT 2022

COMMITMENT TO THE VOLUNTARY PRINCIPLES

FFP is highly active within the VPSHR, as a member of the VPSHR Association (VPA) Board of Directors since 2016 (after previously having served from 2011-2015). After chairing the NGO Pillar for most of its existence, including 2017-2020, during 2022, FFP remained engaged as a member and also co-chaired the Ghana In-Country Working Group (ICWG). The FFP President and Executive Director, Paul Turner, joined a delegation from November 7-12 to meet national stakeholders and participate in meetings in Maputo and Pemba of the Voluntary Principles on Security and Human rights in Mozambique. In addition, he has provided trainings to CDD human rights monitors who chairs the In-Country Working Groups (ICWG) and served as a sounding board for their efforts in northern Mozambique. Recently, he joined CDD in a conference in support of CDD and VP ICWG's titled "Strengthening the Agency of Human Rights Defenders in Northern Mozambique where he discussed the Voluntary Principles during a session on the nexus of business and human rights in Mozambique. Programs Director Wendy Wilson supported the verification of Newcrest on January 25, 2023.

FFP continues to feature the VPSHR prominently on its website (www.fundforpeace.org), wherein FFP also makes publicly available its Annual Report to the VPI. FFP also provides extensive information and reporting on its ongoing implementation work in Ghana, hosted on a dedicated website at www.ghanavps.org. Further, in 2022, FFP frequently publicized the VPSHR in lectures and panel discussions related to issues such as corporations operating in conflict-sensitive areas; conflict and human rights impact assessments; and multisectoral collaboration and partnerships.

ABOUT FUND FOR PEACE'S WORK

FFP has been engaged in a wide array of programs that have assisted companies in the oil, mining, renewable energy, infrastructure, and agribusiness sectors, including:

- Assessments (including Community, Human Rights Impacts, Risk, and Security Assessments);
- Training on Human Rights and Security for companies, communities, and security forces;
- Technical support for human rights monitors;
- Expert advice on implementation;
- Community/stakeholder engagement;
- Workshops on security and human rights for a variety of stakeholders.

As with previous years, in 2022 FFP engaged with other participants of the VPI to better understand challenges and lessons learned. A major pillar of this engagement is the Human Rights & Business Roundtable (HRBRT). During the reporting period, the HRBRT continued to serve as an invaluable resource for corporations, NGOs, and governments to work together to promote human rights, good corporate practices, and sustainable development. The accessibility of virtual meeting platforms made it easier for the Roundtable to engage with panelists and stakeholders around the world who would never have been able to travel for in-person events. This created a broader pool of expertise and participants that FFP engaged with on both the forums and the publicization of the VPSHR. Among the HRBRT's 2022 corporate



members are Chevron and Newmont Mining. Panelists and partners at Roundtables included Business for Social Responsibility, Center for Strategic and International Studies, Deseret Media Company, Freeport-McMoRan, Geneva Centre for Security Sector Governance, International Alert, Kosmos Energy, Novartis, Organisation for Economic Cooperation and Development, Pandora, Paul Hastings LLP, Responsible Mining Initiative, and US Government Agencies.

POLICIES, PROCEDURES AND/OR GUIDELINES TO IMPLEMENT THE VOLUNTARY PRINCIPLES

4 FFP was unable to attend the 2022 Annual Meeting due to funding constraints and ongoing travel restrictions due to COVID-19, but did attend the virtual sessions. In addition, FFP attended and participated in the country and corporate processes for vetting new members to provide peer review and support of VPSHR growth and implementation.

PROMOTION OF THE VOLUNTARY PRINCIPLES

5 As in previous years, FFP has promoted the VPSHR directly with companies who are not currently VPSHR participants, at the project and corporate level. Discussions sometimes address joining the VPSHR formally, but FFP's focus is first on the adoption of the This year, FFP worked with media and tech companies to review human rights issues in their supply chain, as well as their technology's effect on human rights issues. Beyond meeting with various interested stakeholders one-on-one, FFP frequently publicizes the VPSHR in lectures and panel discussions, as outlined in section 2 above. This year the Ghana ICWG completed their project, which included raising awareness throughout the extractive industry in Ghana about the VPSHR, including trainings on their implantation in context. FFP worked with the Mozambique IGWG to support their participation, including working directly with the staff through trainings.

6 Through our work in Ghana, FFP has engaged directly with local communities and civil society organizations throughout the country. FFP has worked closely with local civil society organizations,

including our program partners WANEP-Ghana, as well as other relevant organizations such as Wassa Communities Affected by Mining (WACAM) and Youth on Board Africa (YOBA). During 2022, the Ghana ICWG, which FFP co-chairs, concluded the work on the research study aimed at establishing a baseline on the current status of human rights in the Ghanaian extractive Sector. Additionally, the Ghana ICWG, in collaboration with the Kofi Annan International Peacekeeping Training Centre (KAIPTC) concluded their work on the development of VPs standards for security through standardized training, awareness raising, and regulatory review.

7 Through our frequent engagement with VPI member and nonmember companies, FFP encourages the adoption and implementation of the VPSHR in corporate policies and practices. In some programs, FFP assesses the effectiveness of that implementation and provides assistance and guidance for improvement. More broadly, FFP has worked closely with non-member corporations through conflict assessments to develop guidance on the use of security forces.

COUNTRY IMPLEMENTATION

8 FFP's efforts to strengthen the rule of law in countries around the world stretches far beyond its efforts related to the VPSHR. More specifically germane to the VPSHR, FFP's continued work in Ghana has focused heavily on the security sector, particularly the police and military and their respect for human rights and the rule of law, as outlined in section 6 above. Additionally, FFP continues its work with Nigeria and Chevron, through the PIND foundation, to promote sustainable peace.

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11 FFP works both directly with companies, or indirectly via investors such as banks and multilateral financial institutions, to assess human rights and security risks and to assist with improving internal policies and practices to mitigate risks for their operations. FFP follows a model of close consultation with companies, and as such respects the confidentiality of such processes. Assessments and recommendations for operational improvement center around the implementation of the VPSHR. FFP continues to consult regularly with various companies — both members of the VPI and non-members alike — to discuss challenges and consider strategies for improvement.



12 Through the HRBRT, FFP works with companies and NGOs who are part of the VPI to discuss current issues, lessons learned, and best practices. Through these dialogues, the participants are held accountable for their role in upholding the VPSHR.

LESSONS AND ISSUES

13 During 2022, the global COVID-19 pandemic continued to impact the ways in which FFP does business. While creating additional challenges, the pandemic provided an opportunity for innovation, particularly in how activities and outreach for the VPSHR can be conducted. A good

example of this mentioned above is the virtual training and troubleshooting provided by FFP to CDD staff in Northern Mozambique serving as human rights monitors. Virtual and online communication platforms made many meetings and conferences possible where logistics or situational risk might have prevented in-person connections in the past. This, in addition to travel for in-person trainings, conferences, and meetings, allows for a multipronged approach to outreach, connection, and accountability. Looking ahead to 2023, FFP will seek to continue to innovate by expanding its activities and outreach on the VPSHR to connect with new companies and support diverse perspectives.

HUMAN RIGHTS & BUSINESS ROUNDTABLES IN 2022



The mission of the Human Rights & Business Roundtable is to promote the rule of law and open societies. Launched in 1996, the Roundtable was the first forum designed for multinational businesses and mainstream human rights organizations to discuss issues of common concern in an atmosphere of mutual respect, trust, and confidentiality.

EVALUATING & INVESTING IN ETHICAL SUPPLY CHAINS: STRATEGIC AND RARE EARTH MINERALS

Classified under a variety of terms, strategic minerals are widely recognized as essential to tech, industry, and economic development. As the road to extraction has not always been consistent with responsible business practices, the Human Rights & Business Roundtable held a multistakeholder dialogue to discuss building and maintaining more humane, sustainable, and profitable supply chains in this sector. Panelists emphasized the development of and continued need for a due diligence guidance tool for responsible engagement. In addition to discussing mineral dependency in specific countries, the panelists noted how these supply chains are related to countries' new risks and vulnerabilities, fueling geopolitical trade tensions. Building more ethical mineral supply chains is possible through standardizing regulatory compliance, integrating a more sustainable process which includes the voices of all stakeholders concerned, increasing corporate and governmental transparency, and accounting for local and structural risks and vulnerabilities.

CONDUCTING BUSINESS IN CONFLICT & POST-CONFLICT ZONES: THE CASE OF UKRAINE

Russia's invasion of Ukraine in February 2022 has caused one of the world's fastest growing humanitarian crises and strained critical supply and logistics chains already weakened by the COVID-19 pandemic. Public outrage combined with a spike in geopolitical risk has led many companies to reevaluate their business involvement in both Ukraine and Russia. Key ethical questions concerning the exit, entry, and extent of business are challenging the private sector's ability to develop a cohesive response. The Roundtable explored the challenges posed by timing and implementation of responsible business practices across various good- and service-based industries. Decisions about entry and exit into conflict markets are complicated by overlapping business and human rights obligations. Best practice guidelines can offer direction, but a complicated web of suppliers, stakeholders, and consumers makes consistent implementation difficult. In this environment, adaptability, communication, and transparency are key to ensuring human rights protections.