

**2022**

# IN FOCUS



**Save the Children**

**TRUSTEES' REPORT,  
STRATEGIC REVIEW &  
FINANCIAL STATEMENTS**







\*Some names in this report have been changed to protect identities.

This page: Ferdows\*, 12 was injured during conflict in Afghanistan and still struggles to cope with the traumatic events.

Photo: Sacha Myers / Save the Children

Front cover: Sarah\*, 11, holding a flower from her home on the refugee camp, Malawi.

Photo: Thoko Chikondi / Save the Children



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### SAVE THE CHILDREN INTERNATIONAL TRUSTEES' REPORT, STRATEGIC REVIEW AND FINANCIAL STATEMENTS FOR 2022

The Save the Children International Board of trustees (herein referred to as the 'Trustees') are pleased to present their annual report, strategic review and the audited consolidated financial statements of Save the Children International and its trading subsidiaries for the year ended 31 December 2022.



Thoko Chikond/ Save the Children



Esther, 17, lives in Zomba, Southern Malawi. She is a climate change champion in her area and learned about the impacts of climate change at school, which was sponsored by Save the Children.



# REFLECTIONS FROM THE CHAIR OF THE BOARD

**One year into our new 2022-2024 Global Strategy, I am pleased to report on how Save the Children has continued to relentlessly pursue a better world for children.**

In 2022, Save the Children helped to lift millions of children out of poverty and guarantee millions more a healthy start in life, access to a quality education, and a chance to live free from violence.

We continued our long and distinguished history of providing life-saving support to families devastated by natural and man-made disasters. We passionately believe that children's voices should be front and centre in tackling the issues that affect them. I am proud that, working with communities and our partners, we are shifting power to children by listening to their experiences, their ideas, and their solutions, and enabling them to directly influence decision-makers.

In 2022, Save the Children International spent more than ever before on our international programmes, humanitarian responses and on campaigning and advocacy in what proved to be a hugely challenging year.

Our income grew by 20% to \$1,597 million while our expenditure saw a similar rise of 17% to \$1,512 million. These increases were largely due to our expanding humanitarian work – the number of emergencies we responded to in 2022 rose by a staggering 37% on the previous year – allowing us to reach the most vulnerable children facing immediate crises.

Our philanthropic and corporate partners provided an incredible \$414 million in private funding to help us work towards our goals for children, respond to emergencies and build capacity with our local partners. The wider Save the Children Association worked in 115 countries to reach 118 million children, and 329.1 million people overall.

Looking ahead, we know there are big challenges on the horizon, with the rising cost of living set to deepen hardship for families around the world. Escalating crises demand radical interventions and Save the Children stands ready to respond. We are committed to evolving as an organisation to ensure that we are as sustainable as possible and can reach even more children in the future. I am proud to say that we have never been more aligned in acting as one Save the Children global movement – united and focused on driving efficiency to enable the greatest impact for children.

It takes a global village to change the future for good.

Thank you to our many partners whose funding and support have helped us further our goals and make an immediate difference to children in crisis.

Thank you also to my fellow Board trustees for their wisdom and hard work last year. I extend particular thanks to Tamara Ingram, Raymond Mankowitz and Dona Young who have all stepped down from the Save the Children Board. I would also like to welcome Anne Gates, Deepak Kapoor, Lars Heikensten, Larry Kamener, Rolake Akinkugbe-Filani, Teresa Mbagaya and Tsitsi Chawatama-Kwambana who have joined us. I look forward to achieving great things with you.

I also send my appreciation to the Chairs of our Save the Children Member boards for their continued exceptional guidance and counsel. And of course, my thanks go to Inger, our CEO, for her incredible and tireless leadership within and on behalf of Save the Children around the world.

Lastly, a heartfelt thank you to all our staff, volunteers and supporters. Your passion, purpose and commitment changes lives and ensures our century-old mission to protect children and their rights continues to go from strength to strength.



**Angela Ahrendts DBE**  
Chair of the Board of Trustees





# LETTER FROM THE CEO

**Save the Children is working to achieve three ambitious goals by 2030. We want no child to die from preventable causes before their fifth birthday, we want all children to receive a quality basic education and we want violence against children to no longer be tolerated.**

Global developments in 2022 reinforced why this ambition is so vitally important, but also provided a reminder of the steep hill we have left to climb if we are to achieve them. Last year saw even more children put at risk, as inequality, exacerbated by climate change and rising food prices, worsened around the world.

Covid-19, the escalation of the war in Ukraine, conflicts in Yemen, Syria, the Democratic Republic of Congo, Ethiopia and South Sudan, and humanitarian disasters such as the flooding in Pakistan\* and the hunger crisis across East Africa, all contributed to a worsening outlook for the world's children.

Despite this, as a movement we continued to deliver incredible impact for children last year.

Our movement-wide 2022–2024 strategy is focused on improving the lives of the growing numbers of children facing inequality, poverty, climate-related disasters, conflict and displacement. Just a year in, we are making great progress towards our goals. Last year saw us reach children around the world with innovative, effective projects that will make a real difference to their lives.

We saw years of work fighting for children's rights come into effect in Ethiopia, with the establishment of a new children's parliament, and in Jigawa state, Nigeria we helped to establish a social protection law that will uphold children's rights.

We helped local community health workers, volunteers and caregivers to diagnose, treat and prevent acute malnutrition in thousands of children and pregnant women in Somalia and Kenya. We enabled children in Malawi, Bangladesh, Afghanistan, Egypt, India, the Democratic Republic of the Congo, Nigeria, Uganda, Myanmar, Colombia and Pakistan\* to catch up on the learning they had missed due to Covid-19 school closures. And we made cash grants to thousands of families in Afghanistan so they could afford food and shelter during one of the worst humanitarian emergencies the country has experienced.

The conflict in Ukraine, the flooding in Pakistan and the Global Hunger Crisis saw us mobilise effectively to support children impacted by crises last year. In total we responded to 107 new and ongoing emergencies in 66 countries.

We are very grateful to our supporters who gave so generously to help children involved in emergencies around the world. The increase in our income meant we were able to offer extensive support to children in crisis. Our centralised Humanitarian Fund enabled us to distribute over \$200 million of resources quickly and save lives by mounting effective responses to these emergencies immediately.



Children in Jakarta march and stretch a combined canvas of children's voices from dozens countries.





Joy, 11, reads a book from the library room, Wakiso, Uganda.

Edher Rith Mubia / Save the Children

Last year, we continued to shift power to children and their communities by empowering them to stand up for their rights. In Africa we are seeing the real value of this approach. The children's clubs and committees we set up in Mali, Uganda and Ethiopia are being used by children to speak directly to community leaders about violence towards children, reducing it significantly.

We are focusing on six key enablers to help us advance our work. We are advocating for and with children on a grand scale by supporting children to campaign for their rights and hold decision makers to account. We are forging strategic partnerships with NGOs, governments and others to speak as one amplified voice and make clear demands to those who can facilitate change. We are using digital solutions to work smarter and generate better evidence of what works for children and their families. We are becoming a more agile and inclusive organisation, which is enabling us to grow our resources and use them to the best effect.

In 2022, we continued to prioritise diversity, equity and inclusion in our organisation. I am proud that we made progress in increasing the diversity of our country office senior management and extended leadership teams, but we know there is more we need to do. Last year, we welcomed a new Diversity, Equity and Inclusion Lead role to our global team to continue building on this work and we look forward to reporting even more progress in the coming years.

Looking ahead to 2023 and beyond, we know the world is becoming an increasingly volatile place. The current global

economic downturn is pushing more children and families into poverty and hunger every day. Over 100 million people have been displaced due to the impacts of Covid-19, conflict and climate change. Already this year, we have seen the devastating impact natural disasters can have on children and families, with earthquakes in Türkiye and Syria. Our teams are working with our partner organisations in both countries to ensure they are getting the crucial support they need.

We will keep fighting for children's rights to be respected, with a strong focus on those most impacted by inequality and discrimination. And we will continue to mobilise people to call for urgent action to tackle climate change and inequality as the root causes of hunger.

Together, we will continue to empower children, collaborate with others and use evidence-based approaches to ensure children's rights are upheld, their voices heard, and they are safe, healthy and able learn, grow and thrive.

**Inger Ashing**  
CEO, Save the Children International



*\*Save the Children International is responsible for managing the Pakistan country office on behalf of Save the Children US.*



# WHO WE ARE

**SAVE THE CHILDREN IS THE WORLD'S FIRST AND LARGEST INDEPENDENT CHILD RIGHTS ORGANISATION.**

**WITH OVER 100 YEARS OF EXPERIENCE, WE CONTINUE TO ADAPT, TO DO WHAT IS RIGHT, AND TO MEET THE NEEDS OF CHILDREN IN A CHANGING WORLD.**

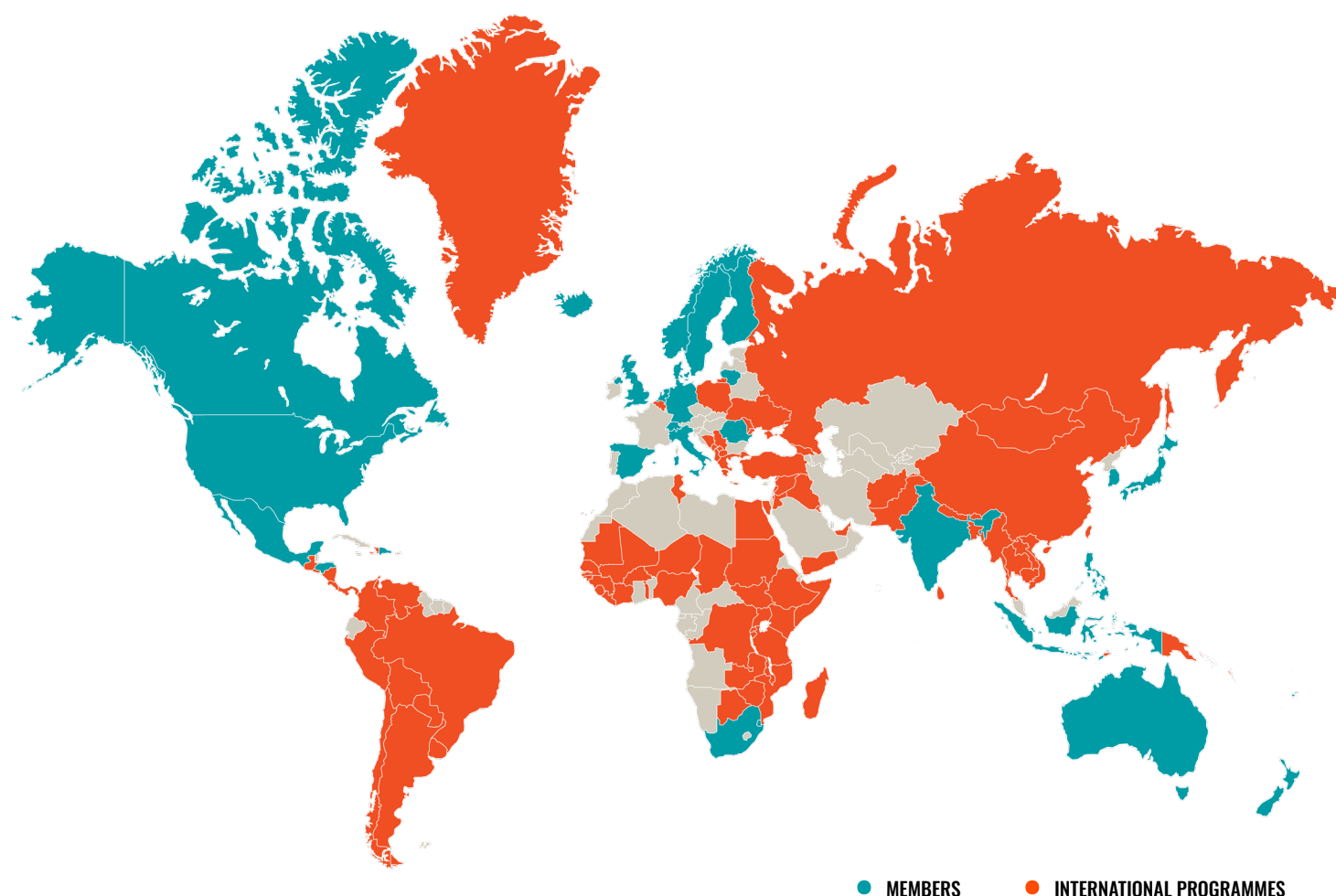
Save the Children Association is a global movement made up of Save the Children International and 30 member organisations (including three associate members working towards full member status) around the world. All of these member organisations engage supporters and donors in their national context and deliver programmes and advocacy work to help children in their countries.



Mauro Bedoni / Save the Children

Two Save the Children employees supervise Svitlana\*, 7 while she plays with play dough in the Child Friendly Space.





As a global movement, Save the Children Association operated in 115 countries in 2022. Save the Children International delivers international programmes and humanitarian responses, and coordinates campaigns and advocacy for the movement. In 2022, it was made up of 54 country offices, five regional hubs, two humanitarian response offices, three advocacy offices, 11 partner-led programmes and a global team working on behalf of the whole movement. Save the Children International is responsible for implementing around 66% of the whole movement's total expenditure on programming and advocacy work around the world (with the further 34% implemented through Save the Children Association member organisations).

This report largely covers the work and results of Save the Children International. However, when reporting progress towards the targets of our global 2022–2024 strategy, we have included the programming and advocacy work of the whole movement – both Save the Children International and the 30 member organisations. This is because Save the Children International is responsible for implementing the majority of the movement's programming and advocacy work and plays a particular role in helping to align this work to achieve our movement-wide strategic goals. In addition, there is an increasing interconnectedness in the work of Save the Children Association members and Save the Children International, for example through the sharing of technical expertise and business development resources, to ensure we are working as one Save the Children team to achieve our goals.





Esther Ruth Mbabazi / Save the Children

Hamfred, 12, at Catchup club in Wakiso, Uganda.



# OUR MOVEMENT-WIDE 2022–2024 GLOBAL STRATEGY

**OUR MOVEMENT-WIDE 2022–2024 GLOBAL STRATEGY IS GROUNDED IN OUR 2030 AMBITION, VISION, MISSION, VALUES AND THEORY OF CHANGE.**

**OUR VISION** is a world in which every child attains the right to survival, protection, development and participation.

**OUR VALUES** are Creativity, Accountability, Integrity, Collaboration and Ambition.

**OUR MISSION** is to inspire breakthroughs in the way the world treats children, and to achieve immediate and lasting change in their lives.

**OUR 2030 AMBITION IS TO ACHIEVE OUR THREE GLOBAL BREAKTHROUGHS – TO ENSURE THAT ALL CHILDREN SURVIVE, LEARN AND ARE PROTECTED BY 2030.**

**SURVIVE:** No child dies from preventable causes before their fifth birthday

**LEARN:** All children learn from a quality basic education.

**BE PROTECTED:** Violence against children is no longer tolerated.

## OUR THEORY OF CHANGE

**WE FOCUS ON DRIVING CHANGE FOR CHILDREN MOST IMPACTED BY INEQUALITY AND DISCRIMINATION.**

## WE WILL...

**BE THE INNOVATOR:** Develop and prove evidence-based replicable breakthrough solutions to problems facing children.

**BE THE VOICE:** Advocate and campaign for better practices and policies to fulfil children's rights and to ensure children's voices are heard.

**ACHIEVE RESULTS AT SCALE:** Support effective implementation of best practices, programmes and policies for children, leveraging our knowledge to ensure sustainable impact at scale.

**BUILD PARTNERSHIPS:** Collaborate with children, civil society organisations, communities, governments and the private sector to share knowledge, influence others and build capacity to ensure children's rights are met.



## SHIFTING POWER TO CHILDREN

**We champion every child's right to participate in and influence decisions that affect their lives. This means ensuring children have the opportunity to express their views and to have those views taken seriously.**

We partner with children and children's own organisations to:

- Design, implement and monitor programmes
- Influence our organisational strategic planning and decision making
- Advocate and campaign, by amplifying children's voices to ensure governments and institutions consider their views when they create laws, policies and budgets
- Research and evaluate our work, by including the views of children as respondents or active co-researchers

Covid-19, conflict and the climate crisis are negatively impacting children's rights, reversing some of the critical gains made for children in the last three decades and exacerbating inequalities. In every country, children are struggling. The world has never been wealthier, yet one in two children are growing up in multi-dimensional poverty. Over one billion children are being denied their fundamental right to life's most basic building blocks: good healthcare, nutrition, education and safety.

Our movement-wide strategy is designed to help disrupt the negative trend-lines and challenge the status quo by repairing the broken and unequal systems that are hurting children today, and building new solutions that will last.

In a changing global context, our strategy aims to:

- Respond to and anticipate threats from Covid-19, conflict and climate change
- Protect the rights of children impacted by inequality and discrimination, now and in the future
- Drive impact on our four strategic goals, for and with children
- Use six enablers to accelerate our progress towards those goals.

Our strategy is relevant in every country and every context we work in, from low-income to high-income countries, and countries dealing with humanitarian emergencies. In every country we work in, we also have a context-specific strategy that is aligned to our global strategy.

**5 MILLION**  
**CHILDREN UNDER**  
**THE AGE OF FIVE DIE**  
**EVERY YEAR FROM**  
**PREVENTABLE AND**  
**TREATABLE CAUSES**

**450 MILLION**  
**ARE NOT LEARNING**

**400 MILLION**  
**CHILDREN GROW**  
**UP IN CONFLICT**

**1 BILLION**  
**CHILDREN LIVE**  
**IN POVERTY**



## OUR 2022-2024 GLOBAL STRATEGY: TRANSFORMING IMPACT

### A CHANGING GLOBAL CONTEXT

RESPOND TO AND ANTICIPATE THREATS FROM COVID-19,  
CONFLICT AND CLIMATE CHANGE.

PROTECT THE RIGHTS OF CHILDREN MOST IMPACTED BY  
INEQUALITY AND DISCRIMINATION, NOW AND FOR THE FUTURE.

### 4 STRATEGIC GOALS

#### OUR IMPACT FOR AND WITH CHILDREN



HEALTHY  
START IN LIFE



SAFE BACK  
TO SCHOOL  
& LEARNING



LIVE FREE  
FROM VIOLENCE



SAFETY NETS &  
RESILIENT FAMILIES

### 6 ENABLERS

#### HOW WE ACCELERATE THAT IMPACT



ADVOCATE,  
CAMPAIGN  
& MOBILISE



DIGITAL  
& DATA



STRATEGIC  
PARTNERSHIPS



SHIFT POWER



AGILE &  
INCLUSIVE  
ORGANISATION



GROW &  
OPTIMISE  
RESOURCES

## OUR GLOBAL SNAPSHOT

**118M**



**CHILDREN REACHED  
DIRECTLY & INDIRECTLY**



**\$2.7B**

**TOTAL INCOME**

**26,458**

**STAFF**



**WORKED IN 115  
COUNTRIES**



**129 POLICY  
CHANGES**



**4.5M**



**CHILDREN REACHED  
LIVING IN POVERTY**



**33M**

**CHILDREN REACHED  
THROUGH HEALTH  
AND NUTRITION  
PROGRAMMING**



**9.2M**

**CHILDREN REACHED  
THROUGH EDUCATION  
PROGRAMMING**



**3.8M**

**CHILDREN REACHED  
THROUGH CHILD  
PROTECTION  
PROGRAMMING**



**107**

**EMERGENCIES  
RESPONDED TO**



## OUR RESULTS

### HOW WE TRACK PROGRESS TOWARDS OUR STRATEGIC GOALS

Progress towards our four strategic goals is tracked through a combination of Global Goal Outcomes and Global Goal Indicators, both of which have movement-wide targets set for 2024.

#### We have four global strategic goals:

- **Healthy Start in Life** – More children will have equitable access to and use quality essential health and nutrition services
- **Safe Back to School & Learning** – More children achieve wellbeing and learning outcomes
- **Live Free from Violence** – More children affected by conflict and gender-based violence are protected
- **Safety Nets and Resilient Families** – More children will be lifted out of poverty

Progress towards outcome targets is tracked by measuring either the total number of people we have reached through our programming, or the number of policy changes we have influenced and contributed to through our evidence, campaigning, advocacy and technical support work.

Progress towards our global indicators is tracked by aggregating similar indicators used in countries we work in across the world. While countries track their own progress with indicators that are optimised for their specific needs and context, roughly 40% of our indicators are similar across the world (referred to in this report as Global Indicators) and can be aggregated to help us gain an understanding of global performance.

Taken together, reporting on the Global Goal Outcomes and Global Indicators gives us a good indication of our progress towards our goals. The totals presented are an aggregate of the performance reported across our movement in year-end reporting.

Looking ahead, we are working to roll out standardised indicators across all our projects as well as new management software to track our progress.

### PROGRESS IN 2022 – OVERVIEW

Our work as a global movement around the world reached 118 million children, and 329.1 million people in total. We have made a good start towards achieving our 2024 goals, with several encouraging successes, but a lot remains to be done to achieve the scale of impact we want to see for children across the world.

Deterioration in the context in which we are working is a significant challenge. Covid-19 secondary impacts, a conflict-fueled international hunger emergency, and climate-related disasters are all intensifying inequality and causing harm to children. Over 100 million people have been displaced – the highest figure ever on record – and the current global economic downturn is pushing more children and families into poverty every day.

However, we are optimistic about the foundations we have laid in 2022 to achieve our strategic ambitions.

### GLOBAL GOAL OUTCOMES – RESULTS FOR OUR WHOLE SAVE THE CHILDREN MOVEMENT

In 2022, we identified the following key patterns in our progress towards our goals:

1. Our work to influence institutions to be more accountable for children's rights has made strong progress and is on track to exceed our targets for 2024 in our Safe Back to School and Learning and Live Free from Violence work.
2. Our work to support children and families directly with essential services has increased its reach in line with or in excess of our targets.
3. Our work to support children and families indirectly with essential services has decreased its reach and in many cases is below our targets. This is largely due to the significant decline in the scale of our mass communications work from its peak during the Covid-19 pandemic, when our strategy targets were set and baselined.

The net effect of the last two items caused us to fall short of our targets based on total reach figures (i.e. all except Accountable Institutions and Climate Policies).

### GLOBAL GOAL INDICATORS – RESULTS FOR OUR WHOLE SAVE THE CHILDREN MOVEMENT

Results reporting from countries across the world gives us a good sense of progress towards our global indicators. In many instances, we are already close to or exceeding global targets set for 2024 – this indicates a combination of strong performance from countries as well as the need to be more ambitious in our global targets in some instances.

In other instances, we are still some way off our global targets. We will work towards addressing this by raising country ambitions where needed, and targeting global support towards areas that need particular attention.

We view this process as part of our work to dynamically manage our global strategy – with our ability to do so constantly getting better as we improve the completeness and quality of our data.



Hannah Monement / Save the Children

Marie\*, 10, treats her 1-year-old malnourished brother, Antho\*, with a peanut-based paste called Plumpy Nut outside of a Save the Children health centre in DRC.



## STRATEGIC GOAL

## HEALTHY START IN LIFE



Five million children under the age of five die every year from preventable and treatable causes. Globally, 13.6 million children under the age of five are facing severe acute malnutrition which if left untreated can be fatal; and millions more with moderate acute malnutrition are at risk of deteriorating without treatment. In 2022, the impacts of the Covid-19 pandemic, conflict and climate change combined to create an unprecedented global hunger emergency, escalating the crisis for children.

By 2024 we want to achieve the following as a global Save the Children movement:

1. **Essential health services:** Annually, by 2024, at least 65 million children and women have increased vaccination coverage, skilled birth attendance, and use of modern contraceptive methods. We will focus on closing equity gaps.
2. **Child nutrition:** Annually, by 2024, at least 70 million children in 50+ countries receive support to prevent and treat under nutrition.
3. **Accountable institutions:** Over three years, 40 governments and global actors make policy, legal, system or public investment changes to meet children's right to health and nutrition.

## PROGRESS TOWARDS THE GOAL

We are on track or exceeding our targets for most of our indicators, for our direct programming and for our influencing work. However, we are significantly below our target for social behaviour change initiatives due to the ending of some of our large mass reach communication campaigns which were necessary during Covid-19, and based on which our strategy targets were set. The net effect of these successes and shortcomings requires further exploration but is not necessarily a cause for concern.

**Essential health services:** Annually, by 2024, at least 65 million children and women have increased vaccination coverage, skilled birth attendance, and use of modern contraceptive methods. We will focus on closing equity gaps.

**Progress across the global movement:** In 2022, an estimated 28.1 million children and women were reached directly or indirectly with activities to support increased vaccination coverage, provide skilled birth attendance, and increase the use of modern contraceptive methods. The decline in our indirect reach (outlined above) means our total reach is lower than expected in this area.

Significant achievements across Save the Children International include:

- We reached 21.3 million children and adults directly and with our partners through evidence-based Child Health, Maternal and Newborn Health and Adolescent Sexual and Reproductive Health and Rights programming.
- Working with our partners we supported the training of over 68,000 community health workers and health care providers in evidence-based approaches to prevent and treat childhood illnesses and under-nutrition in 22 countries.
- In Afghanistan we developed an integrated public health approach, by providing health, nutrition and water, sanitation and hygiene services (WASH) through more than 60 mobile health teams. They reached over 300 service-delivery points at community-level and delivered services such as drinking water to over 700,000 people.

We will focus on using our strategic enablers to expand our total reach, and on driving forward at scale Save the Children evidenced-based Common Approaches. These are our best understanding of how to address a particular problem facing children and can be applied in multiple contexts and countries. We will also work towards devising better methods to determine the impact of social behaviour change initiatives.

**Child nutrition:** Annually, by 2024, at least 70 million children in 50+ countries receive support to prevent and treat under nutrition.

**Progress across the global movement:** In 2022, an estimated 35.6 million children were reached directly or indirectly with activities in more than 50 countries to prevent and treat under nutrition.

Significant achievements across Save the Children International include:

- We reached over 754,000 children with treatment for malnutrition; in Somalia alone we reached 275,000 children, and in Niger we reached 180,000 children.
- Our Global Malnutrition Initiative (GMI) helped scale up simplified approaches to prevent and treat child wasting. Save the Children pilot programmes in Kenya and Somalia contributed critical evidence to inform World Health Organisation (WHO) guidelines on community-based approaches.

- Save the Children conducted a Cost of the Diet (CotD) assessment in Nigeria, where recipes were developed using low-cost, locally available foods. We are now partnering with the World Bank (through the Government Accelerating Nutrition Results in Nigeria programme) on its evaluation assessing potential scale-up of the CotD approach in other states.

We need to continue our efforts to integrate nutrition into everything we do, and influence partners to do the same. We will increase support for initiatives such as GMI to tackle wasting, which is critical to our efforts to strengthen integrated primary health care.

**Accountable institutions: Over three years, 40 governments and global actors make policy, legal, system or public investment changes to meet children's right to health and nutrition.**

**Progress across the global movement:** In 2022, 10 governments and global actors made 16 policy, legal, system or public investment changes to meet children's right to health and nutrition.

Significant achievements across Save the Children International include:

- We supported the Nigerian government towards approval of its Child Health Policy to end preventable childhood diseases.
- With partners, we influenced and supported the Bangladesh government to change its medicine distribution policy and improve the treatment available for pneumonia.
- We worked with the Rwandan government and UN Commissioner for Refugees to influence an extension of health insurance to urban refugees, to enable them to access health services across the country.
- With partners, we influenced five donor governments to increase investment towards strong and resilient health and nutrition systems, including committing further funding to the Global Finance Facility and Nutrition for Growth.

Fewer countries than expected reported on health, water, sanitation and hygiene (WASH) and nutrition related policy changes. We will work in specific countries to strengthen our programmes and advocacy to influence the uptake of evidence-based approaches at scale, and ensure this work is captured through our results monitoring.

## MALARIA TREATMENT IN SCHOOLS: A SCALABLE APPROACH TO SAVE LIVES

**In Malawi, malaria ranks as the third-highest cause of death for children aged 5-14. Two-thirds of school aged children in Malawi are estimated to live with the type of malaria parasite that causes severe infection, and often leads to absence from school.**

The government of Malawi is now funding a Learner Treatment Kit in 78 schools to ensure prompt access to malaria diagnosis and treatment for school-aged children. The Ministry of Education and Ministry of Health are expanding the approach to four districts in the coming year, adding a further 80 schools.

Save the Children's collaboration with central ministries, schools and teachers, as well as the media was key to increasing support for the Learner Treatment Kit. The approach uses schools as a cost-effective platform, with trained teachers screening children.

The Learner Treatment Kit approach was first designed and rolled out by a Save the Children sponsorship programme in 2008 in Mangochi township, and then expanded to 58 schools in the Zomba District of Malawi. Between 2013 and 2015 a rigorous impact evaluation trial was completed by the London School of Hygiene and Tropical Medicine, and the approach was recognised by the World Health Organisation for its social innovation.

Following adoption by the government, Save the Children continues to train teachers and to provide monitoring tools to the Ministry of Health and Ministry of Education. Together with national ministries, we are looking to expand the approach to all of Malawi.



## Global Goal Outcomes

| Outcome  | 2024 Target          | 2022 Results  |
|--|----------------------|---------------|
| Essential Health Services: Children and women have increased vaccination coverage, skilled birth attendance, and use of modern contraceptive methods; focus on closing equity gaps | 65 million annually  | *28.1 million |
| Child Nutrition: Children in 50+ countries receive support to prevent and treat undernutrition   | 70 million annually  | *35.6 million |
| Accountable institutions: Governments and global actors make policy, legal, system or public investment changes to meet children's right to health and nutrition                   | 40, over three years | 10            |

\*Save the Children's total reach (direct and indirect) used as a proxy for actual progress towards our targets on essential service delivery.

## Global Goal Indicators\*\*

| Indicators  | 2024 Target                     | 2022 Results           |
|---|---------------------------------|------------------------|
| Children and adults reached directly with child health, maternal, newborn and reproductive health, and adolescent sexual and reproductive health rights programming                 | 22 million annually             | 21.3 million           |
| Children who received treatment for acute malnutrition  | 750,000 annually                | 754,000                |
| Community health workers and health care providers trained with evidence-based approaches to prevent and treat childhood illness and undernutrition                                 | 35,000 in 25 countries annually | 68,000 in 22 countries |
| Children and adults supported through large scale social behaviour change initiatives to promote better health and nutrition outcomes (including cash-plus nutrition interventions) | 28 million annually             | 1.8 million            |
| Donors who increased global investment to 0.1% of GDP as Official Development Assistance (ODA) for health and nutrition national systems  | 7, over three years             | 5                      |
| Changes made by governments to policies, laws, public investment, systems or services to meet children's right to health and nutrition.   | 60, over three years            | 16                     |

\*\*Global goal indicator targets and results include support from both Save the Children and its partners.



Paul Wu/Save the Children

Olesia\* is 10 and fled Odessa with her parents, brother and sister because of the war in Ukraine. They are now living in temporary accommodation at a school in Chernivtsi.



## STRATEGIC GOAL

# SAFE BACK TO SCHOOL AND LEARNING



One in five children around the world are denied their basic right to access a quality education. Many are still experiencing the impact of Covid-19 school closures, which caused the number of children not accessing education to rise by 20%. In 2022, girls in Afghanistan were deprived of their right to secondary education, the war in Ukraine further disrupted education for five million children, and across the globe the climate crisis continued to impact children's access to education, learning and development.

By 2024 we want to achieve the following as a global movement:

- 1. Access to quality learning:** Annually, by 2024, at least 41 million children globally enrol and consistently attend safe, inclusive and quality learning, including early childhood development. We will focus on closing equity gaps.
- 2. Wellbeing and learning:** Annually, by 2024, at least 33 million children accelerate learning towards age and grade appropriate levels.
- 3. Accountable institutions:** Over three years, 30 governments and global actors make policy, legal, system or public investment changes to meet children's right to education and development.

## PROGRESS TOWARDS THE GOAL

We're on track or exceeding our targets for most of our indicators, for our direct programming and for our influencing work with governments. However, we are significantly below our target on social behaviour change initiatives to promote equitable education access, retention, learning and wellbeing, due to the ending of some of our large mass reach communication campaigns which were necessary during Covid-19, and based on which our strategy targets were set. The external context, including the conflict in Ukraine and other crises continues to create setbacks, as does the challenge of many teachers not returning to schools in the aftermath of the Covid-19 pandemic.

**Access to quality learning:** Annually, by 2024, at least 41 million children enrol and consistently attend safe, inclusive and quality learning, including early childhood development. We will focus on closing equity gaps.

**Progress across the global movement:** In 2022, an estimated 20.1 million children were reached directly or indirectly with activities to support enrolment and consistent attendance to safe, inclusive and quality learning, including early childhood development.

Significant achievements across Save the Children International include:

- We supported 2.7 million children impacted by inequality and discrimination to access education through integrated measures such as cash programming, child protection case management and behaviour change. This included over 800,000 children in Somalia and close to 200,000 in Vietnam, which was more than double our target in those countries.
- We trained over 60,000 teachers and facilitators in 26 countries which exceeded our annual target.
- Through our co-leadership of the Global Education Cluster, we supported education for children through emergency responses in Afghanistan, Syria, Ukraine, South Sudan, Niger, the Democratic Republic of the Congo, Lebanon and Somalia. With our partners, we consulted 950 children during education needs assessments.

We will focus on using our strategic enablers to expand our total reach, and drive at scale the Save the Children evidence based Common Approach to enable teachers to deliver quality and inclusive education, working with national and local governments and partners. We will also work towards devising better methods to determine the impact of Social Behaviour Change initiatives.

**Wellbeing and learning:** Annually, by 2024, at least 33 million children accelerate learning towards age and grade appropriate levels.

**Progress across the global movement:** In 2022, an estimated 16.2 million children were reached directly or indirectly with activities to support accelerated learning towards age and grade appropriate levels.

Significant achievements across Save the Children International include:

- We expanded our Catch-up Clubs innovation to a further eight countries, taking our total to 11. These clubs help children catch up on their learning through regular sessions of remedial, accelerated activities in reading and mathematics with trained local facilitators.
- We successfully piloted our Learning Tree Application in Pakistan\*, a short-term, emergency digital programme to support learning continuity for children impacted by displacement, conflict, or climate-induced disaster.

*\*Save the Children International is responsible for managing the Pakistan country office on behalf of Save the Children US.*

We will focus on further scaling our innovations to help accelerate learning for children, including in crisis contexts, by strengthening evidence of their impact, working with local partners, and exploring innovative financing mechanisms. We will also focus on using our strategic enablers to expand the reach and influence the uptake of Save the Children evidence-based Common Approaches at scale.

**Accountable institutions: Over three years, 30 governments & global actors make policy, legal, system or public investment changes to meet children's right to education and development.**

Progress across the global movement: 18 governments and global actors made policy, legal, system or public investment changes to meet children's right to education and development.

Significant achievements across Save the Children international include:

- Save the Children influenced the revised Comprehensive School Safety Framework from Education Cannot Wait (ECW) the United Nations global fund for education in emergencies and protracted crises, and Global Partnership for Education, a platform that aims to strengthen education systems in developing countries, to ensure commitment to strengthen climate-resilience in education. Save the Children also successfully influenced ECW to prioritise climate resilience in Education in Emergencies.
- We influenced the national endorsement of the Safe Schools Declaration by the Government of Colombia and the Government of Tunisia, in partnership with the Global Coalition to Protect Education from Attack.



Meshack\*, 10, is a student at one of Save the Children's partner schools in South Kivu Province, in the eastern Democratic Republic of Congo.



The Safe Schools Declaration is an inter-governmental political commitment to protect students, teachers, schools and universities from conflict.

- In Kosovo, in partnership with civil society organisations, we supported national government ministries to define and endorse national and local mandates for the prevention and management of violence against children in schools; and for children to participate in all governance levels across the country.

We will continue to drive forward our influencing work with governments, donors and international actors for resilient and inclusive education systems. As governments and funders continue to deprioritise early childhood care and development (ECCD), this will be an important area for our advocacy work, building on the strong evidence of its impact on children's learning, wellbeing and development. We will also work towards collecting secondary data for our indicators around Official Development Assistance (ODA) and education financing commitments, to help improve our understanding of progress in this area.

## CATCH-UP CLUBS

**Pandemic-related school closures in March 2020 saw education grind to halt for millions of children around the world. While many schools reopened later that year, some schools were fully or partly closed for significantly longer. In Uganda, schools were closed for two years.**

Extended time out of school has a drastic impact on children's health, safety and future life choices. At the end of 2021, we found that in fragile countries, up to one in five children had dropped out of school because of rising poverty, child marriage and child labour, all of which were exacerbated by the pandemic.

In 2022, we extended our successful pilot of Catch-up Clubs in Uganda, Myanmar and Colombia to a further eight countries: Malawi, Bangladesh, Afghanistan, Egypt, Philippines, India, the Democratic Republic of the Congo and Nigeria.

Catch-up Clubs were developed through Save the Children's innovation incubation process. They bring together elements of our evidence-based programmes to accelerate the recovery of lost learning during the pandemic or other crises and help children successfully return to school.

Regular sessions of community-based remedial reading and mathematics are run by trained local facilitators for children aged 8–13, who are most at risk of falling behind or dropping out of school. As part of the programme, children are referred to child protection case management and psychosocial support where needed, and families are

provided with financial assistance to encourage them to send their children to school.

The clubs have been successful in improving children's literacy in just 13 weeks. In refugee settlements in Uganda, 86% of children who completed the course improved their reading by one level, in contrast to 26% of children in the comparison group. In Colombia, 100% of children who remained in the clubs reached foundational literacy skills by the 13th week. In Bangladesh, 89% of children improved their reading by at least one level. And in Myanmar, more than 80% of children who completed the course were able to read a story.

In 2022, Save the Children was recognised among the top 10 finalists for the Klaus J Jacobs Best Practice Prize which honors exceptional commitment and innovative solutions. We expect to reach five million children globally with Catch-up Clubs in the next five years.

**“Before I joined Catch-up Clubs, I didn't know how to use letter sounds. I was [confused] by very long words [in books],” explained Ben, who is enrolled in a Catch-up Club in Wakiso, Uganda. “Games and songs helped me learn how to pronounce and read long words. I am now able to understand those words whenever I find them in my homework and storybooks.”**

## USING OUR LEARNING TREE INNOVATION IN PAKISTAN\* TO PROVIDE EDUCATION FOR CHILDREN DURING EMERGENCIES.

Even before the Covid-19 lockdowns, 23 million children in Pakistan were not going to school. During Covid-19 this increased to 40 million children, and in 2020, three major natural disasters – floods, an earthquake and an avalanche – caused further sustained disruption to children's learning.

In response, in 2021 and 2022, we created and piloted Learning Tree so children can continue learning during emergencies, anywhere, any time. Learning Tree is a digital mobile application with engaging and interactive distance education content for children and teachers.

Our pilot in Shikarpur district, Sindh with 680 children resulted in a 31% improvement in overall learning and development, following use of the Learning Tree

application (compared to 17% for those in a comparison group). In 2022, we planned the replication of Learning Tree at other locations across the country. We are also now adapting the Learning Tree platform for use by migrant and displaced children experiencing intermittent, yet persistent, mobility.

The Learning Tree app can be customised to children's skill levels and works offline, so every child with access to a mobile device can use it to learn, no matter the circumstances.

*\*Save the Children International is responsible for managing the Pakistan country office on behalf of Save the Children US.*



Sachal\*, 5, at the Child Friendly Space (CFS) provided by Save the Children in Dadu, Sindh.



## Global Goal Outcomes

| Outcome   | 2024 Target          | 2022 Results  |
|---|----------------------|---------------|
| Access to Learning: Children globally enroll and consistently attend safe and quality learning, including early childhood development; focus on closing equity gaps   | 41 million annually  | *20.1 million |
| Wellbeing and Learning Outcomes: Children accelerate learning towards age and grade-appropriate levels and achieve wellbeing outcomes                                 | 33 million annually  | *16 million   |
| Accountable institutions: Governments and global actors make policy, legal, system or public investment changes to meet children's right to education and development | 30, over three years | 18            |

\*Save the Children's total reach (direct and indirect) used as a proxy for actual progress towards our targets on essential service delivery.

## Global Goal Indicators\*\*

| Indicators  | 2024 Target                      | 2022 Results           |
|---|----------------------------------|------------------------|
| Children supported to overcome barriers to access learning and wellbeing opportunities within basic education and early childhood care and development (ECCD)                                   | 2.4 million, annually            | 2.7 million            |
| Teachers receiving training, professional development and wellbeing support based on evidence-based approaches  | 42,000 in 21 countries, annually | 60,000 in 26 countries |
| Children and adults supported through large scale social behaviour change initiatives to promote equitable access, retention, learning and wellbeing.   | 168,000, annually                | 44,0000                |
| Save the Children implementing offices* who evidence improved learning outcomes for children via learning assessments.  | 15, over three years             |                        |
| Changes made by governments or international actors to policies, laws, public investment, systems or services to meet children's right to education, wellbeing and early childhood development. | 82, over three years             | 38                     |

\*Save the Children refers to all offices managing implementation of programs as 'implementing offices'.

\*\*Global goal indicator targets and results include support from both Save the Children and its partners.



Alina Smutko/Save the Children

Elena\*, 36, sits for a portrait with her daughter Vira\*, 2, in their flat in Suceava county, northern Romania.



## STRATEGIC GOAL

# LIVE FREE FROM VIOLENCE



Millions of children around the world are living with violence at home or in their wider community and affected by a mental health crisis. Globally, one in three women and girls face gender-based violence, increasing to two in three during conflicts.

In 2021, more children were affected by conflict than at any time since 1945, with more than 449 million children globally (one in six children) living in a conflict zone. With the conflict in Ukraine impacting millions more in 2022, this figure is likely to be even higher now.

Globally, 100 million people were forcibly displaced in 2022, reaching the highest figure on record.

By 2024 we want to achieve the following as a global movement:

- 1. Child protection services:** Annually, by 2024, at least 25 million children affected by conflict and gender-based violence, including child marriage, access inclusive and gender sensitive child protection and mental health and psychosocial support services (MHPSS).
- 2. Accountability for grave violations:** Over three years, 10 countries see state and non-state actors held to account for grave and other serious violations of child rights in conflict and crisis.
- 3. Accountable institutions:** Over three years, 25 governments and global actors make policy, legal, system or public investment changes to ensure children's right to protection from violence

## PROGRESS TOWARDS THE GOAL

We are on track or exceeding our targets for most of our indicators for our direct programming and influencing work with governments and international actors (noting for a few key indicators we have not yet set a global target). However, our total reach figures on supporting children to access inclusive and gender-sensitive services for child protection and mental health and psychosocial support (MHPSS) are lower than projected. This is primarily due to three projects coming to an end which was not reflected when setting our global targets.

**Child protection services: Annually, by 2024, at least 25 million children affected by conflict and gender-based violence, including child marriage, access inclusive and gender sensitive child protection and mental health and psychosocial support services (MHPSS).**

**Progress across the global movement:** In 2022, an estimated 9.3 million children were reached directly or indirectly with activities to support access to inclusive and gender-sensitive child protection and MHPSS services.

Significant achievements across Save the Children International include:

- 84% of individuals receiving MHPSS services in three countries demonstrated improved mental health and psychosocial wellbeing, exceeding our target of 70%.
- Our training of local child protection service providers in seven countries resulted in improved capacity and quality of local service delivery from 79% of providers, exceeding our target of 60%.
- We didn't reach our case management target. 77% of children supported with child protection case management in six countries experienced improved safety and wellbeing, falling short of our target of 90%.

We will continue to drive forward and strengthen our work to increase access to child protection and MHPSS services, working with local partners and communities. We will focus on using our strategic enablers to expand our total reach, and on supporting national and local governments to implement at scale Save the Children evidence-based Common Approaches to strengthen child protection systems.

**Accountability for grave violations: Over three years, 10 countries see state and non-state actors held to account for grave and other serious violations of child rights in conflict and crisis.**

**Progress across the global movement:** In 2022, activities to further the accountability for grave violations are being undertaken in 11 countries.

Significant achievements across Save the Children International include:

- We played a leading global role in the completion of the Inter-Agency Steering Committee Protection Policy Review and Work Plan Action, which ensures the centrality of protection in humanitarian action. Globally, we will continue to support its ongoing implementation. 22 Save the Children offices are currently partially implementing our Centrality of Protection policy. Further work is now needed towards full implementation.
- We worked with the International Committee of the Red Cross, UNICEF, the Committee on the Rights of the Child, the International Labour Organisation and the French government to drive efforts to renew the energy around the Paris Principles and Commitments which aim to combat the unlawful recruitment and use of children by armed forces and armed groups. These included 15th anniversary advocacy events and a new resource operational handbook.

Continued effort is needed to strengthen the implementation of accountability mechanisms for grave and other serious violations of child rights in conflict and crisis. Through our humanitarian response and work in conflict-affected countries, we will advance the implementation of our Centrality of Protection policy, in partnership with humanitarian clusters and alliances.

**Accountable institutions: Over three years, 25 governments and global actors make policy, legal, system or public investment changes to ensure children's right to protection from violence.**

**Progress across the global movement:** In 2022, 19 governments and global actors have made policy, legal, system or public investment changes to ensure children's right to protection from violence.

Significant achievements across Save the Children International include:

- We worked with our partners to contribute to a number of important legislative changes. Somaliland passed a new Child Rights Act; Kenya passed a comprehensive

Children's Act addressing multiple child rights violations, including female genital mutilation (FGM) and online abuse; Zimbabwe and Zambia outlawed child marriage; and Zambia also made FGM and physical and humiliating punishment (PHP) illegal.

- With partners, we successfully lobbied for the renewal of the Bab al-Hawa cross-border resolution for Syria, allowing for the continued delivery of aid into north-west Syria. The resolution was consequently renewed by the UN Security Council for six months in January 2023.
- We developed Save the Children's vision for a safe digital childhood, to accelerate children's protection, participation and wellbeing, online and offline.

We will continue to drive forward our influencing work with governments and international actors for resilient and inclusive child protection systems. As child protection remains chronically under-funded, an important area for our advocacy work and technical support will be to increase and strengthen public investment in this area. We will also take forward our vision for a safe digital childhood, working in partnership with children.

## SUPPORTING CHILDREN IN AFRICA TO ADVOCATE FOR THEIR RIGHT TO LIVE FREE FROM VIOLENCE

Over the last two years, the Covid-19 pandemic has exacerbated the risk of violence towards children, as families and communities suffer from lost livelihoods, ill-health and uncertainty.

Our project "Joining Forces for Africa – protecting children during the Covid-19 crisis and beyond" is working across Senegal, Mali, Ethiopia, Kenya and Uganda to ensure children and adolescents experience reduced levels of violence, abuse, exploitation and neglect.

In 2022, half-way through the project, we are seeing key results:

- In all five countries, there is a reduction on average of 19% of children aged 10-17 who reported they experienced any physical punishment and/or psychological aggression by guardians in the past month; 62% of children reported violence, compared to 81% at the start of the project.
- In four out of five countries, there is an increase of an average of 26% of local and national child protection actors with skills and knowledge to respond to child protection risks; in Uganda there has been no change.

- In all five countries, there is an increase of between 14% and 41% of children stating they are more confident to report a protection violation to a reporting structure.

The project is working with 718,000 children, 3,000 service providers, and 23,000 parents and caregivers.

The empowerment of children is at the heart of the project. Children themselves advocate and collaborate for change with their families, communities and with decision-makers, for example using children's parliaments, student councils, and facilitated dialogue sessions with community leaders or parents. It is adopting a strong partnership approach with state and local institutions and community structures.

We are undertaking this work as part of Joining Forces, a collaboration between the six largest child-focused international non-profit organisations: ChildFund Alliance, Plan International (lead), SOS Children's Villages International, Terre des Hommes International Federation, World Vision International, and Save the Children International. The project continues into 2023.



## Global Goal Outcomes

| Outcome   | 2024 Target          | 2022 Results   |
|---|----------------------|--|
| Child Protection Services: Children affected by conflict and gender-based violence, including child marriage, access inclusive and gender sensitive child protection and mental health and psychosocial support | 25 million annually  | *9.3 million   |
| Accountability for grave violations: Countries see state and non-state actors held to account for grave and other serious violations of child rights in conflict and crisis                                     | 10, over three years | 11 with ongoing activities to advance accountability |
| Accountable institutions: Governments and global actors make policy, legal, system or public investment changes to ensure children's right to protection from violence  | 25, over three years | 19   |

\*Save the Children's total reach (direct and indirect) used as a proxy for actual progress towards our targets on essential service delivery.

## Global Goal Indicators\*\*

| Indicators  | 2024 Target          | 2022 Results                   |
|---|----------------------|--------------------------------|
| *Percentage of children, adolescents, family members, caregivers, volunteers or professionals participating in mental health and psychosocial support (MHPSS) programmes who demonstrate improved mental health and/or psychosocial wellbeing | 70%                  | 84%                            |
| *Percentage of children who report an increase to their safety and wellbeing as a result of their needs being addressed through child protection case management  | 90%                  | 77%                            |
| *Percentage of informal and formal Save the Children and partner-supported child protection service providers with improved capacity to prevent and respond to cases of violence against children   | 60%                  | 79%                            |
| Save the Children offices that have fully implemented our Centrality of Protection policy   | 15, over three years | 22 with implementation ongoing |
| Changes made by governments or international actors to policies, laws, public investment, systems or services to meet children's right to protection from violence, and their wellbeing   | 75, over three years | 33                             |

\* We piloted the use of more outcome-based targets for our Live Free from Violence work last year, such as percentage-based targets to improve our understanding of the results. At present, projects use too many different outcome measures to be reported at a global level, but we are rolling out more standardised outcome measures and intend to expand these to other goals as coverage improves.

\*\*Global goal indicator targets and results include support from both Save the Children and its partners.



iAko Randrianarivelo/Save the Children

Edmine, 9, in her village after cyclone Batsirai hit Madagascar.



## STRATEGIC GOAL

## SAFETY NETS AND RESILIENT FAMILIES



Children are disproportionately affected by poverty. Across the world one in two children are growing up in multi-dimensional poverty, meaning they lack necessities as basic as nutrition or clean water.

2022 saw the cost-of-living crisis escalate yet further. Food, bills and other living costs are skyrocketing across the world, and families are facing increasing pressures on their day-to-day lives, with more families unable to afford the very basics. In some countries, like Zimbabwe, Lebanon and Sudan, inflation rates reached triple digits last year.

Families are being forced to make desperate choices to survive. Some parents have withdrawn their children from school and sent them to work. In some countries, young girls are being forced into an early marriage. Some children are even sold to cover debts or to feed others in the family.

By 2024 we want to achieve the following as a global movement:

- 1. Resilient livelihoods:** Annually, by 2024, at least 14 million children and their families receive livelihoods support and/or cash and voucher assistance (CVA).
- 2. Climate policies:** Over three years, 10 governments implement resourced child-sensitive climate policies.
- 3. Accountable institutions:** Over three years, 20 governments and global actors make policy, legal, systems or public investment changes to meet children's right to social protection.

## PROGRESS TOWARDS THE GOAL

We are on track for some of our indicators, for cash and voucher assistance and for our influencing work with governments and international actors towards child sensitive social protection and climate commitments that are informed by children. However, our programming to support resilient livelihoods is not reaching our projected targets. This is evidenced in the number of children and adults supported to improve their livelihoods and investments in children; and the number of adolescents and young people with enhanced capabilities or access to decent employment. We believe this may be due to the lack of coverage of this work on our global indicators management software tracking progress.

**Resilient livelihoods: Annually, by 2024, at least 14 million children and their families receive livelihoods support and/or cash and voucher assistance (CVA).**

**Progress across the global movement:** In 2022, an estimated 9.3 million children were reached with livelihoods support and/or Cash and Voucher Assistance (CVA). While we distributed our highest ever amount of CVA assistance last year, our total reach on resilient livelihoods overall is lower than expected.



Aker\*, 36, collecting a cash transfer from Save the Children in Akobo West, South Sudan.

Significant achievements across Save the Children International include:

- We delivered \$165 million in cash and voucher assistance, the highest level in our history, reaching 1.4m children and adults. This included more than \$17 million distributed in Afghanistan, supporting more than 136,500 families. We also piloted an adaptation of Save the Children's Resourcing Families for Better Nutrition evidenced-based Common Approach (combining cash transfers and nutrition interventions) in Afghanistan, South Sudan and Yemen, with encouraging results. Following our cash transfers, families made shifts in coping strategies and decision making in the household, and there were improvements in the nutritional status of children.
- In Ukraine, we rolled-out U-CAN, our digital cash platform, an important step towards developing and piloting a comprehensive digital cash app in 2023 and further expanding the reach of CVA.
- We developed our new Save the Children Framework for Anticipatory Action, which will strengthen our early response to crises.
- We didn't reach our targets on our work to strengthen resilient livelihoods or to support adolescents and young people to enhance their capabilities and access decent work. However, we believe this may be due to the lack of coverage of this work on our global indicators management software tracking progress.

Although we have increased the scale of our work on CVA programming, we need to continue to focus on operational quality, adaptation, and evidence of impact, including integrating CVA with 'plus' interventions such as our nutrition and protection programming. We will continue to drive forward our work on resilient livelihoods and focus on using

our strategic enablers to expand our total reach and work in specific countries to strengthen our programming. We will also work towards ensuring the full scope of our resilient livelihoods work is captured through our results monitoring.

**Climate policies: Over three years, 10 governments implement resourced child-sensitive climate policies.**

**Progress across the global movement:** In 2022, six institutions made climate-sensitive climate policy changes. Significant achievements across Save the Children International include:

- We contributed to the adoption of the G20 Bali Leader's Declaration and Global Platform for Disaster Risk Reduction (GPDRR) and the Bali Agenda for Resilience, ensuring they reflect the voices and concerns of children, and we led the drafting of the children and youth declaration.
- In Nepal, we provided technical and financial support to child-led groups to support their influencing efforts, resulting in the Supreme Court of Nepal blocking the construction of an international airport that would have damaged the environment, biodiversity, and wildlife of a national park.
- At COP27, alongside other child focused agencies, we were successful in influencing the final outcome text regarding children's rights as well as their participation in climate-related policy development. We were successful alongside our partners in advocating for a new loss and damage fund, to be agreed which will help countries recover from climate devastation. We also saw formal recognition by member states through the Sharm El-Sheik Implementation plan and Action for the Climate Emergency (ACE) agenda of children as change agents in addressing the climate crisis.

## INTRODUCTION OF A SOCIAL PROTECTION LAW IN JIGAWA STATE, NIGERIA

Last year saw a new Social Protection Bill become law in Jigawa state in Nigeria. The law introduces state social protection programmes for children, and we believe it has the potential to safeguard the rights of around three million children.

Save the Children has been working since 2017 to contribute technical support to the development and drafting of the new law, working with legislators, alongside our partners. We worked with government, civil society and media stakeholders to build knowledge and support around the benefits of social protection.

The law is an important achievement, and we are continuing to support the state government toward making the needed investment to ensure its full implementation.

Effective implementation of the state law would also ensure children have access to compulsory and quality primary education, children under the age of five receive free health services and immunisations, and that cash transfers are made to poor and vulnerable pregnant and lactating mothers.



## GETTING CASH TO FAMILIES IN AFGHANISTAN

In Afghanistan, millions of people were already struggling to make ends meet, even before global economic shocks exacerbated living costs last year.

In 2022, we provided over \$17 million in cash grants to people in Afghanistan, supporting more than 136,500 families.

When the Taliban retook control of the country in 2021, the withdrawal of billions of dollars in international aid, and the freezing of Afghanistan's foreign currency reserves triggered a total collapse of the economy, which is contributing to one of the worst humanitarian crises the country has ever seen.

In a survey we conducted in 2022, 97% of families said they were unable to meet their basic needs, such as food and shelter. Our cash grants mean they can buy food, medicine and other essentials. Cash gives families the ability to meet their own unique needs and also helps bolster local economies.



When five-month-old Qasim\* contracted severe pneumonia and his life was on the line, his parents used a cash grant from Save the Children to pay for his treatment.

Nationally and globally, we need to elevate efforts to influence donors and governments to increase the volume and child-sensitivity of climate finance, particularly for children experiencing inequality and discrimination. Across our four global goals we will enhance our efforts to embed climate resilience, working in partnership with children.

**Accountable institutions: Over three years, 20 governments and global actors make policy, legal, systems or public investment changes to meet children's right to social protection.**

**Progress across the global movement:** In 2022, five governments or global actors made 19 policy, legal, systems or public investment changes to meet children's right to social protection.

Significant achievements across Save the Children International include:

- We contributed to the creation of national social protection policies in Kenya and Nigeria; a new nation-wide cash-plus approach agreement in Zambia; a new referral based social protection programme in

Somalia to support pregnant and lactating women; and a pilot project in Bangladesh to integrate social protection within a project for severe acute malnutrition.

- The African Children's Parliament sat for the first time at the African Union's mid-year meeting and reviewed progress on social protection. As part of the 20 member-strong Global Coalition to End Child Poverty, which we co-chair with UNICEF, we launched a joint policy agenda to end child poverty, with a clear focus on child-sensitive social protection.
- We collaborated with UNICEF and the International Labour Organisation to develop a new universal child benefits tracker. It is due to launch in mid-2023 and will use data transparency to drive accountability.

We will continue to drive forward our influencing work with governments and international actors for child-sensitive and shock-responsive social protection systems and investment. With the climate and hunger crisis continuing to grow, we will also elevate our efforts on key modalities such as anticipatory action.

## Global Goal Outcomes

| Outcome  | 2024 Target                | 2022 Results        |
|--|----------------------------|---------------------|
| Resilient livelihoods: Children and their families receive livelihoods support and/ or cash and voucher assistance   | 14 million people annually | *9.3 million people |
| Climate policies: Governments implement resourced child-sensitive climate policies   | 10, over three years       | 6                   |
| Accountable institutions: Governments and global actors make policy, legal, systems or public investment changes to meet children's right to social protection | 20, over three years       | 5                   |

\*Save the Children's total reach (direct and indirect) used as a proxy for actual progress towards our targets on essential service delivery.

## Global Goal Indicators\*\*

| Outcome  | 2024 Target           | 2022 Results         |
|--|-----------------------|----------------------|
| Children and adults supported with cash and voucher assistance.  | 1.5 million annually  | 1.4 million          |
| Children and adults supported to improve and protect their livelihoods and their investments in children   | 5 million annually    | 1.6 million          |
| Adolescents and young people with enhanced capabilities or access to decent employment, including apprenticeships or internships   | 500,000 annually      | 269,000              |
| Priority evidence gaps* relating to cash and voucher assistance, child-sensitive social protection, and climate resilience addressed with high quality research and evaluation | 100% over three years | Many studies ongoing |
| Climate-focused changes made by governments or international actors to commitments, policies, laws, public investment systems or services that include proposals by children   | 10, over three years  | 6                    |
| Social protection-focused changes made by governments or international actors to policies, laws, public investment or child-focused structures                                 | 20, over three years  | 19                   |

\*Priority evidence gaps refers to the priority questions set out in our Global Research, Evidence and Learning agenda for 2022–2024.

\*\*Global goal indicator targets and results include support from both Save the Children and its partners.





Brothers Tomás, nine, and Edizon, seven, with mum Rebeca, 27, at their farm in Quiche district, Guatemala.



# UPHOLDING CHILDREN'S RIGHTS

Save the Children has been fighting for children's rights for over 100 years. Our founder wrote the Declaration of the Rights of the Child, the first international declaration promoting child rights, adopted by the League of Nations in 1924. Many years later this evolved into the United Nations Convention on the Rights of the Child (UNCRC). Our work continues every day to try to realise our founding ambition for every child, everywhere to secure their rights.

At the centre of this work is our support to building systems that are resilient and accountable to children. We do this through driving:

- **Social accountability** – Supporting children to organise with their communities to hold decision makers accountable for their public service commitments to children.
- **Public investment in children** – Advocating for and supporting governments to raise and spend more money, more fairly, and more transparently to fulfil children's rights.
- **Child rights reporting** – Supporting diverse children to organise with civil society to monitor and report on child rights in their countries, and to secure a recognised space for child activists and human rights defenders.

This is helping to drive progress across all four of our global strategic goals. Significant achievements across Save the Children International, working with national and local partners, include:

- In Zambia and Kenya, Children's Acts were enacted, enshrining children's rights in national legislation.
- In Ethiopia, a new national child parliament was established.
- In Côte d'Ivoire, the government incorporated children on the move into its national child protection policy.
- In Guatemala, 23% of the national budget was spent on children and adolescents in 2022 (approximately US\$ 3.2 billion), with our technical support and advocacy contributing to increased budget allocation, quality public expenditure and improved tax collection. In Occupied Palestine the child council was endorsed as an advisory to the Palestinian Central Bureau of Statistics, meaning children will now be consulted on the accessibility of data.

## GENERATION HOPE CAMPAIGN

Generation Hope is our global campaign for and with children calling for urgent action on the climate crisis and inequality to create a safe, healthy and happy future for children. The campaign is calling for public investment in children, efforts to tackle climate change, and to share power with children.

In 2022, we launched our new campaign model, putting children at the centre. We kicked off with a focus on listening to children, supporting their campaigning, and engaging in compelling storytelling to help start to shift the dominant political narrative around climate change and inequality.

Through children's hearings, over 54,500 children from 41 countries shared their experiences of climate change and inequality and their ideas and recommendations.

These hearings informed the flagship Generation Hope report *2.4 Billion Reasons* to end the global climate and inequality crises. The report was launched with integrated communications and received considerable media coverage across 50 countries.

The children's hearings also informed and were widely used in Save the Children's engagement and advocacy around COP27, contributing to the formal recognition of children as agents of change in addressing and responding to climate change.

Our Generation Hope campaign is significant in starting to transform how we partner with children to drive change. In 2023, we will continue to expand the implementation of the campaign.



## NATIONAL CHILDREN'S PARLIAMENT ESTABLISHED IN ETHIOPIA

**In 2022, Ethiopia launched its National Children's Parliament at the federal level, a historic move that will give formal space for children in Ethiopia to engage in democratic processes.**

The parliament will empower children to demand the realisation of their rights and advocate for the protection of the most vulnerable children, including those with disabilities. It will also enable the federal government to make responsive decisions and act based on the priorities of children in a more sustainable way.

Children themselves demanded to have this platform at the highest tier. Since the first children's parliament was established in the Konso zone area in Ethiopia 20 years ago, Save the Children has been advocating for and supporting the establishment and recognition of similar child-led structures throughout the country.

The new National Children's Parliament is the result of an election process led by children themselves through their regional level Parliaments. In total there are over 8,400 children's parliaments established in all regional states.

Working with children and partners, we helped develop guidelines for the National Children's Parliament Guideline, provided capacity building training, child-friendly materials, experience sharing forums, and civic spaces for members of children's parliaments to engage in strategic issues. Our advocacy work also helped to establish shifts in political will and the commitment of senior decision makers to work with children.

The Parliament will number 132 children, with a 50-50 gender balance and 10% will be children with disabilities and other disadvantaged children.



Cynthia R. Matonhodze / Save the Children

16-year-old Justina, a child climate activist, pictured in front of her house in Zambia.

# USING OUR ENABLERS

**IN 2022, WE PUT STRONG FOUNDATIONS IN PLACE FOR OUR SIX STRATEGY ENABLERS TO ACCELERATE OUR PROGRESS TOWARDS OUR STRATEGIC GOALS. IN 2023, WE WANT TO FURTHER STRENGTHEN AND ADVANCE THIS WORK, USING OUR ENABLERS MORE SYSTEMATICALLY IN OUR HUMANITARIAN RESPONSE, PROGRAMMING AND ADVOCACY.**

## ADVOCATE, CAMPAIGN & MOBILISE



We are working to systematically influence change at scale. We want to use compelling evidence from our programmes; support children to advocate and campaign; mobilise the public to shift political conditions and to grow our supporter base; and strengthen and use our brand to help drive this change.

In 2022, we strengthened our focus on influencing institutions and the public and contributed to 121 policy changes by governments and international actors, with children involved in influencing 66% of those changes. Our work to strengthen our campaigning with children made good progress, particularly through the launch of our Generation Hope campaign on the climate crisis and inequality, and through supporting children at COP27. We launched and operationalised our new five-point brand plan to strengthen our movement-wide alignment as one global voice. During 2022, our global brand showed higher levels of familiarity, awareness and trust than the previous year.

## USE DIGITAL & DATA



We want to use digital platforms to reach more people faster with evidence-based approaches; to campaign more effectively; and to enable better supporter experiences. We want to use data as a vital resource to accelerate and measure our impact, and to anticipate and respond to children's needs.

In 2022, we established a Global Digital Programming department to help us achieve sustainable, scalable digital support to our programming and advocacy work. The unit will work across four areas: Defining Technical Enablers, Digital Solutions, Digital Standards and Digital Capability building. We have already launched two global data collection tools for surveys, tracking and case management. We have also established a community of practice to exchange learnings and share best practices with 545 colleagues across Save the Children. We have collaborated with the Boston Consulting Group to create a prototype of a guide to help countries design and implement digital programmes. And we have developed a set of digital standards for managing online communities safely. We are also investing in strengthening research and evidence to drive further impact. In 2022, we commenced over 90 studies to help us fill 18 global strategic evidence gaps and put in place the new strategy monitoring systems, the results of which are reflected in this report.

## PARTNER STRATEGICALLY



We want to collaborate with diverse public and private sector organisations, driving equitable relationships and leveraging strategic opportunities to accelerate better outcomes for children.

In 2022, we agreed our organisational approach to strategic partnerships, based on co-creation and complementary value, and we baselined our current global partnerships for programme impact using that approach. We revised our partnership tools and procedures to align with our partnership principles, and these will be rolled out in early 2023. Our annual 'pulse check' survey with local partners showed an improvement of four percentage points for partner experiences of working with Save the Children, compared to the previous year.



## SHIFT POWER TO CHILDREN, COMMUNITIES AND LOCAL PARTNERS



We want to be a true ally to children and their local communities. We are formalising our accountability to them in our strategy and programme delivery. We want to elevate their voices and support them to access the knowledge and resources they need to uphold their rights.

In 2022 we agreed our movement-wide long-term ambition for localisation, 'Local to Global for Impact', and kick-started priority workstreams. We continued to strengthen accountability to children and communities through formal mechanisms for them to influence our projects and decision making. Many countries' offices conducted accountability system reviews to identify strengths and improvements. Across the movement, we set a baseline that 25% of our countries have an active mechanism for children to advise Save the Children senior leadership.

## BUILD AN AGILE AND INCLUSIVE ORGANISATION



We want to foster a diverse global workforce that is engaged and feels connected. We want to employ nimble ways of working, and align our global, regional and country talent to collectively deliver our country and global strategies.

We took further measures last year to continue our work to foster a diverse, engaged and fully connected global workforce. We increased the diversity of our country directors and our country office senior management teams and extended leadership teams. And we appointed a new Diversity, Equity and Inclusion Lead to help us build further on this work.

We made strong progress in ensuring country offices have the technical expertise needed to deliver their strategies, with the number doing so increasing by 10% in 2022, from the previous year. However, we still face gaps in future-facing talent and expertise to deliver our strategy, which we will seek to address going forward.

## GROW AND OPTIMISE RESOURCES



We want to grow our income while diversifying our global funding portfolio and increasing our strategic alignment. Our three-year whole of movement income and spend plan will drive our strategic goals and cost efficiency.

We grew our total income by 20% last year. We raised over \$99 million for our Humanitarian Fund as well as \$110 million to support our work on the Ukraine crisis. We exceeded our moderate funding ambitions overall by more than 6%, with 96% of our programme spend in countries aligned to our strategic goals. We made good progress on optimising and diversifying existing funding. For example, 2022 marked the launch of our Match Framework which helped unlock \$702 million by the end of the year by ensuring we plan and secure match funding early to minimise the use of unrestricted funding when contributing towards the cost of projects funded by our partners.

# OUR HUMANITARIAN WORK

**2022 was a devastating year for children caught up in crises. The escalation of conflict in Ukraine caused the fastest and largest displacement of people in Europe since the Second World War. Historic flooding in Pakistan submerged a third of the entire country. And the worst drought in at least 40 years persisted in the Horn of Africa as the region marked a fifth failed rainy season.**

At the beginning of the year, the number of people estimated to need humanitarian support, was already a staggering 274 million. By December, this had increased by 65 million, and

forecasts for 2023 anticipate that we will see a record 339 million people in need by the end of the year.

Last year we responded to 107 new and ongoing emergencies in 66 countries. Violent conflict, extreme climate and seismic events, deadly disease outbreaks and global economic shocks, threatened millions of children's lives, rights and futures.

We also carried out disaster risk reduction and prevention work, taking the total number of countries our humanitarian work reached to 72.

| Region                                     | Number of Responses | Number of countries | Cat 1* | Cat 2* | Cat 3* | Cat 4* |
|--|---------------------|---------------------|--------|--------|--------|--------|
| Asia                                       | 30                  | 11                  | 1      | 1      | 3      | 6      |
| East and Southern Africa                   | 21                  | 16                  | 3      | 1      | 3      | 9      |
| Latin America and Caribbean                | 12                  | 10                  |        |        | 3      | 7      |
| Middle East, North Africa & Eastern Europe | 18                  | 14                  | 2      | 3      | 3      | 6      |
| West & Central Africa                      | 12                  | 9                   | 1      | 1      | 3      | 4      |
| North America                              | 4                   | 1                   |        |        |        | 1      |
| Oceania                                    | 5                   | 4                   |        |        | 1      | 3      |
| West and Central Europe                    | 1                   | 1                   |        |        |        | 1      |
| Global                                     | 4                   | N/A                 | N/A    | N/A    | N/A    | N/A    |

*\*Save the Children's country Humanitarian Categorisation (CHC) framework consists of four categories on a scale from 1 to 4, where a category 1 CHC is designated as 'extraordinary' and is the largest and most severe; category 2 is 'large'; category 3 is 'medium'; and category 4 is 'small'. Categorisation is determined by the scale and severity of the humanitarian need, the complexity of the context and its impact on the delivery of humanitarian assistance.*

| Type of crisis                 | Number of events | Notes  |
|--------------------------------|------------------|--|
| Climate/weather-related events | 42               | Includes droughts, floods, cyclones, cold waves, bushfires   |
| Conflict                       | 18               |  |
| Earthquake                     | 7                |  |
| Epidemic                       | 4                |  |
| Volcano                        | 1                |  |
| Complex Crisis                 | 29               | Defined as contexts facing multiple crises at once (prolonged conflict, food insecurity, epidemics, drought etc) |
| Other                          | 6                |  |



Working in partnership with local and national organisations, governments and local authorities, our supporters and – above all, with children and their families – we worked to achieve our global goals for children so they were able to survive, stay safe, access their rights and keep learning in the most challenging of circumstances.

## HEALTHY START IN LIFE



To give children a **healthy start in life**, we delivered lifesaving health and nutrition services, helped to treat and prevent life-threatening injuries, illnesses and diseases, and to ensure the continuation of essential services in emergency settings, such as vaccination campaigns and maternal, sexual and reproductive healthcare.

We also made sure children had access to clean water, and safe hygiene and sanitation facilities to protect them from deadly illnesses and diseases. We supported children to cope with the emotional toll of deeply distressing experiences, delivering psychosocial support services and setting up safe spaces for children to play and socialise.

## SAFE BACK TO SCHOOL AND LEARNING



We kept children **learning and supported their safe return to school**, protecting their right to an education and providing them with a sense of normalcy even in the most distressing times.

## LIVE FREE FROM VIOLENCE



To help children **live free from violence**, we protected children from violence, neglect, exploitation and abuse, making sure the most vulnerable children had tailored support, and we spoke out on violations against children's rights.

## SAFETY NETS AND RESILIENT FAMILIES



Finally, as part of our goal to provide children with **safety nets and foster resilient families**, we provided food, shelter, cash and livelihood support to families who had lost their homes, belongings, and sources of income.

OF THE **29.3 MILLION** PEOPLE, INCLUDING **14.6 MILLION** CHILDREN, WE PLANNED TO REACH IN 2022 WITH HUMANITARIAN SUPPORT, WE REACHED **27.9 MILLION** PEOPLE, INCLUDING **16.3 MILLION** CHILDREN.

WE SPENT **\$856 MILLION** OF THE **\$1.2 BILLION** WE AIMED TO RAISE IN HUMANITARIAN FUNDING IN 2022.

### SAVE THE CHILDREN'S HUMANITARIAN FUND

The Humanitarian Fund was created in 2021, to pool funding from across the Save the Children movement into a flexible, central fund. This enables us to distribute resources quickly and efficiently when disaster strikes or situations deteriorate in volatile contexts. It means we can act immediately and deliver lifesaving support wherever it is needed, when it matters most.

This funding not only ensured we could deliver lifesaving work when other funding was not immediately available, but it also

helped leverage additional funding, helping us to expand the scope of our programming and reach even more children. For example, part of the funding released to Pakistan in response to the devastating floods last year supported a multi-sectoral needs assessment in the immediate aftermath of the floods. This formed the basis for communicating urgent needs to other donors and helped our Pakistan\* country office to secure over \$5 million from other donors for the response.

*\*Save the Children International is responsible for managing the Pakistan country office on behalf of Save the Children US.*

### Allocations:

| Region       | Number of allocations | Allocation amount (\$) | %   |
|--------------|-----------------------|------------------------|-----|
| Asia         | 69                    | 18.40 million          | 12% |
| ESA          | 77                    | 31.64 million          | 21% |
| LAC          | 31                    | 9.39 million           | 6%  |
| MENAE        | 64                    | 70.94 million          | 46% |
| WCA          | 45                    | 20.40 million          | 13% |
| Global       | 61                    | 3.84 million           | 2%  |
| <b>Total</b> | <b>347</b>            | <b>154.61 million</b>  |     |

**TOTAL AMOUNT  
ALLOCATED TO  
COUNTRY OFFICES  
IN 2022**

**\$154.6 M**

**TOTAL AMOUNT  
SPENT BY  
COUNTRY OFFICES  
IN 2022**

**\$142.5 M\***

*\*80% of the \$142.5 million spend went on humanitarian delivery, 13% went on humanitarian strategy and design, and 6% on shared direct costs such as HR, admin, logistical and legal costs.*



## EMERGENCY HEALTH UNIT

**When disaster strikes, our Emergency Health Unit (EHU) of doctors, nurses, midwives, engineers and supply-chain specialists can respond within a matter of hours.**

In 2022, we deployed the EHU nine times to nine countries.

We:

- Undertook a mass measles vaccination campaign in the Democratic Republic of Congo
- Supported response and preparedness activities for cholera outbreaks in Nigeria and North East Syria, and Ebola in Uganda and border areas of South Sudan
- Reviewed primary healthcare and reproductive health services in Afghanistan and provided training and support on medicine procurement and storage
- Supported the drought response in Kenya, focusing on strengthening water, sanitation and hygiene services
- Provided training, procurement of medical supplies and capacity building on Infection, Prevention and Control health services in Sudan
- Finalised our primary healthcare response to the 2021 earthquake in Haiti

The EHU also carried out 19 individual surge deployments to provide support to 13 responses, including those in Ukraine and Pakistan\*. Overall, the EHU reached more than 339,000 people in 2022.



A Save the Children midwife provides Zarmina\*, 25, who is five months pregnant, with a pre-natal check-up in Afghanistan.

Our central Global Expertise and Humanitarian Surge Platform (GEHSP) filed 1,005 requests for the deployment of Save the Children staff last year from 60 different countries to help with humanitarian surge work, offer technical expertise, and develop new projects.

*\*Save the Children International is responsible for managing the Pakistan country office on behalf of Save the Children US.*

## ANTICIPATING CRISES, BUILDING RESILIENCE AND CHANGING SYSTEMS

Helping countries and communities prepare, build resilience and act early to minimise the impact of humanitarian crises is proven to save lives, dramatically reduce humanitarian needs and costs, and better protect children and their families from future risks. Save the Children established an Anticipatory Action team and framework in 2022 to support country teams and partners to use data and evidence to take action. Nine percent of funds from the Humanitarian Fund were allocated to anticipatory action and risk-informed preparedness activities in 2022, with \$8.5 million allocated to 35 countries.

This funding helped countries reduce the impact of floods, drought and population displacement before they happen by disaster-proofing essential infrastructure, such as bridges or water sources, providing cash or materials to help people

prepare for disasters in advance, procuring buffer stocks of food, essential items and medicine, training rapid response teams, and developing early-warning systems.

In Nepal, for example, where monsoon rains often cause heavy flooding, this funding helped install and maintain community-based flood early warning systems, localised the use of national disaster information management systems, and supported the country office's internal emergency preparedness procedures.

A major element of our strategy is to shift power to children and local communities. Local organisations and people in the communities affected by crises are the first to respond and they have the local knowledge that is vital when trying to meet people's needs. In 2022, over \$14.7 million, representing 9% of our funding from the Humanitarian Fund, was channelled to national and local partners.

In September, we joined the Grand Bargain Caucus on localisation to help us tackle the barriers that prevent us from reaching the 25% funding target for local humanitarian actors. In October, we also signed up to the Pledge for Change, which involves three pledges, to ensure our partnerships are equitable, we tell authentic stories and we influence wider change in support of local actors. We want to channel more funding directly to local organisations to promote local leadership, better partnerships and coordination.

## ONE HUMANITARIAN TEAM

Last year Save the Children underwent a huge structural and cultural change to maximise our strengths as a global movement and increase our impact for children in crises.

We created a new Humanitarian Vision and One Humanitarian Team to allow us to adapt and deliver in today's complex humanitarian context.

Our Humanitarian Vision is built from six shared global goals – that as an organisation we are more informed, prepared, diverse, de-centralised, collaborative, and influential.

To better align our humanitarian capacity and capability from across the movement to achieve the Humanitarian Vision, we created the One Humanitarian Team – a cross-functional team, made up of colleagues from across our country offices, regional offices, members and our global centre.

# THE CLIMATE CRISIS

Children have done the least to cause climate change but are most impacted by it. If we are to achieve our 2030 breakthroughs for children, we must tackle the climate crisis. It is one of the biggest threats to children's rights. Around one billion children, or nearly half of all children worldwide, live in countries at extreme risk of the impacts of climate change.

Our response to the climate crisis is a critical contextual driver of Save the Children's Global Strategy 2022-24 and a global focus for our advocacy, campaigning, programming and fundraising work and our own operations.

## ADVOCACY AND CAMPAIGNS

Support children impacted by inequality and discrimination as agents of change, and push the international community to take actions to address the climate crisis also as a children's rights crisis

## PROGRAMMES

Minimise the impact climate shocks and change have on children and our current Breakthroughs by ensuring all of our work is climate risk informed and developing evidence, innovation and programming at scale for child-centred climate and anticipatory pathways

## OPERATIONS

Build credibility and put our house in order by reducing the environmental impacts of own operations to deliver impact for children with minimum footprint

## FUNDRAISING

Access and optimise the use of an estimated \$200M a year from 2024 in available climate finance per year from institutional donors, corporations and foundations including the Green Climate Fund



Sara, 15, and Loris, 14, making a poster for the climate march in Prishtina, Kosovo.



## OUR ADVOCACY WORK

Last year we launched our Generation Hope campaign, based on the largest-ever consultation our movement has conducted with children. We spoke to 54,500 children in 41 countries. 73% told us that we must do more to tackle the climate crisis and 83% said they were already experiencing the impacts of both the climate crisis and inequality.

## “WE ARE SEEING AND LIVING THE CLIMATE CRISIS”

Amina\*, 17, climate change activist in Somalia



Amina\* attends a school supported by Save the Children where she learns about the climate crisis and child rights.

Our report <https://resourcecentre.savethechildren.net/document/generation-hope-2-4-billion-reasons-to-end-the-global-climate-and-inequality-crisis/> amplifies the views and solutions from children from all over the world on climate change and the inequality that makes this issue an immediate threat to communities already struggling with poverty. It received extensive media coverage and helped us to make a strong case to decision makers at COP27.

Alongside our partners, we successfully advocated at COP27 for children to be formally recognised as agents of change in addressing and responding to the crisis for the first time. We secured an agreement that governments should include children in the design and implementation of climate-related policies. We also supported the successful advocacy for new, additional funding to address loss and damage for communities experiencing the impacts of climate change.

The recognition of the importance of child rights and participation at COP27 was achieved in collaboration with other major child focused organisations as part of the Children's Rights Climate Movement. By aligning our messaging, we were able to speak with one voice and present a clear, compelling case for children's rights.

Our advocacy work with and for children has been wholeheartedly welcomed by the climate change community. Last year our work and our Generation Hope report were quoted extensively in high level climate discussions. We want to build on this going forward to make sure children's voices are at the forefront of this work.

Last year we also became recognised observers on the Intergovernmental Panel for Climate Change (IPCC). The panel provides policymakers with regular scientific assessments on climate change, its implications and potential future risks. Our status as an observer will enable us to advocate for more scientific research and focus on the impact of climate change on children. In 2023, prior to the release of their Synthesis Report we are also bringing youth activists to the IPCC plenary for the first time.

Last year as a core partner of the Children's Environmental Rights Initiative and the Children's Rights Climate Movement, we also contributed to the success of the groundbreaking UN General Assembly resolution recognising the human right to a clean, healthy and sustainable environment, with explicit references to children.

In 2023, we plan to leverage our Generation Hope campaign further and work in partnership with children and other organisations to influence national governments to take policy measures on several fronts: to address the climate and hunger crises, to address the need for climate smart education financing, to ensure that children have a central role in the new loss and damage financing, and that the new collective quantified goal for climate finance integrates the needs of children.

We want to ensure that all these policy measures are designed to address the climate crisis in ways that work for children, including through shock-responsive social protection systems, by dedicating more money to climate financing, investing in children and facilitating children's decision making. The spring and annual meetings of the World Bank are key arenas for climate finance advocacy in 2023.

## SUPPORTING CHILDREN TO COPE WITH AND ADAPT TO THE IMPACTS OF CLIMATE CHANGE

In 2022, we launched our Climate Crisis Internal Child-centered Framework for Action to guide the design and implementation of child centered climate action across all our goals.

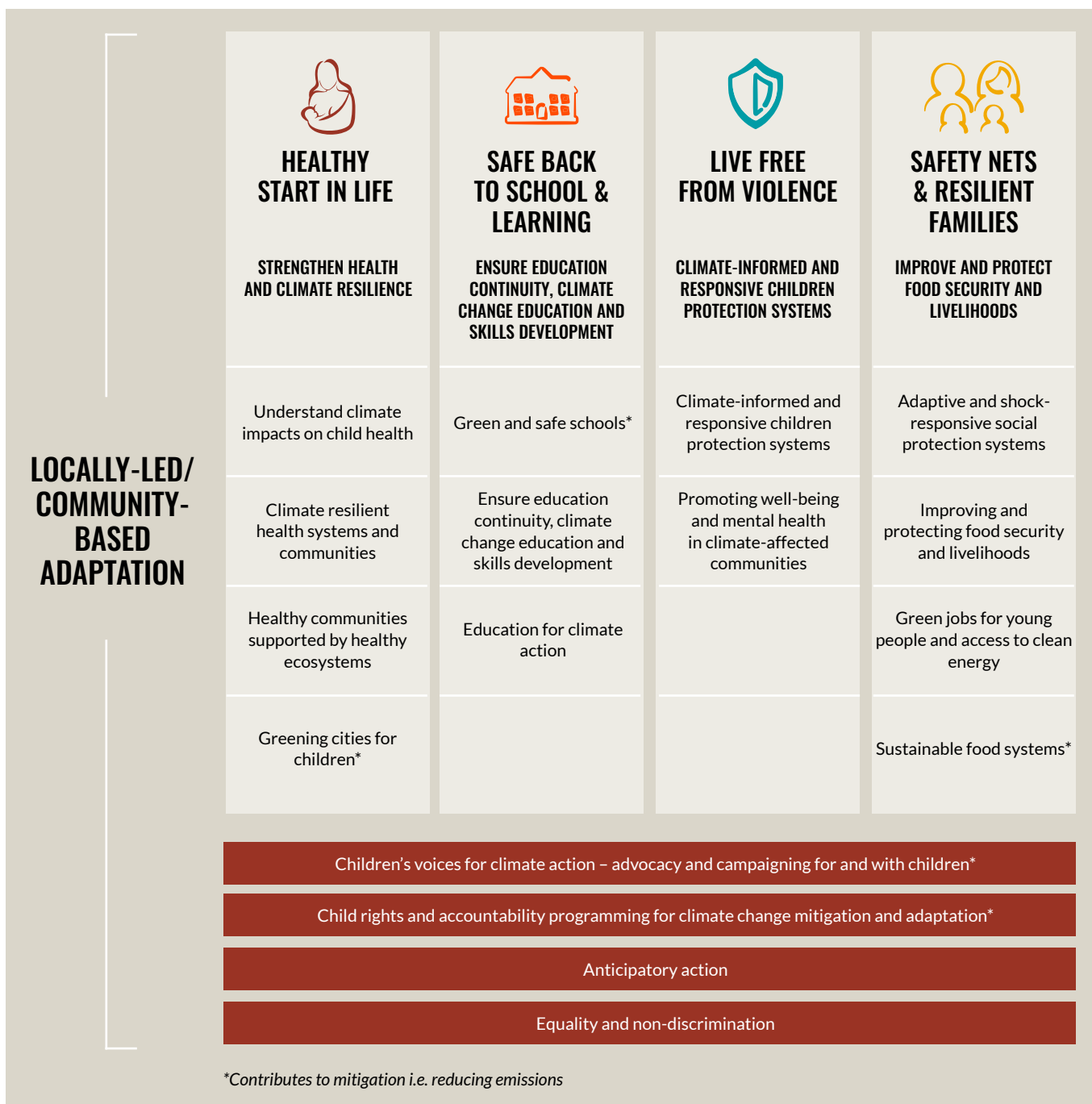
Last year we launched our Climate and Health Strategy and developed programme offers specific to climate and education, and climate and child protection.

The relationships between all of these issues are complex and equity is at the heart of them. We want to achieve transformative, sustainable change by tackling the

context-specific drivers that mean some groups disproportionately experience health, education or child protection impacts as a result of climate change.

One of these projects is our SHIFT For Our Planet model, developed in partnership with WWF, which supports children and young people to design and launch public campaigns on issues of their concern, including environmental sustainability and climate action.

The project has supported eight child and youth-led climate-related campaigns across Myanmar, Vietnam, and Nepal. It will expand to 19 countries across Asia, Africa and Latin America and the Caribbean in 2023.



## PAKISTAN\* FLOODS

**In 2022, record-breaking floods hit Pakistan affecting 33 million people including 16 million children. Approximately 1,300 people were killed, among them 450 children. Rains submerged one third of the country. More than a million homes were destroyed or badly damaged, leaving many homeless and exposed to the elements including the high risk from water-borne diseases spreading in affected areas.**

Save the Children operated in the worst affected areas last year to assess the immediate needs of children and families. We delivered food packs, relief tents and kitchen items and set up temporary learning centres.

We allocated \$17.1 million to support this vital work to ensure children and their families get the support they need.

*\*Save the Children International is responsible for managing the Pakistan country office on behalf of Save the Children US.*

## LOCALLY-LED ADAPTATION

Save the Children is the only child-centred humanitarian International Development NGO accredited to the Green Climate Fund, the largest global fund dedicated to fighting climate change. We are working with communities, governments and other partners to develop and implement programmes worth more than \$291 million in 12 countries across Asia, the Pacific and Africa to address the impacts of climate change on children.

The \$32m Vanuatu Community-based Climate Resilience project is the largest locally led adaptation project in the world and primarily funded by the Green Climate Fund. Locally-led adaptation shifts power to communities themselves to develop and implement solutions. The project will reach over 90,000 direct beneficiaries (44% of the rural population) and an additional 110,000 indirectly (increasing the project's reach to 95% of the rural population), ensuring climate finance reaches remote communities who are most vulnerable to the impact of climate change at scale. The project will provide these communities with access to climate information and early warning systems. It will implement community adaptation and sustainable development initiatives such as restoring and protecting coastal areas, enabling women-led enterprises, and supporting climate-resilient agriculture and fisheries techniques. To ensure the long-term sustainability of the activities, the project will support

integrating climate change into top-down and bottom-up government planning systems.

## OUR OPERATIONS

Save the Children International recognises that our global operations have an impact on the environment and climate change. Our Environmental Sustainability and Climate Change (ESCC) policy sets out our commitment to reduce CO<sub>2</sub>e emissions by more than 50% from our 2019 baseline by 2030 at the latest. Unavoidable residual emissions will be responsibly offset. The policy also highlights the significant contribution that our supply chains have on our own environmental impact and includes commitments on how we will work with our suppliers to reduce the negative environmental impact of our supply needs.

We are tackling emissions through initiatives such as switching the energy sources at more of our offices to renewables such as solar energy, reducing the number of flights we take and enabling the use of newer and more fuel-efficient vehicles. Save the Children International has also been transitioning from using servers to a cloud-based system, reducing energy consumption via electricity and cooling.

Our supply chain team has updated our procurement procedure to weigh our sourcing decisions towards sustainability – adding a 10% minimum weighting on sourcing decisions for all formal quotations and tenders.

Our first environmental sustainability report was developed in 2022, setting out our progress on our emissions reductions journey and illustrating how we will achieve our commitment. Based on progress to date we believe that our emissions reduction target remains ambitious, science-based but also realistic, requiring all parts of the organisation across the world to undertake significant emission reduction initiatives in a phased approach for the next eight years.

## 2022 CARBON AND ENERGY PERFORMANCE

Last year Save the Children International's environmental impact was calculated across scope two emissions sources (indirect emissions such as electricity) and scope three emission sources (selected indirect emission categories such as travel). There were no scope one emissions (emissions caused directly by sources we own or control) recorded in the reporting period. The carbon emissions are presented on both a location and market basis and include well-to-tank emissions.

The main sources of our emissions in 2022 were from flights, hotel stays, and taxis. These are all higher than in 2021 due to the lifting of travel restrictions after the pandemic, but are still lower than our pre-Covid 2019 emissions.

*See the following paragraph and table for details.*



On a location basis the carbon emissions were 1,893.02 tCO<sub>2</sub>e, which is an average impact of 2.47 tCO<sub>2</sub>e per FTE, and on a market basis they were 1,906.28 tCO<sub>2</sub>e. The emissions intensity metrics on FTE, will be used to monitor and track performance in subsequent environmental disclosures. The reason that the intensity metric has only increased by 367% in comparison to the increase of 521% in emissions is due to FTE numbers increasing from 576 to 767 between 2021 and 2022.

The methodology used to calculate the 2022 Greenhouse Gas (GHG) emissions is in accordance with the requirements of the following standards:

- World Resources Institute (WRI) GHG Protocol (revised version)

- Defra's Environmental Reporting Guidelines: Including Streamlined Energy and Carbon Reporting requirements (March 2019)
- UK office emissions have been calculated using the DEFRA 2022.
- Following an operational control approach to defining our organisational boundary, our calculated GHG emissions from business activities fall within the reporting period of January 2022 to December 2022 and use the reporting period of January 2021 to December 2021 for comparison

## EMISSIONS AND ENERGY USAGE

Energy and carbon disclosures for reporting period 1 January – 31 December 2022

| Scope                       | Emissions Source   | 2019 <sup>2</sup><br>(tCO <sub>2</sub> e) | 2020<br>(tCO <sub>2</sub> e) | 2021<br>(tCO <sub>2</sub> e) | 2022<br>(tCO <sub>2</sub> e) | Variance<br>(2021 v. 2022) |
|-----------------------------|--|---|------------------------------|------------------------------|------------------------------|----------------------------|
| Scope 2                     | Electricity  | 43.68                                     | 28.39                        | 16.77                        | 16.27                        | -3%                        |
| Total Scope 2               |  | 43.68                                     | 28.39                        | 16.77                        | 16.27                        | -3%                        |
| Scope 3                     | Flights (incl. WTT)  | 2,594.03                                  | 502.88                       | 255.62                       | 1,665.38                     | 552%                       |
|                             | Hotels <sup>3</sup>  | 492.05                                    | 41.81 <sup>4</sup>           | 21.94 <sup>4</sup>           | 187.65                       | 755%                       |
|                             | Taxis (incl. WTT)  | 41.62                                     | 5.35 <sup>5</sup>            | 2.56 <sup>5</sup>            | 4.17                         | 63%                        |
|                             | Rail (incl. WTT) <sup>6</sup>                                      | 0.35                                      | 0.15 <sup>4</sup>            | 0.31                         | 2.28                         | 635%                       |
|                             | Employee Cars (incl. WTT)  | 0.00                                      | 0.00 <sup>5</sup>            | 1.40 <sup>5</sup>            | 11.54                        | 724%                       |
|                             | Electricity transmission and distribution (incl. WTT) <sup>7</sup> | 4.23                                      | 2.78                         | 1.87                         | 1.84                         | -1%                        |
|                             | Electricity generation WTT <sup>8</sup>                            | 6.09                                      | 3.92                         | 4.37                         | 3.89                         | -11%                       |
| Total Scope 3               |  | 3138.37                                   | 556.89                       | 288.07                       | 1,876.75                     | 551%                       |
| Total (Market Based)        |  | 3,182.04 <sup>9</sup>                     | 593.16                       | 313.03 <sup>10</sup>         | 1,906.28                     | 509%                       |
| Total (Location Based)      |  | 3,182.05                                  | 585.28                       | 304.84                       | 1,893.02                     | 521%                       |
| Total Energy Usage (kWh)    |  | 170,884                                   | 121,757.00                   | 83,753.90                    | 123,717.63                   | 48%                        |
| Normaliser (Location Based) | (tCO <sub>2</sub> e)<br>per FTE <sup>11</sup>                      | 4.16                                      | 0.77                         | 0.40                         | 2.49                         | 523%                       |

2. 2019 has been included as the baseline year for Save The Children.

3. Restated figures due to addition of excluded spend for this category that is associated with the SCI-Orange Street office.

4. Hotel decrease from 502.47 tCO<sub>2</sub>e to 41.81 tCO<sub>2</sub>e. Rail decrease from 0.35 tCO<sub>2</sub>e to 0.15 tCO<sub>2</sub>e. Scope 3 decrease of 3%.

5. Restated figures due to addition of excluded spend for this category that is associated with the SCI-Orange Street office but not by Orange-street employees.

6. Rail includes both, national and international rail.

7. WTT emissions have been included for both the losses experienced in the grid (categorised as transmission and distribution) and the impact of electricity generation.

8. WTT emissions have been included for both the losses experienced in the grid (categorised as transmission and distribution) and the impact of electricity generation.

9. In 2019, EU residual factors not applied.

10. Restated the Market based emissions figure to include WTT of electricity as per best practice.

11. Due to restated hotel stays, emissions have shifted from 6.49 tCO<sub>2</sub>e/FTE (2019), 1.11 tCO<sub>2</sub>e/FTE (2020), 0.52 tCO<sub>2</sub>e/FTE (2021), 2.47 tCO<sub>2</sub>e/FTE (2022).

Daphnee Cook / Save the Children



Sitali, 12, uses a boat to get to school during the flood season.

# OUR PEOPLE

We want to attract, develop and retain engaged and passionate people who are dedicated to our work. We have three guiding pillars that drive all our work. We want to:

- 1 Create an environment that attracts and develops the best talent
- 2 Build an agile, inclusive, and capable organisation that can adapt and deliver in all contexts
- 3 Foster a culture of pride and performance by creating an organisational culture that embraces diversity and encourages behaviours that are aligned to our values

**We want to promote a supportive, open culture and ensure our staff are able to raise concerns and feel confident that these are listened to and acted upon. We consider our Share Your View (SYV) employee engagement survey to be incredibly important to ensure we are aware of the views of as many of our staff as possible. We are committed to creating a culture of feedback, engagement and continuous improvement.**

Last year the survey results provided valuable insights into areas where we are performing well, as well as areas where we have opportunities for improvement. The survey is a good indication of staff satisfaction. Last year we had an 84% response rate and an 88% engagement score. We have agreed collective action plans to address issues raised by staff and these are being implemented and reflected in our priorities going forward.

## **LEVERAGING TALENT GLOBALLY TO BE FIT FOR THE FUTURE 2022-2024**

Our current three-year work plan (2022-2024) will continue our focus on talent development, and extend our processes to people of more grades in the organisation and across the Save the Children Association.

Last year our Talent and Learning team reviewed our existing staff training offer based on feedback from our staff. This work will continue in 2023.

The team is also working on our succession planning strategy to ensure we build diverse talent pipelines and have key

mission critical roles staffed, which is crucial in driving our work forward. To help attract and retain the correct talent we are also looking at our reward and compensation structures and how we can design them to not just attract but also to retain talent.

## **PAY POLICY**

Decisions relating to senior leadership pay are shared with the trustees, and decisions on CEO pay are made by the trustees guided by its People and Organisation Committee. The People and Organisation Committee approves Save the Children International's Reward Principles which inform our reward policy and annual pay reviews for employees. For roles in the UK and international roles, base salary is set around the median of the INGO market. For local national roles, pay structures are set between the 50-75th percentile (based on context) of the INGO market. We do not offer any performance-related pay. Average Country Director pay is broadly in line with the median of the market (our pay aim) and the average lowest and highest actual pay are in line for both male and female Country Directors.

## **COST OF LIVING PAYMENT**

We made a one-off payment in 2022 to recognise the additional pressures inflation is having on our staff's finances. Rising food and energy prices have become a real worry for some. Staff feedback supports the view that colleagues on lower salary bands are likely to feel a greater burden, so we prioritised them for this support.



We are also aware of the impact of inflation on our wider staff members. We will consider the rising cost of living changes during our standard annual pay review to be implemented in 2023.

## DIVERSITY, EQUITY AND INCLUSION

Tackling inequality and better representing the communities we serve is core to our vision and global 2022-2024 strategy. A fundamental part of our mission is to help every child regardless of their gender, sexual orientation, race or ethnicity, disability, and background, and we know that applies to our staff and our people as much as the children and communities we serve.

Our Diversity, Equity and Inclusion policy outlines our commitment to fairness in our recruitment, training, promotion and employment processes for all staff. It also prohibits any form of discrimination against staff from protected characteristics, including sex/gender, disability, race, sexual orientation, gender identity and expression reassignment, religion or belief, marital or civil partner status, and pregnancy and maternity.

We have taken important steps to diversify our organisation, to raise our collective consciousness and to address equity gaps between our staff, but we know much more needs to be done. An overview of our progress is presented below:

| Key measure  | % female <sup>1</sup> | % male |
|--|-----------------------|--------|
| Save the Children International/<br>Save the Children Association<br>Board composition | 52.9                  | 47.1   |
| Senior Leadership Team   | 55.6                  | 44.4   |
| Extended Leadership Team   | 67.6                  | 32.4   |
| Country Directors  | 55.8                  | 44.2   |
| Country Office Senior<br>Management Team   | 51.5                  | 48.5   |
| All staff**  | 40.9                  | 59.1   |

*\*All percentages based on available sex data for employees*

*\*\*Including Save the Children Europe, Save the Children Thailand, Save the Children Kosovo, Save the Children Albania*

*<sup>1</sup> Based on available sex data for employees*

At the end of 2022, females made up 56% of our Country Directors representing an increase since 2021 (up from 53%). Females also made up 52% of our Country Office Senior Management Teams, up from 50% in 2021. Last year we continued to promote a gender balance at the highest levels of our organisation, with females making up 56% of our Senior Leadership Team and 53% of our Board. Females also represented 68% of our Extended Leadership Team, up from 60% last year. Over half of staff (55%) successfully completing our talent development programmes were female.

| Key measure                              | % non-OECD or racialised minorities |
|--|-------------------------------------|
| Extended Leadership Team**               | 19                                  |
| Country Directors                        | 60                                  |
| Country Office Senior<br>Management Team | 84.9                                |

*\*All percentages based on available nationality data for employees unless otherwise stated*

*\*\*Percentage based on available ethnicity data for employees*

We also made concerted efforts last year to diversify our leadership to better represent the communities we serve. At the end of 2022, 60% of our Country Directors and 85% of our Country Office Senior Management Team were from non-OECD countries, up from 53% and 71% in 2021 respectively. Racialised minority staff represented 19% of our Extended Leadership Team in our global centre, up from 13% in 2021.

We have updated and created policies to support our vision of inclusion. Our Diversity, Equity and Inclusion (DEI) policy outlines fairness in our recruitment, training and promotion procedures and employment decisions. It also opposes all forms of unlawful and unfair discrimination of people with protected characteristics, including people with disabilities. The DEI policy also specifies that reasonable accommodation is provided to employees who request it as per the Convention on the Rights of persons with disabilities.

In 2022, we discontinued using the term 'people of colour'. Instead, we began using 'racialised minorities' to better reflect the make-up of our people within Save the Children International Centre and 'non-OECD' with respect to the make-up of our people around the world. The number of 'racialised minority' staff is calculated based on voluntary ethnicity data shared by staff where all ethnicities excluding 'White' are counted. In line with how we reported on racial diversity in our 2021 report, we approximate the proportion of staff from 'non-OECD' countries by calculating the percentage of leaders with non-OECD nationality and adjusting the list of OECD countries to exclude Colombia, Chile, Mexico, Türkiye, Japan and Korea. We do, however, recognise the complex and contested nature of such approximations and will continue to strive for clarity of expression.

To further deepen our diversity, equity and inclusion efforts, we appointed a new DEI Lead in 2022. This newly created role will lead the development and implementation of our DEI strategy, helping us accelerate progress towards becoming a more diverse and inclusive organisation.

We also refreshed our unconscious bias training last year. The training will equip our people with strategies to help them make fair, considered decisions in recruitment, staff moves and in all their interactions with others.

Our priority for 2023 is to embed diversity, equity and inclusion in everything we do and make it a core part of our culture.

## OUR GENDER PAY GAP

At Save the Children International, women's mean (average) pay, based on our April 2022 payroll, is 14% lower than men's and their median hourly pay is 11% lower than men's. The mean (average) measures the hourly pay of all employees to calculate the difference between the mean hourly pay of men, and the mean hourly pay of women. The median measures the difference between the hourly pay of the median man and median woman. The median for each is the man or woman who is in the middle of a list of hourly pay ordered from highest to lowest paid.

In April 2022, women occupied 56% of the highest paid jobs and 75% of the lowest paid jobs at Save the Children International.

The percentage of women in each pay quarter is shown below. Pay quarters show the percentage of men and women employees in four equal sized groups based on their hourly pay and give an indication of women's representation at different levels of the organisation.

|   | Women | Men   |
|---|-------|-------|
| Upper hourly pay quarter (highest paid) | 56%   | 44%   |
| Upper middle hourly pay quarter         | 63.2% | 36.8% |
| Lower middle hourly pay quarter         | 71.5% | 28.5% |
| Lower hourly pay quarter (lowest paid)  | 75.2% | 24.8% |

## ANTI-HARASSMENT AND EMPLOYEE SAFEGUARDING

We have zero tolerance for all forms of harassment, bullying and intimidation. The Save the Children International Anti-Harassment, Intimidation and Bullying Policy reinforces our expectations to ensure we foster a safe and trusted working environment for all our people by explicitly identifying that any form of harassment, intimidation, bullying, physical and sexual violence and exploitation will not be tolerated within our organisation.

Save the Children International expects all our staff and representatives to strive for the highest standards of integrity and accountability and to conduct themselves in line with this policy and our Code of Conduct. We will continue to build on our awareness, prevention and reporting work to safeguard our staff.

Last year we reclassified incidents of staff safeguarding concerns on our Datix system to specify the gravity of the harm caused. This has enabled us to identify and prioritise serious harassment concerns and has led to improved advocacy and better reporting.

We want to develop a culture of feedback so our staff are encouraged to talk openly and speak up in uncomfortable situations. To support this, we are working on our Employee Safeguarding policy to ensure we equip our people to raise concerns where necessary. Information on Safeguarding of children and adults in the community can be found in the Trustees' Risk Statement under the heading 'Safeguarding'.

## REPORTED CONCERNS

In 2022, there were a total of 678 staff safeguarding concerns reported, compared to 166\* in 2021.

These reports led to 623 cases as some were rejected due to duplication, insufficient information to launch an investigation or because they did not merit a case.

Included in these 623 cases are:

- 335 reports related to bullying, harassment or intimidation
- 70 reports related to sexual harassment

399 cases have been closed and 221 allegations were substantiated. Of these:

- 64 cases led to contract terminations or to contracts not being extended
- 14 resulted in counselling
- Four led to resignations
- Four led to supervision
- Four led to suspension
- 17 led to verbal warnings
- 62 led to written warnings
- One could not be determined

No action was taken on 51 cases. The majority of these were grievances with no person identified as the subject of the complaint.

The remaining 224 cases are still under investigation.

The significant increase in the number of cases reported in 2022 was mainly attributable to the significant increased reports in three regions: Middle East, North Africa and Eastern Europe (234), Asia (187) and Latin America and the Caribbean (104). We believe this increase in the number of cases is the result of improved awareness and reporting and confidence in the system that action will be taken.

The system was unable to separate staff grievances from policy/ code of conduct violations in 2022. This will be included in our 2023 reporting.

*\*The 166 concerns reported in 2021 relate to staff safeguarding only. The 347 concerns reported in the 2021 trustees' report contained both staff and adults in the community safeguarding before these were separated in Datix.*

# FINANCIAL PERFORMANCE

In 2022, Save the Children International spent more than ever before on our international programmes, humanitarian responses and campaigning and advocacy in what proved to be a hugely challenging year. Our income grew from \$1,335 million in 2021 to \$1,597 million in 2022, an increase of 20% (\$262 million). Expenditure saw a similar rise of 17% (\$220 million) to \$1,512 million in 2022 compared to \$1,292 million in 2021.

These increases are primarily due to our expanding humanitarian work, in 2022 we responded to 107 global emergencies compared to 78 in 2021, a rise of 37%. Our total humanitarian spend was \$856 million compared to \$636 million in 2021. Our response in **Ukraine** was the largest resulting in additional spend of \$81 million. We set up a new office in Poland to respond to the refugee crisis created by the conflict, spending a new response office in **Poland** spending \$25 million during the year. In **Afghanistan** spend rose by \$45 million, increasing our support to children and women through conflict. In **Somalia** we spent \$19 million more on our humanitarian work as the country faced three consecutive failed rainy seasons.

## CHALLENGES WE HAVE FACED

The strong US dollar was a key feature of 2022. Since about 36% of our income comes from donors in non-dollar currencies, this reduced the value of Save the Children International's income reported in dollars (Save the Children International's expenditure converted at January 2022 exchange rates would have been \$40 million higher). The purchasing power of our income increased in many country offices (where spending is mostly incurred in local currencies), however this is against a context of high local inflation rates. Operational costs incurred by Save the Children International in UK pounds were hedged in advance during 2021, so there was no in-year impact on Save the Children International expenditure from the changing exchange rate.

In 2022, we saw an increase in our implementation costs due to global inflation with an average rate of 8.8% for the year according to the International Monetary Fund. Some countries have been far more severely affected by inflation, with **Sudan, Venezuela, Lebanon** and **Syria** experiencing varying levels of hyperinflation in the range of 80% to 240%.

The effects of inflation, particularly on the cost of energy, are largely unavoidable as we require the use of electricity and gas in our buildings and fuel in our vehicles to enable us to deliver for children. These areas saw the most significant rises in our running costs in 2022.

We are rolling out a global fleet-transformation project to fully rejuvenate our vehicle fleet by introducing a new cost-recovery mechanism. This will reduce our fuel consumption and CO<sub>2</sub> emissions as we will use more modern engines with better fuel efficiency and filtering techniques and convert to using more hybrid vehicles.

Despite the challenging environment, our income from our fundraising members has proved resilient, registering only a small increase in cancellations of regular giving. As more people struggle to make ends meet, we are working with our fundraising members to find ways to remain relevant to those who have the means to support us.

## INCOME

Save the Children International's income in 2022 was \$1,597 million.

Much like previous years, 95% of our income was received directly from Save the Children member organisations and the remaining 5% came largely from direct grants and donations to our country offices and from donated professional services.

Save the Children US continues to contribute the most funding. The largest donor supporting Save the Children International programmes is USAID and Bureau of Humanitarian Affairs (BHA), with a total portfolio of \$314 million.

Income from gifts-in-kind increased by \$21 million to \$90 million in 2022, primarily due to a significant increase in food aid for global emergencies, most notably the humanitarian crises in **Ukraine, Afghanistan** and **Somalia**.

## EXPENDITURE

Save the Children International's expenditure in 2022 was \$1,512 million.

Our expenditure on programming and advocacy is spent across the four pillars of our strategy:

- Healthy start in life
- Safe back to school and learning
- Live free from violence
- Safety nets and resilient families

Our work to ensure children have a **Healthy start in life** is critical and continues to be where we spend a large proportion of our funding. This increased by 7% in 2022, from \$551 million to \$588 million. Our work under this strategic pillar in 2022 was primarily in **Somalia, Ukraine, Afghanistan,**



**Ethiopia, Yemen and Nigeria.** The need to keep health at the top of the agenda to grapple with the impacts of Covid-19 has been recognised by our institutional donors around the world and we have seen a rise in government funding, predominantly from the US, Canada and the EU via ECHO funding and the World Bank.

Spend on our **Safe back to school and learning** work increased by 13% in 2022, from \$355 million to \$400 million. Of this total, 70% was spent on basic education (\$203 million), 11% was allocated to early childhood development (\$32 million) with the remaining 19% spent on other work aligned with our **Safe back to school and learning** goal (\$55 million).

Prior to 2021, significantly more funding for our education work was provided by government grants rather than multilateral grants, but in 2022 the difference converged thanks to an increase in the proportion of our funding from corporate, foundations and other private sources, due to our strategy to engage with these types of donors.

Spend on our **Live free from violence** work increased by 24% in 2022, from \$189 million to \$234 million. We saw a decline in multilateral funding but an increase in government funding and a healthy increase in corporate funding. Last year our work in this area focused on children in **Ukraine, Afghanistan, Yemen, Sudan, Syria, Ethiopia, South Sudan, Somalia, Nigeria and Iraq.**

Spending on our **Safety nets and resilient families** work saw the highest increase in 2022, from \$197 million to \$289 million (47%). This was due to the emergencies in Ukraine and Afghanistan.

More detailed descriptions of the four pillars in our strategy can be found in our strategy section starting on page 11. A detailed analysis of expenditure is given in Note 3 to the accounts.

## EXPENDITURE BY REGION

Our expenditure in the **East and Southern Africa** region grew by 9% from \$423 million in 2021 to \$462 million in 2022. Similar to previous years, the region had challenging operating environments and we have responded to humanitarian crises.

Key risks in the region relate to the humanitarian crises associated with the following: natural disasters, conflicts and displacements; scarcity of supplies in the markets; inflation and devaluation; and the cost of conducting our activities. In terms of managing these risks we have a robust liquidity management system to ensure optimal cash balances to minimise risks such as foreign exchange exposures.

Our highest spending country was **Somalia**, which increased spending by \$19 million to meet the immediate needs of children in drought-affected communities. Our responses to the drought in Kenya and the cyclone and drought in **Madagascar** resulted in an \$11 million increase

in expenditure. An increase in expenditure of \$9 million in **Ethiopia** was due to the scaling up of our humanitarian response to the conflict in the north of the country and the impact of climate change in southern areas.

Expenditure in the **Middle East, Northern Africa and Eastern Europe** region grew by 49% in 2022 from \$213 million to \$317 million. This was primarily due to our response to the conflict in **Ukraine**, with additional spend of \$81 million requiring significant upscaling of country operations to be able to absorb the huge volume of donations. Ukraine saw a significant increase in energy prices for both gas and electricity which meant we needed to raise a high level of funding to enable us to maintain our operations and absorb the increased costs by actively looking for new opportunities. Our portfolio in the **Occupied Palestinian Territory** dropped by \$6 million in 2022 due to the conclusion early in the year of the short-term emergency response in 2021. Our offices in Albania and Kosovo transitioned to independent National Offices and therefore do not now form part of Save the Children International. Their portfolios totalled \$6.8 million in 2021.

In **Asia** spend grew by 15% from \$251 million in 2021 to \$289 million in 2022. This was primarily due to our humanitarian response in **Afghanistan** which increased the country's portfolio by \$45 million, making it the largest country office in Asia. The **Myanmar** crisis saw a \$12 million increase in spend despite the challenges in the banking sector, the security issues and access restrictions to the country. The **Bangladesh** country office saw a \$10 million dip in spending due to key projects coming to an end, challenges in portfolio implementation in some continuing projects and a reduction in spending due to the local currency devaluation. The **Thailand** country office transitioned into a separate, independent National Office. We continue to see some spend in the country to support our sub-regional office in the country, but the level of spending is now significantly lower, showing a \$4.4 million spend reduction. Our **Sri Lanka** office managed a category three humanitarian response that saw an increase in its portfolio of \$1.9 million compared to 2021.

Country offices in **Vietnam, Laos and Cambodia** saw a \$3.2 million portfolio reduction due to decreases in secured portfolio and the devaluation of the local currency, particularly in Laos. The **China** office's portfolio reduction of \$2.5 million was primarily due to the stoppage of programmes in Xinjiang and the disruption caused by Covid-19.

Major risks in Asia are the frequent changes in legislation, the prime example being in Afghanistan where on 24 December 2022 the Taliban announced women were not allowed to work, which resulted in the immediate suspension of programmes. restrictions on accessing the formal banking system poses a significant challenge in programme deliveries. In 2022, local currencies had depreciated by 12% on average across the region and despite our overall foreign exchange and inflation management being effective, it became challenging for those awards which are about to end.

Our total expenditure in the **West and Central Africa** region increased by 3% from \$233 million in 2021 to \$241 million in 2022. **Niger** saw a \$7.6 million increase due to a rise in health and food security programming and new funds for humanitarian cash programming in response to the severe impact of climate change. **Mali**'s spend increased by \$3.4 million, due mainly to an increase in livelihoods programming and new humanitarian interventions following increased food insecurity in the north of the country. Spend in **Burkina Faso** also rose as a result of new funding in response to the humanitarian crisis in the Sahel region. The **Côte d'Ivoire** office saw the only major drop, of \$4.4 million, as a major partner-implemented community health project began its transition to direct implementation by our partners.

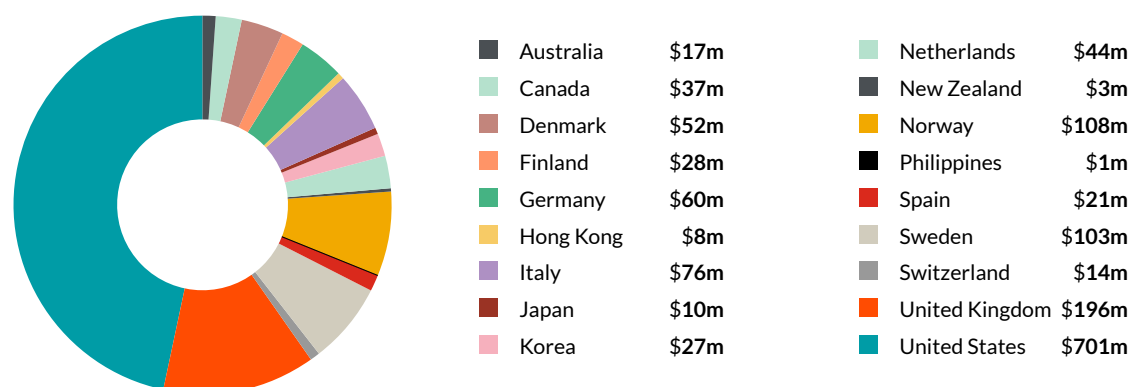
In terms of key risks for this region, the context in most of the region continues to be challenging, with widespread

insecurity affecting Save the Children International's access to programme sites throughout the Sahel and in the **Democratic Republic of Congo**, making the ability to implement programmes and therefore to spend difficult to predict.

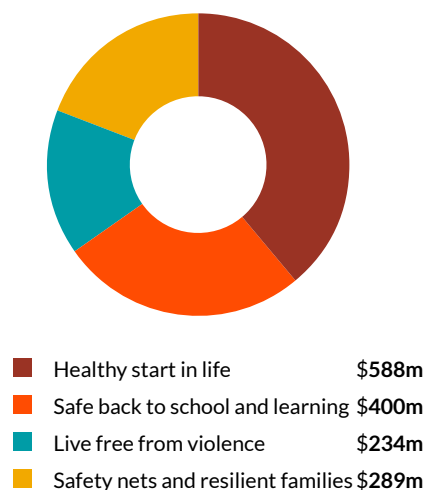
**Latin American and Caribbean Region** spend is consistent with last year, showing a \$98 million spend in 2022. Expenditure is predominantly in Colombia, Venezuela and Haiti. It is important to highlight the growth in Haiti in response to humanitarian crises.

The region has been hit by inflation and the energy crisis, particularly in **Colombia**, which has caused an increase in implementation costs, specifically in certain projects where our donors continue to require us to sign our agreements in donor currencies.

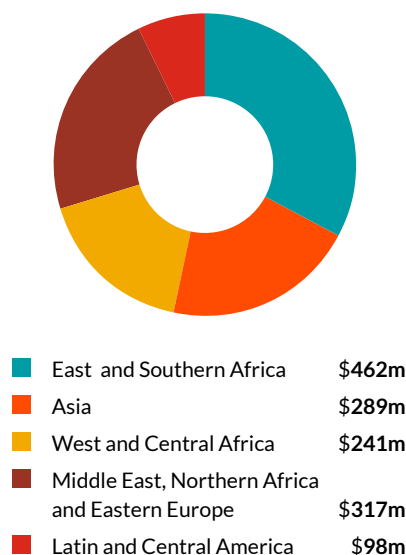
## INCOME FROM SAVE THE CHILDREN MEMBERS



## EXPENDITURE BY OUR STRATEGY



## EXPENDITURE BY REGION



## GRANT-MAKING POLICY

We work in partnership with many organisations. Collaboration with others to achieve joint goals is one of the key enablers that we believe will help us to achieve the aims in our 2030 strategy. The grants we make to partners enable them to contribute to our 2030 breakthroughs and strengthen their organisational capacity. We carefully consider the experience, reach and governance of potential partners, as well as the value they will add in helping us to reach the most deprived and marginalised children. We carefully monitor and advise on the spending of all our grants. In 2022, 22% of our expenditure was through our partners, compared to 20% in 2021. Please refer to page xx in the financial statements where we list the top 50 partners we worked with in 2022.

Our balance sheet shows an increase in net assets of 64% in 2022. Stock, debtors and creditors have increased due to the increase in programming that in turn requires higher stock levels and resulted in higher debtor and creditor balances at year end. Provisions remained stable. We saw a \$1.5 million release in our tax provisions due to working more closely with tax authorities and local tax advisers in our country offices, allowing us to clarify uncertain tax regulations. This was largely offset by an increase in our terminal grants provisions, created from the start of employment for many of our staff in our country offices and settled post-employment. Cash has increased to support our increased programming growth, reflected in our increased advance payments and working capital amounts held from members at year end.

Save the Children International has investments worth \$49.8m. These are primarily made up of our managed reserves fund at JP Morgan bank which was approved by the finance committee in the year.

Save the Children International has an investments policy which was approved by the finance committee on 7 June 2022. The objectives of the policy is to ensure that Save the Children International maximises interest returns on available funds whilst minimising risk to available funds. Among other mandatory requirements, the policy ensures all investments are creditworthy and does not invest in those prohibited investment areas identified by our trustees, e.g. arms manufacture.

## HOW WE MONITOR OUR FINANCIAL PERFORMANCE

Our Finance Department is responsible for ensuring strong financial planning, budgeting, reporting and compliance with key controls. Our key financial controls include adherence to the scheme of delegation to ensure approval and authorisation is upheld; reconciliation and review of accounts throughout and at the end of the year. We also monitor and report on key balance sheet items such as liquidity and foreign exchange exposures. We hold ourselves responsible and accountable through monthly reporting on Country Office financial KPIs, which are designed to monitor our key controls to ensure these are working effectively. The KPI results are reviewed by our country office management and senior leadership team on a monthly and quarterly basis respectively. Management reviews detailed income and expenditure reports through the year and conducts two in-year reforecast processes, which are then shared to our trustees for approval.

Total funds held at 31 December 2022 were \$217 million, which compares to \$133 million at 31 December 2021. This includes total general funds of \$8.9 million (2021: \$3.9 million), designated funds of \$72 million (2021: \$57 million) and restricted funds of \$136 million (2021: \$72 million).

### Balance Sheet

|                          | 2022<br>\$000s   | 2021<br>\$000s   | Movement<br>% |
|--------------------------|------------------|------------------|---------------|
| <b>Fixed assets</b>      | \$29,583         | \$26,671         | 11%           |
| Stock                    | \$29,954         | \$24,200         | 24%           |
| Debtors                  | \$221,738        | \$161,033        | 38%           |
| Investments              | \$49,756         | \$31,579         | 58%           |
| Cash at bank and in hand | \$250,857        | \$222,853        | 13%           |
| <b>Creditors</b>         | (\$306,134)      | (\$273,020)      | 12%           |
| Provisions               | (\$58,459)       | (\$60,568)       | 3%            |
| <b>Total net assets</b>  | <b>\$217,295</b> | <b>\$132,748</b> | <b>64%</b>    |



## RESERVES POLICY

The level of reserves are reviewed on an annual basis and where appropriate adjusted to reflect changes in either the likelihood or impact of an identified risk in the event of it materialising. At the time of approving this report, the trustees believe the reserves levels continue to remain appropriate. Trustees have set an International Programming Reserves target of \$15 million to cover any material foreseen or unforeseen programming liabilities and a Closure Reserve target of \$4.9 million to cover the associated costs in the event of closure or wind-down of our core operations. Costs associated with the closure and/or wind-down of International Programming work are covered separately by member indemnities up to a target of \$20m. Trustees have not set a target for General Funds (i.e. free reserves) which mostly comprises of investment income and foreign exchange gains and losses; however this will be considered during 2023.

## GENERAL FUNDS

General Funds comprises investment and other income arising through Save the Children International's activities, and foreign exchange gains and losses. The closing balance of \$8.9 million is primarily due to the foreign exchange gain of \$2.5 million and \$3.9 million relating to investment income.

## INTERNATIONAL PROGRAMMING RESERVE

Per the reserves policy, the trustees have set the target level for the International Programming Reserve at \$15 million. Of the \$15 million total available reserves as of 31 December 2022, \$8.8 million was held by Save the Children International. A further \$6.2 million of the International Programming Reserve is in the form of letters of credit from Save the Children members (shown as contingent assets in Note 18 to the accounts). These letters of credit allow Save the Children International unconditional and irrevocable access to funds on demand in the event of reserves being required.

## CLOSURE RESERVE

The trustees have designated a proportion of our unrestricted funds to be used for a Closure Reserve. This represents funds to cover the salary and personnel costs of closure or wind-down of our non-international programming activities. The reserve currently stands at \$4.9 million, which is a slight increase on our 2021 closing balance of \$4.2 million due to an increase in staff numbers requiring a higher provision to cover our potential personnel costs. The trustees have re-evaluated these funds and confirmed that this is an appropriate target level for these purposes at the date of signing of this report.

### Reserves

|  | 2022<br>\$000s   | 2021<br>\$000s   |
|--|------------------|------------------|
| General funds                              | \$8,861          | \$3,854          |
| Fixed asset funds                          | \$37,092         | \$30,552         |
| International programming designated funds | \$21,646         | \$13,620         |
| International programming reserve          | \$8,800          | \$8,800          |
| Closure reserve                            | \$4,913          | \$4,163          |
| Designated funds                           | \$72,451         | \$57,135         |
| <b>Total unrestricted</b>                  | <b>\$81,312</b>  | <b>\$60,989</b>  |
| International programme grants             | \$151,215        | \$79,755         |
| International programme operational fund   | \$4,086          | \$5,371          |
| Strategic investment fund                  | (\$22,026)       | (\$15,365)       |
| Member growth fund                         | \$2,708          | \$1,998          |
| Restricted funds                           | \$135,983        | \$71,759         |
| <b>Total funds</b>                         | <b>\$217,295</b> | <b>\$132,748</b> |

## INTERNATIONAL PROGRAMME GRANTS

International programme grants represent funds received from members for development and humanitarian projects.

## INTERNATIONAL PROGRAMME OPERATIONAL FUND

The international programme operational fund represents contributions received from members for the running costs of Save the Children International's international programme work that is not directly attributable to projects.

## STRATEGIC INVESTMENT FUND

This fund is used to pre-finance our High Performing Organisation project capital spend to ensure the organisation can deliver on its strategic plan with an emphasis on investing in the portfolio of global transformation projects aimed at improving our efficiency and effectiveness. The use of reserves to fund system developments was agreed with Save the Children members and the reserve will be replenished over the coming years in accordance with that agreement. As a consequence, the Strategic Investment Fund has been in a negative position since the end of 2021 and will be for the next five years. The replenishment plan in place with all Save the Children members gives Save the Children International a reasonable expectation of receiving income in the future. As stated in the replenishment plan, members are providing funds on an annual basis to Save the Children International for an amount equivalent to the annual depreciation of the High Performing Organisation capital costs and therefore the Strategic Investment Fund will be replenished for High Performing Organisation costs at the end of 2027.

## MEMBER GROWTH FUND

The member growth fund represents funds received to support the continued growth and development of our members.

## GOING CONCERN

The financial statements have been prepared on a going concern basis, which the trustees consider to be appropriate for the following reasons. The trustees have prepared cash-flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides on our operations and its financial resources, the Group and Charitable Company will have sufficient funds to meet its liabilities as they fall due for that period.

Save the Children International has:

- modelled its financial exposure based on 2023 budget assumptions, considering secure funding, programme operations and variable costs
- reviewed its liquidity and cash-flow forecasts
- reviewed its International Programming Reserve level.

Consequently, the trustees are confident that the Group and Charitable Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

# TRUSTEES' RISK STATEMENT

Our teams work in some of the most deprived and hard to reach places in the world. Risk-taking is therefore necessary if we are to achieve our ambition for children, but it is always balanced with our responsibility to protect the communities we serve, our staff, our brand and reputation, and our assets. It is precisely because we choose to serve the world's most marginalised people, that we must also choose to exercise a higher degree of effort in managing the risk landscape in which we operate. In 2022, we continued to embed consistent risk approaches at Country Office, Regional Office and Headquarter levels, and regularly report our key risks to senior management and the Audit & Risk Committee.

In addition, we started to revise our organisational approach to managing risks. This was driven by the need to:

- Make our risk-based decision-making more comprehensive
- Focus on operational as well as strategic risks
- Simplify our mechanisms and tools for managing risk
- Introduce a common framework for the Save the Children Association movement
- Collaborate better to manage risk, so that multiple business units and entities can work in partnership to manage risk and identify opportunities.

The figure below illustrates how effective management of risk safeguards the communities we serve, our people, our finances and our brand. It also enables us to innovate, exploit new opportunities, and take on new risks.

Our 'Risk Facilitation Hub', established in 2022, is aimed at strengthening our 'second line of defence' and enables greater synergy and collaboration between various incident management functions. For example, our Safeguarding and Counter-Fraud teams initiated a joint workplan in 2022 to align and streamline core principles, procedures and tools. The aim is to drive synergies in:

- the ways in which we seek to prevent incidents from occurring through strong awareness initiatives, training suites, and effective programme design
- how we respond to incidents in a timely and effective manner and learning the lessons that feed into our prevention strategies.

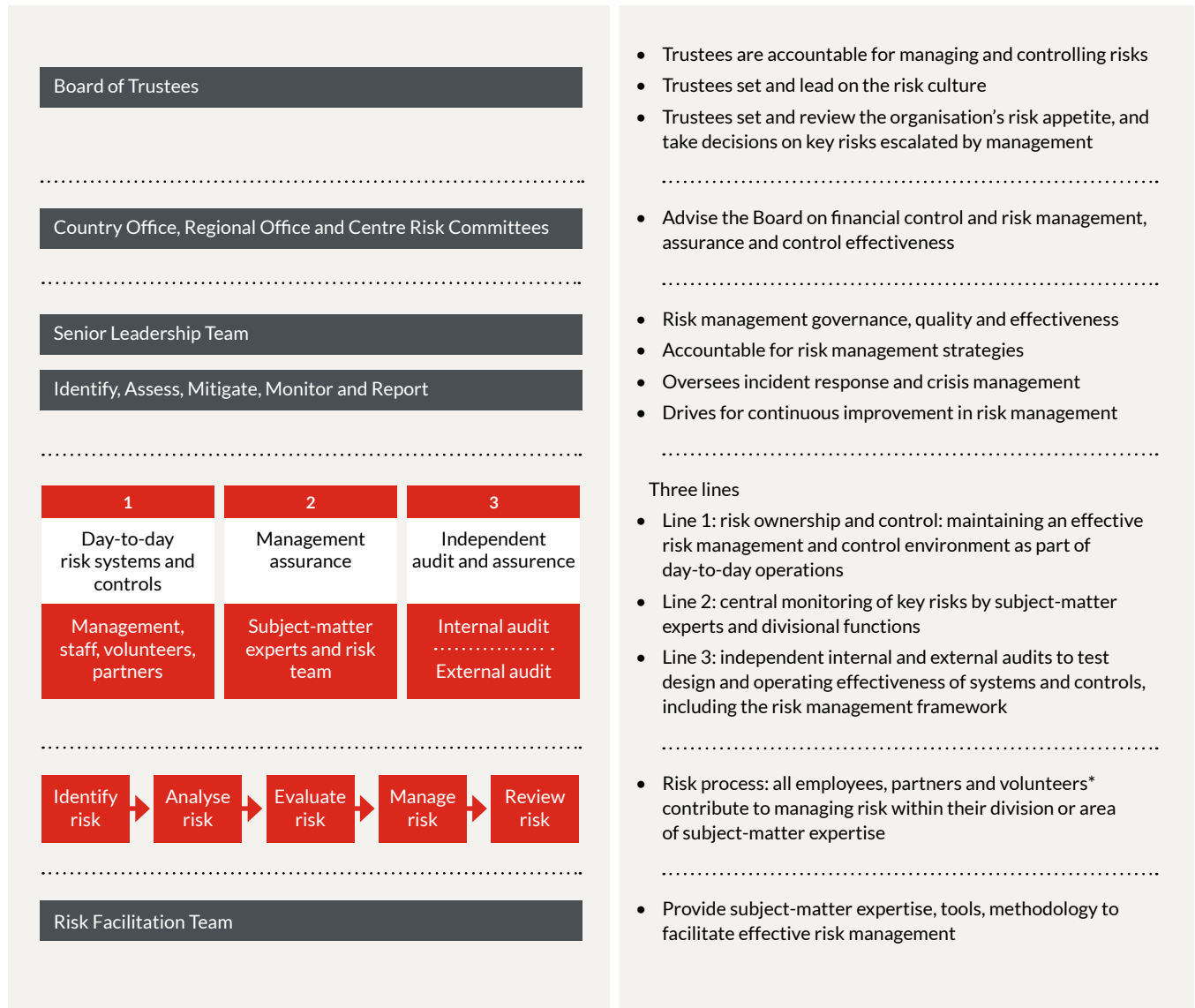
*Please see following sections for further information.*





## MANAGING RISKS

### Roles and responsibilities for managing risk



\*Save the Children International uses the definition of volunteer to mean: 'anyone who is part of or supports delivery of our programs but is not a staff member, partner, supplier or contractor'. The volunteers project aims to implement standards, systems and tools by which to manage volunteers uniformly across Save the Children International, thereby mitigating safeguarding risks. Volunteers directly managed by Save the Children International fall within three categories (incentive volunteer, community volunteer and casual work), and they must abide by our standards and processes.

## HOW WE MANAGED RISK IN 2022: A FOCUS ON FIVE KEY AREAS OF EXPOSURE

Our five priority risk areas are those that require close monitoring and action by management to maintain risk exposure at an acceptable level.

The following table summarises our approaches in managing key areas of risks, but this is only part of our comprehensive risk framework. Other areas, ranging from Cyber-Security and Data to Financial Sustainability, are regularly reviewed by subject matter experts at Country Office, Regional Office and Centre levels with key risk information. This is escalated to Headquarters, Senior Management and the Board when relevant.

## WORKING TOGETHER TO MANAGE SHARED RISKS WITHIN THE SAVE THE CHILDREN MOVEMENT

The Save the Children movement operates with a networked structure, and members share exposure to financial, operational and reputational risks. Following our earlier work on developing a joint Save the Children Association risk appetite and through our Save the Children Association shared risk leadership group calls, work has been initiated to revise and update our joint risk framework and appetite statements.

### SAFEGUARDING CHILDREN, COMMUNITIES AND STAFF (INCLUDING SAFETY & SECURITY)

#### RISKS:

- **Children and/or communities or staff are harmed as result of our work.**
- **Significant reputational/ financial impacts from systemic failures in safeguarding, or from our inability to respond effectively.**

#### How we are managing the risk

- We have an established Safeguarding Policy Framework, staff induction and training systems, regular risk assessments and defined case management and investigation procedures.
- We have made significant gains in Child and Community Safeguarding. We have improved the integration of safeguarding standards in partner programming and introduced stronger and more reliable reporting systems and effective protocols for survivor care, including a swift referral process for medical and psychosocial support.
- We have established a Safety & Security management framework to protect staff and communities from harm, including Hostile Environment Awareness Training for high-risk locations, strict travel security protocols and a defined access strategy.

#### Planned work to increase our risk management

- We are building on progress made over the past years, and will integrate safeguarding strategies, leverage existing learning and evidence within all functions, and further engage with partners and volunteers to proactively manage safeguarding risks.
- The Taskforce on Road Traffic Accidents will continue to embed strategies in line with UN standards to protect the communities we serve and our staff.

### LEADERSHIP, CULTURE & PEOPLE

#### RISKS:

- **Poor organisational culture resulting in low morale, underperformance, and an increased grievance caseload means we are unable to execute the strategy, and fail to adapt to global changes without an adequately skilled and diverse workforce**

#### How we are managing the risk

- Staff engagement surveys continue to give insights into organisational culture and enable us to track areas for improvement.
- Talent Reviews, Pay Equity Reviews, and internal and external Leadership Development training help us to attract, retain and promote highly skilled staff.
- Diversifying the make-up of our organisation. For more, please see People section.

#### Planned work to increase our risk management

- An 'Improving Recruitment' project is underway to enable faster recruitment and onboarding processes.
- Following successes in some Save the Children Association organisations, we'll develop and roll out best practice guides on ethical behaviours in 2023.

## PROGRAMME DESIGN, DELIVERY, QUALITY & IMPACT

### RISKS:

- **Failure to achieve project, programme and/ or strategy-level targets and ambitions for children due to weaknesses in programme design or delivery.**
- **Shortcomings in measurement and use of relevant performance and results data lead to unexpected failures to achieve impact for children and/ or associated financial and reputational risks.**

### How we are managing the risk

- Despite multiple crises in volatile environments, 2022 ended with strong performance in our delivery and financial performance, as shown by good results (see financial performance section), demonstrating strong operating platforms, performance and oversight management processes including KPIs and Quarterly Regional Reports.
- We have made significant investments to strengthen technical capacity and capability in Country Offices; and we have driven a strong uptake in our Common Approaches – evidence-based approaches that deliver meaningful impact for children.
- We have established Global Goal Teams to set direction and drive a cross-organisational alignment to our strategy.

### Planned work to increase our risk management

- We will continue our work to streamline and simplify our operating and management processes to increase impact for children.
- We will build improved systems for monitoring performance against the strategy and strengthen our ability to gather evidence.

## VOLATILITY, BUSINESS CONTINUITY & RESILIENCE

### RISKS:

- **Inability to respond effectively to increased global volatility due to (a) a lack of adequate foresight and understanding of the global risk landscape, and (b) poor readiness/ preparedness.**
- **Inability to continue our programming and advocacy work upon a sudden change in a context (access, funding, security etc.)**
- **Save the Children International and/or Partner staff come to harm working in volatile environments.**

### How we are managing the risk

- We have effective threat and incident monitoring in place which improves our ability to respond in very complex and volatile settings (such as in Ukraine, Myanmar and Afghanistan) and we have an established Organisational Crisis Management framework.
- We have in place bank de-risking mitigations and plans to create new funding routes to enable us to continue funding our programmes.
- We undertake regular testing to determine the availability and reliability of IT systems.
- We have Business Continuity Plans for high-risk environments.

### Planned work to increase our risk management

- We will leverage existing intelligence and foresight information to create deeper insights and facilitate faster decision-making.
- We will build on our Crisis Management learning and apply it across our operations.

## REGULATORY AND DONOR INFLUENCE & COMPLIANCE

### RISKS:

- **Failure to comply with donor and/or regulatory requirements because of a lack of monitoring resources, poor senior management prioritisation and communications and poor accountability. This could result in legal prosecution, financial penalties and/or loss of funding.**

### How we are managing the risk

- We have established and effective procedures to comply with donor requirements, including communication of donor requirements and close monitoring by headquarters.
- We have developed and implemented a Comprehensive Sanctions and Terrorism Financing framework, with detailed risk assessments for all high-risk programmes and we have rolled out e-learning.

### Planned work to increase our risk management

- We will simplify donor compliance monitoring procedures.
- We will further engage with our Member funding offices and key institutional partners to influence Donor Compliance requirements.



# SAFEGUARDING

**We have a zero-tolerance policy towards the abuse or exploitation of children or adults by our staff, partners, and representatives.**

We are committed to preventing any harm, whether intentional or accidental to children or adults caused either directly or indirectly by our activities. We take every safeguarding concern that we receive seriously, and we have comprehensive measures in place to prevent children and adults from being harmed. Our safeguarding work is supported by a global team of over 140 full-time safeguarding professionals and a global pool of trained investigators.

We believe that delivering a culture of open and transparent reporting is vital to keeping people safe. We encourage

our staff, the children we work with and the people in the communities in which we work to report any concerns to us.

Reports can include a wide range of situations where the person reporting believes a child or community member was harmed or placed at risk of harm. These situations can include physical or emotional harm, road accidents, neglect, as well as verbal, physical, or sexual exploitation. They can also include potential risk of harm, such as people driving carelessly, unsafe programming, or staff and volunteers left alone with a child.

We are also committed to safeguarding our own staff. Staff safeguarding is covered in the People section, *see page 51*.

## Reported concerns for 2022 and our response priorities for 2023

|   | Concerns related to children | Concerns related to adults in the community | Concerns related to both children and adults in the community | Total |
|---|------------------------------|---|---|-------|
| All reported concerns                     | 723                          | 173   | 28  | 924   |
| All reported concerns that are closed     | 674                          | 156   | 25  | 855   |
| All closed concern that are substantiated | 392                          | 69  | 13  | 474   |
| Substantiated concerns involving staff    | 62                           | 31  | 7   | 100   |
| Substantiated concern types               | 62                           | 62  | 11  | 135   |
| Sexual exploitation                       | 3                            | 5   | 0   | 8     |
| Disciplinary action                       | 62                           | 31  | 7   | 100   |
| Termination, not extended, or resigned    | 17                           | 6   | 1   | 24    |
| Police Reporting                          | 105                          | 24  | 2   | 131   |

Last year, overall reporting increased by 31% to 924 reported concerns (this is up by 220 compared to 2021). This is seen as a positive development, as it is driven primarily by an increase in lower-risk concerns (including early warnings), and in areas that we suspect were previously under-reported.

**Unsafe programming concerns** increased by 207 (up 135% on 2021). These are concerns that do not relate to an individual's misconduct but to an accident or risk of an accident such as a fence missing between a school and a road. Reporting increases in this category are linked to improved awareness and detection among staff.

**Triage level 3 concerns (lowest risk category)** increased by 188 (up by 50% on 2021). This is a positive trend that we want to see continue, as it allows the organisation to address early warnings and minor concerns and prevent further escalation. Triage level 3 includes concerns where no harm took place but there is a potential risk of harm such as when no risk assessment was done, or when a construction site on a school isn't fenced off. It also includes concerns of potential minor harm, such as concerns of mild forms of corporal punishments like a slap on the wrist or telling a child to stand in a corner.

**Concerns related to adults in the community** increased by 97 (up by 95% on 2021). This is an expected continuation of the trend we saw in 2021, as safeguarding adults in the community is still a relatively new area of work for us, and our awareness raising initiatives are growing in sophistication.

**There were notable increases in locations where targeted efforts were taken to address reporting barriers.** In Latin America and the Caribbean reports increased from 57 in 2021 to 116 in 2022. In Ethiopia, they increased from 10 to 48; and in Nepal from 16 to 24.

There were three substantiated child safeguarding concerns of sexual abuse involving staff last year. In 2021, this figure was two. The vast majority of our substantiated severe incidents were perpetrated by partner staff, volunteers, or suppliers. This reinforces our continued focus to strengthen our systems related to these groups, such as the Safer Partnership Programme referenced in the below prevention section.

Reporting volumes are a good indicator of effective awareness raising, trust in our reporting and response systems, and the accessibility of reporting mechanisms. We expect the proportion of early warnings and low-level cases to go up as we continue to embed ethical behaviours, including safeguarding, across the organisation. In 2023, we will focus expressly on addressing any barriers to reporting in humanitarian responses, where children are particularly vulnerable.

Next year, we will also introduce an improved and streamlined compliance system across functions to provide a consistent and coordinated approach so that children, the communities

we work with, our staff, our donors, and our regulators better understand how we respond to incidents reported

to us. We will also strengthen the capabilities of our network of investigators across the movement and introduce revised case management timelines to allow more time for complex investigations and to enable swift responses in less complex cases.

We aim to continually improve how we disseminate lessons learned so that we can prevent similar cases, reduce recurring incidents, ensure timely investigations of all reported concerns, and increase the quality of our investigations of complex cases.

## REPORTING INCIDENTS TO AUTHORITIES

It is always our priority to act in the best interests of survivors. We always endeavour to report any alleged criminal conduct to local authorities. There may be instances, however, where the decision is taken not to refer a case if it poses an additional risk to the child or adult, or if the contexts means it is not possible to do so. These decisions are taken under the guidance of our safeguarding team based on the specific circumstances of each case and the political, religious or cultural context in the countries where we work.

## PREVENTION

In 2022, we rolled-out our Core Operational Safeguarding Activities (COSA) framework consisting of 13 safeguarding initiatives with clear accountabilities across the organisation. The COSA is a key prevention tool to embed safeguarding deeper in our culture, by activating the first line of defence, creating consistent quality, continuous improvement, transparency and accountability, and ensuring cross-functional dialogue.

The COSA approach operationalises our safeguarding policies and embeds safeguarding responsibilities across departments. An example is COSA 5: Safer Recruitment principles are applied during recruitment of new staff, which is owned by the People and Organisation department.

In 2023 we will focus on implementing the country office work plans and re-assess the COSA ahead of the annual planning cycle. Last year we also completed the roll-out of our Safer Partnership project to strengthen the capabilities of our 595 partner organisations. Safer Partnerships is a critical enabler for safe and responsible localisation. In 2023, the Safer Partnership approach will be embedded as a 'Business as Usual' process.

Last year also saw us identify a further opportunity to drive targeted prevention by investigating behavioural science.

We have introduced a Behavioural Change Scientist position and we expect them to start in spring 2023. They will review our incident database to shortlist harmful behaviours to target through behavioural science interventions. If successful, this one-year role will be extended as a permanent position.

In 2023 we also plan to increase cooperation between safeguarding colleagues and those working in related fields, such as fraud prevention and staff safety policies. This means working together on investigations, where appropriate, to reduce the impact on survivors and others involved in an incident.

### CHALLENGES AS WE LOOK AHEAD

Localisation offers potential opportunities for safeguarding as it shifts power to children and their communities and helps to reduce the power imbalance between aid workers, children and community members. However, working more with the community also poses safeguarding challenges as it expands the scope of safeguarding responsibilities to local, non-staff representatives where it is harder to achieve the same level of oversight.

In addition, the increased reports related to unsafe programming mean we must redouble our efforts to consistently deliver high quality safe programming everywhere we work, regardless of geography, modality, or whether programmes are directly implemented by our staff or with other partners.

We will monitor these challenges going forward and continue to strengthen our capabilities to keep children, and adults in the communities we work with, safe.



# COUNTER FRAUD

Effective stewardship of funds entrusted to us by our supporters is of vital importance to us. We require all our staff to protect our resources against fraud and theft by staff, partners, suppliers, volunteers, contractors, community members and beneficiaries. Save the Children International's Counter Fraud Unit investigates breaches of policy through fraudulent behaviour and leads on the delivery of the organisation's four pillared counter fraud strategy: Prevention, Awareness, Reporting, and Response.

## PREVENTION

Twenty-five Country Office Fraud Risk Assessments were completed in 2022. We take a proactive approach to fraud risks which assesses the risks present and the necessary precautions to be taken in response. The Fraud Risk Assessment (FRA) helps support and strengthen country programming to incorporate a preventative approach in their risk management processes. Fraud Risk Assessments also reduce the more substantial burdens associated with a purely reactive approach.

## AWARENESS

Save the Children International's Fraud, Bribery & Corruption Awareness e-learning is included in our mandatory induction training. All staff must complete the training within three months of joining the organisation. Existing staff are required to undertake mandatory refresher training every two years.

The training is available in English, Spanish, French and Arabic. Translation is underway for Polish, Romanian and Ukrainian versions for implementation in the Ukraine Response Office.

The proportion of staff completing the mandatory training grew by 14% in 2022 (2,407 vs 2,110 in 2021). In 2023, we will seek to expand this dataset to include the total number of new hires and more credible data regarding refresher training. We have implemented automatic reminders on the Learning Management System for staff to complete refresher training.

In 2023 we will raise awareness of fraud trends and control weaknesses with key supporting functions and business partners to inform business decisions at all levels of the organisation.

## REPORTING

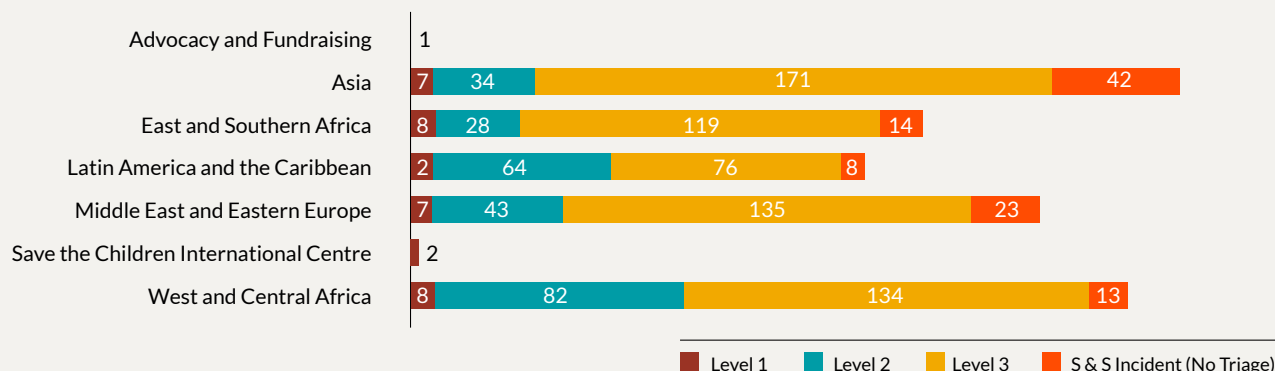
In 2022, the number of fraud reports increased by 28% from 1,071 in 2021 to 1,375 in 2022. Due to lack of information or non-fraud issues, not all reported incidents are triaged to become open cases. As such, investigated fraud cases increased by 41% from 725 in 2021 to 1,021 in 2022.

Fraud taking place at the beneficiary targeting, registration or distribution stages of a programme, either perpetrated by staff or community members, was the most common type of fraud last year. It increased proportionately with the overall caseload (320 in 2021 to 404 in 2022).

Supply chain schemes were the second most common type of fraud last year with procurement, inventory and asset management schemes responsible for the majority of cases.

Finance fraud schemes followed supply chain schemes as the third most common type of fraud due to our increased ability to detect false invoices and expenses and payroll schemes.

### Fraud Cases in 2022



HR schemes were the fourth most common type of fraud. This included bias/preferential treatment, pressure on staff and undisclosed conflict of interest schemes. An increase in reporting is not unexpected, particularly as awareness of fraud, bribery and corruption increases alongside expanding Country Office portfolios. However, the repeat occurrence of similar types of fraud indicates potential weaknesses in programme design and delivery which require urgent and sustained action.

In 2023, we will develop mechanisms to explore developing trends and repeat occurrence of incidents by sharing lessons learned and analysis with programme design and delivery teams.

Locations with lower-than-expected reporting totals, and zero reporting will be a key focus in 2023. We will also focus on reporting during emergency responses.

## RESPONSE

The allegation(s) in 37% of cases closed in 2022 were substantiated, a slight decrease from 43% substantiated cases in 2021. The subject of concern in 33% of substantiated cases closed in 2022 was Save the Children staff.

When investigating cases, we examine whether there has been a breach of the Fraud, Bribery & Corruption Policy, and we also seek to determine whether there has been a financial loss. The policy covers numerous types of fraud and dishonesty, so many cases do not involve a financial sum.

Of the 862 cases closed in 2022, 40 cases had an unrecoverable loss identified.\* These losses are recorded as unrecoverable at the end of an investigation. The total unrecoverable loss recorded in 2022 was \$693,745 (0.049% of global spend).

*\*While the Datix dashboard was picking 862 cases. The raw data was picking 860. We identified the two cases causing the discrepancy and adjusted accordingly*

Three of the four highest losses (75% of the total unrecoverable loss recorded in 2022) resulted from armed incursions in Ethiopia.

In 2023, we will design a proportionate approach to reported cases and introduce a desk review/administrative inquiry process so that investigators are able to process low value and impact fraud cases with a significant reduction in resource and travel requirements.

## GLOBAL ASSURANCE

Global Assurance (GA) provides Save the Children International's Chief Executive Officer and the trustees with an independent and objective assessment of the risk, control, and governance arrangements in place at Save the Children.

The GA team undertakes internal audits of country offices, humanitarian responses, regional offices, and specific business units, based on an assessment of risk. GA is overseen by the Audit and Risk Committee, which assesses its performance, guarantees its independence, approves its strategies and work plan, and receives reports on key risk and control issues arising from its work. The committee seeks regular confirmation and evidence from management that actions it has agreed with the GA function have been implemented.

In 2020, GA began expanding its remit beyond Save the Children International to provide internal audit and advisory services to Save the Children member organisations on an 'opt in' basis, to assess critical and shared risks across these inter-connected entities. Although this increased the complexity of GA's internal audit planning, resourcing models and ways of working, it provided stronger and more joined-up assurance on areas of shared risks. The work undertaken in Sanctions and Terrorism Financing enabled Save the Children International, Save the Children UK and Save the Children US to collaborate and improve respective control frameworks.

In 2022, GA conducted a combination of 11 internal audit, advisory and consultancy engagements. These included:

- Internal audits of Country Offices identified as higher risk (with portfolios totalling \$284 million)
- Reviews of organisation-wide control frameworks for managing a selection of high 'gross' risks, including Staff Safeguarding, Community Safeguarding, Financial Sustainability and Strategy
- Advisory support to the organisation's Country Office Complexity Methodology

In 2023, GA's work will continue its close alignment with the Global 2022–24 Strategy, and through a combination of assurance advisory work, will involve sustained focus throughout all internal audit engagements on risks critical to achieving the objectives of the new strategy.

# STRUCTURE, GOVERNANCE AND MANAGEMENT

## ORGANISATIONAL STRUCTURE

Save the Children International is a UK company limited by guarantee (not having share capital) and a registered charity in England and Wales, governed by its Articles of Association as last amended on 7 July 2020.

It is registered with Companies House and the Charity Commission and must comply with the Companies Act 2006 and Charities Act 2011.

Save the Children International's sole member is Save the Children Association, a Swiss Association formed pursuant to articles 60–79 of the Swiss Civil Code.

Save the Children International had seven wholly owned subsidiaries at 31 December 2022, details of which are given in the financial statements.

## BOARD OF TRUSTEES

Save the Children International's Board of trustees mirrors the Board of Save the Children Association. The Save the Children International Board consists of:

- Nine trustees appointed by the five member organisations who contributed the most income of all members of Save the Children Association (the Appointed Trustees)
- Three trustees elected by the member organisations who have not appointed trustees (as per (i) above) (the Member Elected Trustees)
- Four trustees elected by all members of Save the Children Association who are connected to, or represent, communities where Save the Children International undertakes substantial programming work (the Member Elected External Trustees)
- One trustee who is elected by the Appointed Trustees (Board Selected Trustee)

Further details of the trustees are listed below.

The Save the Children International Board oversees the management of the business of the charity and exercises, directly or through delegation, all the powers of the charity. The Board seeks to ensure that all activities are within relevant laws and agreed charitable purpose. Its work includes oversight of, and agreeing the financial plan for, international programmes.

The trustees delegate the day-to-day running of the charity to the Chief Executive Officer and the Senior Leadership Team, who are responsible for particular areas of the charity and are listed on page 73. The Chief Executive Officer reports to the Chair of the Board.

## BOARD COMMITTEES

The Board has four standing committees which meet quarterly and whose members are appointed by the Board. These are:

- **The Audit and Risk Committee.** This ensures the integrity of our financial reporting and the internal and independent audit process, and that we have effective and sound systems for internal financial controls, compliance and risk management.
- **The Finance Committee.** This ensures that there is an effective system of financial management and monitoring, and reviews financial strategy, budgeting and financial performance.
- **The Governance Committee.** This ensures that governance is effective and in line with regulatory requirements and good governance practice.
- **The People & Organisation Committee.** This advises on and monitors the implementation of staff and beneficiary safeguarding policies, leadership talent development and other organisational development and people processes and executive-level compensation, strategy and policies.

Board recruitment, selection and appointment is overseen by the Nominations Committee which meets as required in the year. The Nominations Committee meets as required and its members are appointed by the Board and by members of Save the Children. The Chair of each Committee reports back to the Board at each formal meeting.

## BOARD INDUCTION

On appointment to the Board, trustees are provided with an induction pack including information on the structure and governance of Save the Children International, the roles and responsibilities of trustees, guidance from the Charity Commission, and ways of working, strategic documents and key policies. Trustees also undertake a range of mandatory training programmes, including child safeguarding and an induction programme which includes meetings with Senior Leadership Team members and, where possible, visits to our programmes.



## CHARITY GOVERNANCE CODE

Good governance involves continuous improvement. Therefore, we have a number of initiatives underway to ensure Save the Children International's governance continues to evolve to best support us in delivering impact for children.

As previously reported, the principles of good governance contained within the Charity Governance Code underpin Save the Children International's governance framework and form an integral part of the programme of change underway.

The Board Governance Committee led our annual Board effectiveness review in 2022, and our last external evaluation of Board effectiveness was completed in 2021. This is in accordance with the Code's recommendation that large charities review their performance annually and hold an external evaluation every three years.

The Board effectiveness review considered the performance of the Board and individual trustees and reflected on overall adherence to the principles of good governance. The review found the Board and its committees were operating effectively and made several recommendations to support continuous improvement. These focused on improving the quality and efficiency of Board operations and included a recommendation that we review the remit and membership of the Board committees. This will be carried out in 2023.

## WORKING WITH OUR STAKEHOLDERS – S172 STATEMENT

Our trustees have a duty to promote the success of the charity, and in doing so, are required to have regard to specific factors in accordance with s172 of the Companies Act 2006. These include (1) the likely consequences of any decision in the long term, (2) the interests of our employees, (3) the need to foster business relationships with our suppliers and others, (4) the impact of our operations on the community and environment (5) the desirability of the charity maintaining a reputation for high standards of business conduct and (6) the need to act fairly between members of the company.

We believe that to have the greatest impact for children, today and in the future, we must take account of what is important to our stakeholders and that this is best achieved through proactive and efficient engagement. By understanding our stakeholders, we are able to consider the potential impact of Board decisions on each stakeholder group, consider their needs and concerns and ensure our decisions are sustainable in the long term.

The table on page 72 illustrates how we have met these requirements. We have highlighted our engagement with children and the members of the Save the Children movement, our partners, our suppliers and our employees, and how we consider our impact on the environment

## PUBLIC BENEFIT

The trustees ensure that the activities of the charity are consistent with its charitable objectives and aims. In agreeing our annual plans, the trustees take into account public benefit as set out in the Charity Commission's general guidance on public benefit in relation to the prevention and relief of poverty, the advancement of education and health and the relief of those in need. The trustees believe there is clear public benefit derived from the activities of the charity.

## VENTURE PARTNERS AND VOLUNTEER INVOLVEMENT

This year we have continued to benefit from ongoing strategic partnerships, including with:

- Latham & Watkins LLP for donated legal services of \$704,000.
- Freshfields Bruckhaus Deringer LLP for donated legal services of \$1,840,000.
- Baker & McKenzie LLP for donated legal services of \$334,000, particularly in the areas of brand protection, employment law and global contracts.

We would like to thank our partners, volunteers, staff, interns, secondees and supporters for their continuing contributions, which are invaluable in realising our ambitions for children.

## AUDITOR

KPMG LLP has been appointed for the next financial year in accordance with Section 487(2) of the Companies Act 2006 unless the company receives notice under Section 488(1) of the Act.

The Audit and Risk Committee oversees the charity's monitoring of external auditor objectivity and independence in relation to non-audit services. The auditor is excluded from undertaking a range of work on behalf of the charity to ensure that the nature of non-audit services performed or fee income relative to the audit fees does not compromise, or is not seen to compromise, the auditor's independence, objectivity or integrity.

### **Statement of responsibilities of the trustees of Save the Children International in respect of the trustees' annual report and the financial statements.**

The trustees are responsible for preparing the trustees' report (incorporating the strategic review and the directors' report) and the financial statements in accordance with applicable law and regulations. Company law requires the trustees to prepare financial statements for each financial year. Under that law they are required to prepare the group and parent company financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charitable company and of the group's excess of expenditure over income for that period. In preparing each of the group and charitable company financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- assess the group's and the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern
- use the going concern basis of accounting unless they either intend to liquidate the group or the charitable company or to cease operations or have no realistic alternative but to do so

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal controls as they decide are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In so far as the trustees are aware:

- There is no relevant audit information of which the charity's auditor is unaware
- The trustees have taken all the steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

The trustees, in their capacity both as trustees and company directors, have reviewed and approved the trustees' report, which incorporates the directors' report and the requirements of the strategic review as set out in the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013.

### **APPROVAL OF THE TRUSTEES' REPORT**

The Trustee's Report was approved by the Board of Trustees on 12 September 2023

Signed on behalf of the Board of Trustees by:



**Angela Ahrendts**  
Chair of the Board of Trustees

Save the Children International  
St Vincent House  
30 Orange Street  
London  
WC2H 7HH  
UK

| Our Stakeholders                  | Why we engage with them   | How we engage them on key decisions   | More information & examples for 2022  |
|-----------------------------------|---|---|---|
| Children                          | To enable us to understand and continue to adapt to meet the needs of children and to provide children with space to influence our decision making.   | <p>We use multiple channels to understand the needs of children, to support them to hold decision-makers to account and to organise with civil society to monitor and report on child rights in their countries.</p> <p>We have systems in place to ensure children's rights are at the centre of our programmes and to mandate our accountability to the children and communities we work with.</p>  | <p>Who we are (page 8)</p> <p>Shifting power to children (page 12)</p> <p>Upholding children's rights (page 36)</p>   |
| Save the Children Global Movement | To enable us to operate international programmes and humanitarian responses and coordinate campaigns and advocacy for the movement.   | <p>We have a global movement-wide strategy agreed with all members.</p> <p>We have multiple fora to ensure our work is informed by the movement. These include:</p> <ul style="list-style-type: none"> <li>• Our Management Committee, which comprises a group of Member CEOs working together to provide strategic executive leadership to the movement.</li> <li>• All Member CEOs and all Member Board Chairs meet regularly and are consulted on movement issues and initiatives, with feedback to our Board.</li> <li>• Functional groups (such as the Humanitarian Steering Group, Global Programme Directors and the Global Policy, Advocacy and Campaigns Group) work together to align specific areas of our work across the movement.</li> <li>• Technical experts liaise closely with colleagues across the movement through thematic working groups and to create Save the Children's 'Common Approaches' to our work.</li> </ul> | <p>Who we are (page 8)</p> <p>Our movement-wide 2022–2024 Global Strategy (page 11)</p> <p>Our results (page 15)</p>  |
| Our partners                      | To speak as one amplified voice with our partners to those who can facilitate change to support children's rights.  | We work with non-governmental organisations, governments and others to advocate for and support governments to raise and spend more money, fairly, and transparently to fulfil children's rights.   | <p>Advocate, campaign, mobilise (page 38)</p> <p>Our advocacy work (page 46)</p> <p>Examples of work with 'accountable institutions' – Healthy Start in Life (page 17); Safe Back to School and Learning (page 21); Live Free From Violence (page 27); Safety Nets and Resilient Families (page 31)</p> |
| Our suppliers                     | To enable transparent and beneficial working relationships that have a positive impact on the communities that we serve.  | <ul style="list-style-type: none"> <li>• Save the Children's Sustainability Policy articulates our values and the ways in which we ask our suppliers to work with us in realising our values.</li> <li>• Incident reporting mechanisms that allow suppliers to communicate directly with us about issues relating to our ethical standards and values.</li> </ul>   | <p>Our Operations (page 48)</p> <p>Safeguarding (page 64) and Counter Fraud (page 67)</p>   |
| Our people                        | To create an environment that attracts and develops the best talent; to build an agile, inclusive, and capable organisation with an inclusive organisational culture that embraces diversity. | <ul style="list-style-type: none"> <li>• Regular all staff or regional meetings</li> <li>• 'Share your view' all staff surveys.</li> <li>• Employee Forum, DEI Staff Council and a range of staff networks who are consulted on staff initiatives and equity, diversity and inclusion matters.</li> <li>• Formal systems to encourage learning and develop performance.</li> <li>• Zero tolerance for harassment and bullying</li> </ul>  | Our People (page 51)  |
| Our environment                   | To enable us to manage the environmental impact of our global operations and programmes in a responsible and ethical manner and reduce our impact.  | <ul style="list-style-type: none"> <li>• Environmental Sustainability and Climate Change Policy to address key aspects of sustainability, including ethical supply chains, energy and carbon management, travel, reuse of resources and reduction of waste.</li> <li>• Processes in place to monitor, manage and report upon our carbon emissions and environmental impact.</li> <li>• Climate Crisis Internal Child-centred Framework for Action to guide the design and implementation of child-centred climate action across all our strategic goals</li> </ul>  | <p>Our Operations (page 48)</p> <p>The Climate Crisis (page 45)</p>   |



# ADMINISTRATIVE DETAILS

## TRUSTEES DURING 2022 AND AS AT DATE OF APPROVAL OF THE REPORT

Angela Ahrendts (Chair)  
 Rolake Akinkugbe-Filani (from 1 February 2022)  
 Roy Caple  
 Tsitsi Chawatama-Kwambana (from 1 April 2022 to 1 August 2023)  
 Anne Fahy  
 Debra Fine (Vice Chair)  
 Anne Gates (from 22 February 2023)  
 Robert Good  
 Lars Heikensten (from 1 November 2022)  
 Tamara Ingram (until 31 March 2022)  
 Bradley Irwin  
 Larry Kamener (from 1 February 2022)  
 Deepak Kapoor (from 1 February 2022)  
 Jon Lomoy  
 Elizabeth Lule  
 Raymond Mankowitz (until 31 October 2022)  
 Teresa Mbagaya (from 1 February 2022)  
 Margaret McGetrick  
 Claudio Tesauro  
 Richard Winter (from 1 August 2023)  
 Dona Young (until 22 February 2023)

## BOARD COMMITTEES DURING 2022

### Audit and Risk Committee

Anne Fahy  
 Debra Fine  
 Margaret McGetrick (Chair)  
 Dona Young

### Finance Committee

Rolake Akinkugbe-Filani (from 1 February 2022)  
 Anne Fahy (Chair)  
 Debra Fine  
 Robert Good (until 2 March 2022)  
 Brad Irwin  
 Deepak Kapoor (from 1 February 2022)  
 Margaret McGetrick

## Governance Committee

Roy Caple  
 Robert Good – Chair  
 Larry Kamener (from 1 February 2022)  
 Jon Lomoy  
 Claudio Tesauro  
 Dona Young

## People and Organisation Committee

Roy Caple – Chair  
 Tamara Ingram (until 31 March 2022)  
 Brad Irwin  
 Elizabeth Lule  
 Raymond Mankowitz (until 31 October 2022)  
 Teresa Mbagaya (from 1 February 2022)

## SENIOR LEADERSHIP TEAM DURING 2022

|                   |   |
|-------------------|---|
| Inger Ashing      | Chief Executive Officer   |
| David Wright      | Chief Operating Officer,<br>Programme Delivery                            |
| Sam Sharpe        | Chief Financial Officer   |
| Clare Canning     | General Counsel   |
| Chet Kuchinad     | Chief People Officer (until 10 August 2022)                               |
| Senait Zenebe     | Chief People Officer<br>(Interim from 11 August 2022)                     |
| Michelle Bowman   | Global Programme Impact Director<br>(interim until 13 February 2022)      |
| Ebrima Saidy      | Chief Impact Officer (from 14 February 2022)                              |
| Clare Rodger      | Director of Resource Mobilisation,<br>Communications and Engagement       |
| Bidisha Pillai    | Global Policy, Advocacy & Campaigns<br>Director (until 6 May 2022)        |
| Anita Bay         | Global Policy, Advocacy & Campaigns<br>Director (Interim from 9 May 2022) |
| Michael Koutstaal | Chief Transformation Officer  |

**Registered office**

St Vincent House  
30 Orange Street  
London WC2H 7HH

**Company Secretary**

Clare Canning *(until 22 November 2022)*  
Tricia Owens *(from 22 November 2022)*

**Registered number**

3732267

**Registered charity number**

1076822

**Principal bankers**

Barclays Bank Plc  
1 Churchill place  
Canary wharf  
London E14 5HP

**EcoBank**

EBI SA, Representative Office  
2nd Floor, 20 Old Broad Street  
London EC2N 1DP

**Standard Bank Plc**

20 Gresham Street  
London EC2V 7JE

**Standard Chartered Bank**

1 Basinghall Avenue  
London EC2V 5DD

**Citibank N.A**

388 Greenwich Street, New York, NY 10013  
JPMorgan Chase Bank N.A  
New York, NY 10017

**Auditor**

KPMG LLP  
15 Canada Square  
Canary Wharf  
London, E14 5GL

**Tax Advisors**

Crowe U.K. LLP  
55 Ludgate Hill  
London EC4M 7JW

**Legal Advisors**

Freshfields Bruckhaus Deringer  
100 Bishopsgate  
London EC2P 2SR

**Coupa Treasury system Quality Assurance Advisors**

Deloitte GmbH  
Wirtschaftsprüfungsgesellschaft Rosenheimer Platz 4 81669  
München Germany

**Save the Children International**

Save the Children International  
St Vincent House  
30 Orange Street London WC2H 7HH  
UK

Tel: +44 (0)20 3272 0300

Fax: +44 (0)20 8237 8000

[info@savethechildren.org](mailto:info@savethechildren.org)

Company registration number 3732267  
(England and Wales)

Charity registration number 1076822

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SAVE THE CHILDREN INTERNATIONAL

### Opinion

We have audited the financial statements of Save the Children International ("the charitable company") for the year ended 31 December 2022 which comprise the consolidated statement of financial activities, consolidated and charity balance sheet, consolidated cash flow statement and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the charitable company's affairs as at 31 December 2022 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the group in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### Going concern

The trustees have prepared the financial statements on the going concern basis as they do not intend to liquidate the group or the charitable company or to cease their operations, and as they have concluded that the group and the charitable company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the trustees' conclusions, we considered the inherent risks to the group's business model and analysed how those risks might affect the group and charitable company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the trustees' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the group or the charitable company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the group or the charitable company will continue in operation.

### Fraud and breaches of laws and regulations – ability to detect

*Identifying and responding to risks of material misstatement due to fraud*

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of Trustees, the Audit and Risk Committee, internal audit, and management and inspection of policy documentation as to the Group's high-level policies and procedures to prevent and detect fraud, including the internal audit function, the Group's channel for "whistleblowing" and fraud reporting, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board and Audit and Risk Committee minutes.
- Using analytical procedures to identify any usual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit. This included communication from the lead to participating audit teams of relevant fraud risks identified at the Group level and request to participating audit teams to report to the lead audit team any instances of fraud that could give rise to a material misstatement at group.

As required by auditing standards, and taking into account possible pressures to internal key performance indicators and our knowledge of the control environment, we perform



procedures to address the risk of management override of controls, in particular the risk that Group and component management may be in a position to make inappropriate accounting entries. On this audit, we do not believe there is a fraud risk related to revenue recognition as the majority of income is received from Save the Children members in line with the all member agreement.

We also identified fraud risks related to cash and inventory management in response to the environment in which the Group operates, which increases the risks surrounding the control of assets. In addition, we identified a fraud risk related to working with partners and working in a decentralized control environment, as it makes monitoring and oversight of activities and controls more challenging.

### **We performed procedures including:**

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted to unusual accounts, particularly involving cash accounts at the end of the period;
- Obtaining third party bank confirmations and inspecting bank signatories;
- Inspecting stock count sheets and attending inventory counts at specific warehouses;
- Inspecting partnership agreements and authorisation of partner payments; and
- Engaging participating auditors to perform specified audit procedures in high risk or financially significant Country Offices; and
- Inspecting the annual letters of assurance, fraud reporting register and significant incident reporting to the Charity Commission

### *Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations*

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience through discussion with the Trustees and other management (as required by auditing standards). We discussed with the Trustees and other management the policies and procedures in place regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. This included communication from the lead to participating audit teams of relevant laws and regulations identified at the Group level, and a request for participating auditors to report to the lead audit team any instances of non-compliance with laws and

regulations that could give rise to a material misstatement at group.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies' legislation and the charity SORP) and local tax regulations. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, anti-bribery, employment law, and certain aspects of charitable company legislation, recognising the nature of the Group's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

### *Context of the ability of the audit to detect fraud or breaches of law or regulation*

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remains a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

### **Other information**

The trustees are responsible for the other information, which comprises the Trustees' and strategic report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit

opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information;
- in our opinion the information given in the Trustees' report and strategic report, for the financial year, is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

#### *Matters on which we are required to report by exception*

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- the charitable company has not kept adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

### **Trustees' responsibilities**

As explained more fully in their statement set out on page 71, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the group's and the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the group or the charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance

is a high level of assurance but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

#### *The purpose of our audit work and to whom we owe our responsibilities*

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Joanne Lees** (Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants  
15 Canada Square  
London E14 5GL

## FINANCIAL STATEMENTS

### CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2022 (INCLUDING AN INCOME AND EXPENDITURE ACCOUNT)

|  | Notes | Unrestricted<br>USD 000s | Restricted<br>USD 000s | 2022<br>Total<br>USD 000s | Unrestricted<br>USD 000s | Restricted<br>USD 000s | 2021<br>Total<br>USD 000s |
|--|-------|--------------------------|------------------------|---------------------------|--------------------------|------------------------|---------------------------|
| Income from donations                              |       |                          |                        |                           |                          |                        |                           |
| Grants and other donations                         |       | 46,771                   | 1,452,768              | 1,499,539                 | 44,105                   | 1,220,429              | 1,264,534                 |
| Gifts in kind                                      | 2 (c) | 509                      | 89,263                 | 89,772                    | 257                      | 68,720                 | 68,977                    |
| Total income from donations                        | 2 (a) | 47,280                   | 1,542,031              | 1,589,311                 | 44,362                   | 1,289,149              | 1,333,511                 |
| Income from investments                            | 2 (d) | 3,687                    | 183                    | 3,870                     | 611                      | 55                     | 666                       |
| Other income                                       | 2 (e) | 2,487                    | 1,254                  | 3,741                     | 732                      | 228                    | 960                       |
| <b>Total incoming resources</b>                    |       | <b>53,454</b>            | <b>1,543,468</b>       | <b>1,596,922</b>          | <b>45,705</b>            | <b>1,289,432</b>       | <b>1,335,137</b>          |
| Expenditure on raising funds                       |       | 5                        | 1,168                  | 1,173                     | 17                       | 612                    | 629                       |
| Expenditure on charitable activities               |       |                          |                        |                           |                          |                        |                           |
| Healthy start in life                              |       | 8,570                    | 579,364                | 587,934                   | 17,076                   | 534,361                | 551,437                   |
| Safe back to school and learning                   |       | 11,748                   | 388,498                | 400,246                   | 11,280                   | 343,422                | 354,702                   |
| Live free from violence                            |       | 14,441                   | 219,929                | 234,370                   | 7,050                    | 181,811                | 188,861                   |
| Safety nets and resilient families                 |       | 5,266                    | 283,386                | 288,652                   | 6,149                    | 190,635                | 196,784                   |
| Total expenditure on charitable activities         | 3 (a) | 40,025                   | 1,471,177              | 1,511,202                 | 41,555                   | 1,250,229              | 1,291,784                 |
| <b>Total outgoing resources</b>                    | 3 (a) | <b>40,030</b>            | <b>1,472,345</b>       | <b>1,512,375</b>          | <b>41,572</b>            | <b>1,250,841</b>       | <b>1,292,413</b>          |
| <b>Net incoming resources for the year</b>         |       | <b>13,424</b>            | <b>71,123</b>          | <b>84,547</b>             | <b>4,133</b>             | <b>38,591</b>          | <b>42,724</b>             |
| Transfers between funds                            | 15    | 6,899                    | (6,899)                | -                         | 6,150                    | (6,150)                | -                         |
| Total funds brought forward as previously reported | 15    | 60,989                   | 71,759                 | 132,748                   | 36,735                   | 53,289                 | 90,024                    |
| Reclassification of funds                          | 15    | -                        | -                      | -                         | 13,971                   | (13,971)               | -                         |
| Funds brought forward                              | 15    | 60,989                   | 71,759                 | 132,748                   | 50,706                   | 39,318                 | 90,024                    |
| <b>Total funds carried forward</b>                 | 15    | <b>81,312</b>            | <b>135,983</b>         | <b>217,295</b>            | <b>60,989</b>            | <b>71,759</b>          | <b>132,748</b>            |

All gains and losses recognised in the financial year are included above. There is no difference between the net incoming resources before other recognised gains and losses above and the historical cost equivalent. All activities are continuing. The charity uses the exemption conferred by section 408 of the Companies Act 2006 in not preparing a separate income and expenditure account for the charity as a separate entity. The group structure is explained in note 16 and net incoming resources for the charity alone for the year ended 31 December 2022 were USD 87,062,972 (2021: net incoming resources of USD 42,260,767). The notes on pages 81 to 102 form part of these financial statements.



## CONSOLIDATED AND CHARITY BALANCE SHEET AS AT 31 DECEMBER 2022

|  | Notes     | 2022<br>Group<br>USD 000s | 2022<br>Charity<br>USD 000s | 2021<br>Group<br>USD 000s | 2021<br>Charity<br>USD 000s |
|--|-----------|---------------------------|-----------------------------|---------------------------|-----------------------------|
| Fixed Assets                                   |           |                           |                             |                           |                             |
| Tangible fixed assets                          | 5a        | 7,392                     | 6,937                       | 6,229                     | 5,951                       |
| Intangible fixed assets                        | 5b        | 22,191                    | 22,191                      | 20,442                    | 20,442                      |
|  |           | 29,583                    | 29,128                      | 26,671                    | 26,393                      |
| Current assets                                 |           |                           |                             |                           |                             |
| Stock  | 6         | 29,954                    | 29,232                      | 24,200                    | 23,518                      |
| Debtors  | 7         | 221,738                   | 220,826                     | 161,033                   | 157,945                     |
| Investments                                    | 8         | 49,756                    | 49,756                      | 31,579                    | 31,579                      |
| Cash at bank and in hand                       | 9         | 250,857                   | 247,906                     | 222,853                   | 220,200                     |
|  |           | 552,305                   | 547,720                     | 439,665                   | 433,242                     |
| Current liabilities                            |           |                           |                             |                           |                             |
| Creditors: amounts falling due within one year | 10        | (306,134)                 | (302,547)                   | (273,020)                 | (271,559)                   |
| Net current assets                             |           | 246,171                   | 245,173                     | 166,645                   | 161,683                     |
| Provisions                                     | 11        | (58,459)                  | (56,612)                    | (60,568)                  | (58,242)                    |
| Provisions and long term liabilities           |           | (58,459)                  | (56,612)                    | (60,568)                  | (58,242)                    |
| <b>Total net assets</b>                        |           | <b>217,295</b>            | <b>217,689</b>              | <b>132,748</b>            | <b>129,834</b>              |
| Unrestricted funds                             |           |                           |                             |                           |                             |
| General funds                                  |           | 8,861                     | 8,861                       | 3,854                     | 3,854                       |
| Designated funds                               |           | 72,451                    | 71,997                      | 57,135                    | 52,976                      |
| Total unrestricted funds                       | 15        | 81,312                    | 80,858                      | 60,989                    | 56,830                      |
| Restricted funds                               | 15        | 135,983                   | 136,831                     | 71,759                    | 73,004                      |
| <b>Total funds</b>                             | <b>15</b> | <b>217,295</b>            | <b>217,689</b>              | <b>132,748</b>            | <b>129,834</b>              |

The notes on pages 81 to 102 form part of these financial statements.

Approved by the board of trustees and signed on its behalf by:



Angela Ahrendts  
Chair of the Board of Trustees  
Save the Children International  
12 September 2023



Margaret McGetrick  
Chair of the Audit and Risk Committee  
Save the Children International  
12 September 2023

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2022**

|  | 2022<br>USD 000s | 2021<br>USD 000s |
|--|------------------|------------------|
| <b>Cash flows from operating activities</b>                      |                  |                  |
| Net incoming resources for the year                              | 84,547           | 42,724           |
| Depreciation   | 6,215            | 5,917            |
| Interest receivable and similar income                           | (3,870)          | (666)            |
| Net cash outflow from deconsolidation of National Offices        | 591              | -                |
| Gains on disposal of tangible fixed assets                       | (1,796)          | (350)            |
| Increase in stocks of gifts in kind                              | (903)            | (4,293)          |
|  | <b>84,784</b>    | <b>43,332</b>    |
|  |                  |                  |
| Increase in debtors  | (60,705)         | (35,135)         |
| Increase in stocks of purchased goods                            | (4,851)          | (2,028)          |
| Increase in carrying value of associated company                 | (11)             | (219)            |
| Increase in creditors  | 33,114           | 9,974            |
| (Decrease)/increase in provisions                                | (2,109)          | 7,821            |
|  | <b>(34,562)</b>  | <b>(19,587)</b>  |
|  |                  |                  |
| <b>Net cash from operating activities</b>                        | <b>50,222</b>    | <b>23,745</b>    |
|  |                  |                  |
| <b>Cash flows from investing activities</b>                      |                  |                  |
| Payments to acquire fixed assets                                 | (9,342)          | (9,675)          |
| Net cash outflow from deconsolidation of National Offices        | (591)            | -                |
| Net (acquisition)/disposal of short term deposit investments     | (49,526)         | -                |
| Proceeds from the sale of assets                                 | 2,011            | 349              |
| Interest received  | 3,870            | 666              |
|  | <b>(53,578)</b>  | <b>(8,660)</b>   |
|  |                  |                  |
| <b>Net cash flows for the year ended 31 December</b>             | <b>(3,356)</b>   | <b>15,085</b>    |
|  |                  |                  |
| <b>Change in cash and cash equivalents in the financial year</b> |                  |                  |
| Cash and cash equivalents at the beginning of the financial year | 254,213          | 239,128          |
| Net cash inflows for the financial year                          | (3,356)          | 15,085           |
|  | <b>250,857</b>   | <b>254,213</b>   |
|  |                  |                  |
| <b>represented by:</b>   |                  |                  |
| Cash at bank and in hand   | 250,857          | 222,853          |
| Short term deposits  | -                | 31,360           |
| <b>Total cash and cash equivalents</b>                           | <b>250,857</b>   | <b>254,213</b>   |

Save the Children International uses the exemption conferred by section 1.12 of FRS 102 in not preparing a separate cash flow statement for the charity as a separate entity.

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

### 1. ACCOUNTING POLICIES

#### (a) Basis of accounting

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard (FRS 102) applicable in the UK and Republic of Ireland published in October 2019. All income and expenditure relates to continuing operations. The financial statements comply with the requirements of the charity's Memorandum and Articles of Association. The financial statements have been prepared on a going concern basis. The financial statements have been prepared under the historical cost convention unless otherwise stated in the relevant accounting policy note. The presentation currency of these financial statements is US Dollars. All amounts in the financial statements have been rounded to the nearest \$1,000.

On January 1, 2022, our Kosovo country office transitioned to an independent Save the Children National Office; also on January 1, 2022 Sheptoni Fermijet (Save the Children), registered in Albania, listed in note 16, transitioned from being a subsidiary of Save the Children International to an independent Save the Children National Office. On 1st May 2022 our Thailand country office transitioned to an independent Save the Children National Office. All three entities were previously controlled by Save the Children International but are now separately managed and controlled entities. These three entities are no longer consolidated into the financial statements.

(b) The financial statements have been prepared on a going concern basis which the Trustees consider to be appropriate for the following reasons. The Trustees have prepared cash-flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides on our operations and its financial resources, the Group and Charitable Company will have sufficient funds to meet its liabilities as they fall due for that period.

In particular, Save the Children International has:

- modelled its financial exposure based on 2023 budget assumptions, considering secure funding, programme operations and variable costs;
- reviewed its liquidity and cash flow forecasts;
- reviewed its International Programming Reserve level.

Consequently, the Trustees are confident that the Group and Charitable Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis

#### (c) Basis of consolidation

The group accounts incorporate those of the wholly owned subsidiaries and associate of the charity as detailed in note 16 to the financial statements. The results of each subsidiary are consolidated on a line by line basis. The associate is valued as Save the Children International's 10% sharing holding of the value of the net assets of the company as at 31 December 2022 and is included in the investments on the consolidated and charity balance sheet.

#### (d) Company status

The charity is a company limited by guarantee, not having share capital. Save the Children International's sole member is Save the Children Association, a Swiss Association formed pursuant to articles 60-79 of the Swiss Civil Code. The trustees of Save the Children International are named on page 73. The Charity is a Public Benefit Entity as defined in FRS 102.

#### (e) Income recognition

Income is recognised in the financial year in which Save the Children International is legally entitled to the income, receipt of funds is probable and the amount can be measured with sufficient reliability. For all income streams, entitlement has been deemed triggered at the point Save the Children International raises a claim to the funder, where there are not specific performance conditions.

International programming grant income from Save the Children members is recognised when the charity can demonstrate entitlement to the income. In most cases this is based on programme activity performed. Typically international programming grant agreements specify the goods and services to be provided to beneficiaries. For the purposes of income recognition, the amount of resources expended on individual grants is used to measure programme activity performed. International programming grant income is credited to restricted income within the Statement of Financial Activities (SOFA). In cases where, by agreement with the Save the Children member, funds are received in advance of programme activity, income is recognised upon receipt of the funds and credited to restricted income in the SOFA, with any unspent balances carried forward to the following year within the relevant fund.

Grant income to fund international programming operational activity not directly attributable to projects and investment activity is recognised when entitlement falls due following the agreed schedule in accordance with a Member Contribution Agreement.

Grant income from Save the Children Association and from members to establish Save the Children International reserves is recognised when entitlement falls due.

Income from direct grants and donations are recognised when entitlement falls due.

All other sources of income are recognised as entitlement falls due in accordance with contractual agreements.

#### (f) Gifts in kind

Gifts in kind donated for distribution by country programmes (such as food, clothing and medical supplies) are included at valuation. Income is recognised when gifts in kind are received. Expenditure is recognised when gifts in kind are released from the warehouse to be distributed to the projects and any undistributed amounts are recognised on the balance sheet as stock. Gifts in kind for pro bono services are valued either at market value or, where this is not available, an appropriate estimate of the value to the charity is made. Services donated by members are valued at cost. In preparing these accounts no value has been attributed to the work performed by volunteers in accordance with the SORP.

#### (g) Stock

Undistributed balances of goods donated for distribution and goods acquired for distribution are recognised as stock. Stocks are considered to be distributed at the point the stocks are released from the warehouse. Stocks are valued at cost or donor valuations.

#### (h) Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Expenditure is charged inclusive of any irrecoverable taxation.

A sizable proportion of the programme work of Save the Children International is undertaken by making grants to operational partners who perform the work on the ground and report back to Save the Children International on the work they have done.

Save the Children International recognises the expenditure on these grants when payment is due to the partner organisation in accordance with the terms of the agreement. The related income on grants which will be used to cover these payments is recognised at the same time in accordance with the charity's standard income recognition policy. Standard partner agreements are typically for a year's duration but can span several years.

Support costs which include the central and regional office functions such as general management, payroll administration, budgeting and accounting, human resources, information technology, legal compliance and trustees costs are allocated across the categories of charitable activities. The basis for the cost allocation is explained in note 3c to the accounts.

#### (i) Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK Corporation Tax purposes. Accordingly the charity is exempt from taxation in respect of income and capital grants received within categories covered by Chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes. The charity and its subsidiary, The Save the Children Alliance Trading Limited, have a group registration for VAT. Country offices are subject to local tax legislation.



Irrecoverable VAT is not separately analysed and is charged to the SOFA when the expenditure to which it relates is incurred, and is allocated as part of the expenditure to which it relates.

(j) *Foreign currencies*

The functional currency of Save the Children International is US Dollars. The exchange rate to Sterling at 31 December 2022 was 1.22 (31 December 2021: 1.35).

Where Save the Children International has entered into forward contracts for the purchase of foreign currencies, expenditure in those currencies covered by the forward contract are translated into US Dollars at the forward contracted rate. Transactions denominated in other currencies are translated at the rate of exchange at the time of the transaction.

Foreign currency balances are translated at the rate of exchange prevailing at the balance sheet date. Foreign currency gains and losses are included in the SOFA against the expenditure for the financial year in which they are incurred.

(k) *Financial instruments*

Financial assets and financial liabilities are recognised when the group becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs). Financial instruments including forward currency contracts and currency swap arrangements are included in the financial statements at a fair value at the balance sheet date and are recognised at their un-hedged amounts. As the contracts manage general exchange risk, hedge accounting is not used and the contracts are included in the balance sheet at fair value (as either debtors or creditors), with gains/losses recognised in the statement of financial activities. The value is included within current assets or current liabilities unless the financial instrument is for a period of greater than 1 year. All financial instruments at the 31st December 2022 were for a maturity date of less than one year.

(l) *Debtors*

Trade and other debtors are recognised at the settlement amount due.

(m) *Tangible fixed assets*

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided on a straight line basis on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life as follows:

|                                   |                                    |
|-----------------------------------|------------------------------------|
| Motor vehicles                    | 5 years                            |
| Computer software                 | 5 years                            |
| Furniture, equipment and fixtures | 5 years                            |
| Freehold property                 | 25-50 years                        |
| Leasehold property                | Shorter of 10 years and lease term |

The charity does not capitalise assets purchased as part of international programme grant expenditure, nor individual expenditure items below USD 5,000.

Impairment reviews are conducted when events and changes in circumstances indicate that an impairment may have occurred. If any asset is found to have a carrying value materially higher than its recoverable amount, it is written down accordingly.

(n) *Leased assets and obligations*

Where assets are financed by operating lease agreements, the lease rentals are charged to the income and expenditure account over the life of the lease on a straight line basis.

(o) *Pensions*

The pension costs charged in the financial statements represent the contributions payable by the company to the defined contribution schemes during the financial year.

(p) *Provisions*

Provisions for future liabilities are recognised when the charity has a legal or constructive financial obligation, that can be reliably estimated, and for which there is an expectation that payment will be made.

(q) *Fund accounting*

General funds are unrestricted funds that are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is explained in the notes to the financial statements. Please see note 15 for details. Restricted funds are funds that are to be used in accordance with the specific restrictions imposed by donors. The costs of administering such funds are charged against the specific fund in line with the donor agreements. The aim and use of each restricted fund is set out in note 15.

(r) *Investments*

Short term deposits maturing in less than one year are recorded within current assets. Where they mature in less than 3 months, they are considered cash equivalents within the Cash Flow Statement as they are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. The expected maturity of these investments is shown in note 8. Other investments are recorded at a fair market value where such a value can be reliably measured, otherwise they are recorded at cost.

(s) *Creditors*

A liability is recognised for the amount that the group anticipates it will pay to settle the debt or the amount it has received as an advance payment for goods or services it must provide.

(t) *Accounting estimates and key judgements*

Critical accounting estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. No critical accounting estimates or judgements have been made as at the balance sheet date 31 December 2022.

## 2. INCOME

### (a) Income from Donations

|  | 2022                                      | 2022  | 2022                                       | 2022              | 2021              |
|--|---|---|--|-------------------|-------------------|
|  | Grants and<br>other donations<br>USD 000s | Gifts in kind<br>donated services<br>USD 000s | Gifts in kind<br>donated goods<br>USD 000s | Total<br>USD 000s | Total<br>USD 000s |
| <b>Amounts received directly from Save the Children member organisations</b>         |   |   |  |                   |                   |
| Australia  | 15,969                                    | 966   | -  | 16,935            | 12,414            |
| Canada   | 34,747                                    | 1,160   | 816  | 36,723            | 27,412            |
| Denmark  | 50,962                                    | 313   | 149  | 51,424            | 44,202            |
| European Union   | -   | 269   | -  | 269               | 242               |
| Fiji   | -   | -   | -  | -                 | 2                 |
| Finland  | 28,227                                    | 1   | -  | 28,228            | 18,683            |
| Germany  | 60,264                                    | 5   | -  | 60,269            | 56,876            |
| Hong Kong  | 7,827                                     | 138   | -  | 7,965             | 8,286             |
| Iceland  | -   | -   | -  | -                 | -                 |
| Indonesia  | -   | 116   | -  | 116               | 127               |
| Italy  | 76,340                                    | 18  | -  | 76,358            | 70,896            |
| Japan  | 9,597                                     | -   | -  | 9,597             | 6,760             |
| Korea  | 27,043                                    | -   | 2  | 27,045            | 21,519            |
| Netherlands  | 43,722                                    | 222   | -  | 43,944            | 36,111            |
| New Zealand  | 3,065                                     | -   | -  | 3,065             | 2,110             |
| Norway   | 108,073                                   | 93  | -  | 108,166           | 107,032           |
| Philippines  | -   | 610   | -  | 610               | 351               |
| Spain  | 21,709                                    | 123   | (724)                                      | 21,108            | 18,478            |
| Sweden   | 101,660                                   | 234   | 1,344                                      | 103,238           | 90,023            |
| Switzerland  | 14,434                                    | -   | -  | 14,434            | 11,668            |
| United Kingdom   | 191,446                                   | 731   | 4,000                                      | 196,177           | 159,920           |
| United States  | 635,569                                   | 4,136   | 61,732                                     | 701,437           | 568,021           |
| <b>Total amounts received directly from members</b>                                  | <b>1,430,654</b>                          | <b>9,135</b>                                  | <b>67,319</b>                              | <b>1,507,108</b>  | <b>1,261,133</b>  |
| <b>Other amounts</b>   |   |   |  |                   |                   |
| Save the Children Association - Core fund  | 20,377                                    | -   | -  | 20,377            | 17,791            |
| Save the Children Association - Strategic Investment Fund                            | 17,241                                    | -   | -  | 17,241            | 18,199            |
| Save the Children Association - other funds  | 8,480                                     | -   | -  | 8,480             | 3,615             |
| Donated services received from National offices                                      | -   | 304   | -  | 304               | -                 |
| Professional services directly provided to<br>Save the Children International        | -   | 10,454  | -  | 10,454            | 10,250            |
| Direct grants and donations in Save the Children International<br>country programmes | 22,787                                    | -   | 2,560                                      | 25,347            | 18,575            |
| Other grants and donations   | -   | -   | -  | -                 | 3,948             |
| <b>Total other amounts</b>   | <b>68,885</b>                             | <b>10,758</b>                                 | <b>2,560</b>                               | <b>82,203</b>     | <b>72,378</b>     |
| <b>Total income from donations</b>   | <b>1,499,539</b>                          | <b>19,893</b>                                 | <b>69,879</b>                              | <b>1,589,311</b>  | <b>1,333,511</b>  |

*(b) Income from major institutional donors*

Income received directly from members includes amounts originating in grants (including gifts in kind) from the following major institutional donors, including governments and multi-national agencies.

|  | 2022<br>USD 000s | 2021<br>USD 000s |
|--|------------------|------------------|
| United States Agency for International Development / Bureau of Humanitarian Assistance | 313,813          | 258,906          |
| Global Fund to Fight AIDS, TB and Malaria  | 70,751           | 68,910           |
| World Food Programme   | 55,364           | 41,084           |
| European Civil Protection and Humanitarian Aid Operations (European Commission)        | 52,216           | 50,779           |
| Education Cannot Wait  | 51,866           | 37,244           |
| Swedish International Development Cooperation Agency                                   | 42,032           | 46,034           |
| International Cooperation and Development (European Commission)                        | 39,277           | 40,348           |
| Disaster Emergency Committee   | 34,208           | 4,312            |
| Global Partnership for Education Fund – World Bank                                     | 32,650           | 36,526           |
| United Nations Office for the Co-ordination of Humanitarian Affairs                    | 31,493           | 24,183           |
| Global Affairs Canada  | 30,612           | 22,780           |
| Norwegian Agency for Development Cooperation / Norway Ministry of Foreign Affairs      | 24,928           | 38,930           |
| United Nations Children's Fund   | 22,130           | 24,890           |

In addition to these amounts, Save the Children members receive income from these donors for national programming and to fund other costs incurred. Total income received by Save the Children members from these donors is shown in the relevant members' financial statements. Income recorded in Save the Children International's financial statements and those of Save the Children members is subject to differences in the timing of income recognition.

*(c) Gifts in kind*

|                               | 2022<br>USD 000s | 2021<br>USD 000s |
|-------------------------------|------------------|------------------|
| <b>Donated services</b>       |                  |                  |
| Professional services         | 10,455           | 10,250           |
| Services donated by members   | 9,438            | 6,095            |
| <b>Total donated services</b> | <b>19,893</b>    | <b>16,345</b>    |
| <b>Donated goods</b>          |                  |                  |
| Food aid                      | 39,463           | 28,740           |
| Pharmaceutical supplies       | 22,843           | 17,101           |
| Other supplies                | 7,573            | 6,791            |
| <b>Total donated goods</b>    | <b>69,879</b>    | <b>52,632</b>    |
| <b>Total gifts in kind</b>    | <b>89,772</b>    | <b>68,977</b>    |

Save the Children International received benefits in the form of volunteers during 2022. The income from gifts in kind does not include a valuation for these benefits.

*(d) Income from investments and short term deposits*

|   | 2022<br>USD 000s | 2021<br>USD 000s |
|---|------------------|------------------|
| Bank interest                             | 1,506            | 132              |
| Interest and gains on short term deposits | 2,224            | 528              |
| Other interest                            | 140              | 6                |
| <b>Total income from investments</b>      | <b>3,870</b>     | <b>666</b>       |

*(e) Other income*

|                           | 2022<br>USD 000s | 2021<br>USD 000s |
|---------------------------|------------------|------------------|
| Sales of assets           | 2,012            | 349              |
| Rental income             | 162              | 216              |
| Other income              | 1,567            | 395              |
| <b>Total other income</b> | <b>3,741</b>     | <b>960</b>       |



### 3. EXPENDITURE

#### (a) Analysis of total expenditure

|  | Staff costs<br>USD 000s | Grants and<br>payments<br>to partners<br>USD 000s | Gifts in kind<br>USD 000s | Other direct<br>costs<br>USD 000s | Apportionment<br>of support costs<br>USD 000s | 2022<br>Total<br>USD 000s | 2021<br>Total<br>USD 000s |
|--|-------------------------|---|---------------------------|-----------------------------------|---|---------------------------|---------------------------|
| Expenditure on raising funds               | 1,081                   | 49  | -                         | 36                                | 7   | 1,173                     | 629                       |
| <b>Charitable activities</b>               |                         |   |                           |                                   |   |                           |                           |
| Healthy start in life                      | 132,246                 | 120,747   | 50,627                    | 262,070                           | 22,244  | 587,934                   | 551,437                   |
| Safe back to school and learning           | 103,204                 | 126,460   | 7,989                     | 149,844                           | 12,749  | 400,246                   | 354,702                   |
| Live free from violence                    | 83,898                  | 57,585  | 1,411                     | 84,582                            | 6,894   | 234,370                   | 188,861                   |
| Safety nets and resilient families         | 53,951                  | 21,660  | 14,675                    | 183,220                           | 15,146  | 288,652                   | 196,784                   |
| Support costs (c)                          | 34,279                  | 373   | 5,159                     | 17,229                            | (57,040)                                      | -                         | -                         |
| Total expenditure on charitable activities | 407,578                 | 326,825   | 79,861                    | 696,945                           | (7)   | 1,511,202                 | 1,291,784                 |
| <b>Total expenditure</b>                   | <b>408,659</b>          | <b>326,874</b>                                    | <b>79,861</b>             | <b>696,981</b>                    | <b>-</b>                                      | <b>1,512,375</b>          | <b>1,292,413</b>          |
| 2021 total expenditure                     | 381,258                 | 264,082   | 59,532                    | 587,541                           | -   | 1,292,413                 |                           |

We have remapped our charitable activity expenditure to align with our new strategy. See page 11 of our trustees' report for more detail on our new strategy. Please see note 20 below explaining this change in our reporting.

Expenditure on fundraising was incurred by one subsidiary in Colombia

#### (b) Contextual analysis of expenditure

|                        | 2022<br>USD 000s | 2022<br>% of costs | 2021<br>USD 000s | 2021<br>% of costs |
|------------------------|------------------|--------------------|------------------|--------------------|
| Development programmes | 656,273          | 43%                | 656,192          | 51%                |
| Humanitarian response  | 856,102          | 57%                | 636,221          | 49%                |
|                        | 1,512,375        | 100%               | 1,292,413        | 100%               |

#### (c) Support costs and the basis of their allocation

| Support category:                               | 2022<br>USD 000s | 2021<br>USD 000s |
|---|------------------|------------------|
| Leadership and governance                       | 6,539            | 4,793            |
| Financial management                            | 7,213            | 9,148            |
| Information systems                             | 5,957            | 6,237            |
| Human resources                                 | 6,229            | 5,648            |
| Facilities and administration                   | 3,557            | 2,575            |
| Total management and administration expenditure | 29,495           | 28,401           |
| Investment in system improvements               | 20,112           | 18,977           |
| Members' donated services                       | 4,766            | 2,648            |
| Pro-bono professional services                  | 5,159            | 6,666            |
| Gains on foreign exchange                       | (2,492)          | (2,365)          |
| <b>Total support costs</b>                      | <b>57,040</b>    | <b>54,327</b>    |

All of the above support cost categories have been allocated to the charitable activities and the expenditure on raising funds on a pro-rata basis of allocation by thematic programme expenditure.

## (d) Expenditure through partners

|   | 2022<br>USD 000s | 2021<br>USD 000s |
|---|------------------|------------------|
| <b>Partner Organisation</b>   |                  |                  |
| Crown Agents International Development                              | 7,674            | -                |
| International Medical Corps Afghanistan                             | 5,833            | 482              |
| Population Services International                                   | 4,552            | 6,700            |
| Charitable Foundation Right to Protection                           | 4,545            | -                |
| Asian Harm Reduction Network  | 4,286            | 3,143            |
| Concern Worldwide – United States                                   | 4,262            | 78               |
| Karen Teacher Working Group   | 4,045            | 1,277            |
| Danish Refugee Council  | 4,042            | -                |
| Gargaar Relief and Development Organisation                         | 3,843            | 2,074            |
| Finn Church Aid – South Sudan                                       | 3,764            | 1,701            |
| UK – MED  | 3,407            | -                |
| Norwegian Refugee Council – South Sudan                             | 3,202            | 1,187            |
| Jesuits and Brothers Association for Development                    | 3,079            | 815              |
| Norwegian Refugee Council   | 3,019            | 86               |
| Concern Worldwide – United Kingdom                                  | 2,720            | 3,460            |
| International Organization for Migration                            | 2,702            | 2,491            |
| Association De Soutien A L'Autopromotion Sanitaire Urbaine          | 2,571            | 1,435            |
| Hebrew Immigrant Aid Society  | 2,500            | -                |
| Agir Pour La Sante Des Femmes                                       | 2,328            | 1,723            |
| Ministry of Health – Somalia  | 2,296            | 2,928            |
| Charitable Foundation Donbass Development Center                    | 2,294            | 352              |
| Charity Fund Posmishka UA   | 2,070            | -                |
| Alliance Myanmar – Maharmate Health Service Organization            | 1,998            | 2,236            |
| Mariupol City Center of Support and Development of SMEs             | 1,978            | -                |
| Nyein (Shalom) Foundation   | 1,968            | 900              |
| Finn Church Aid - Uganda  | 1,945            | 1,923            |
| International Rescue Committee Bureau – Côte d'Ivoire               | 1,885            | 1,464            |
| Myanmar Positive Group  | 1,837            | 945              |
| Room to Read Laos   | 1,800            | 1,382            |
| National Association of People Living with HIV in Nepal             | 1,751            | 1,789            |
| CARE International – Netherlands                                    | 1,747            | 3,034            |
| Ministry Of Education Culture and Higher Education                  | 1,714            | 440              |
| Ong La Grace Divine Eternelle                                       | 1,671            | 1,505            |
| Medecins du Monde   | 1,659            | (163)            |
| Ethiopia School Meal Initiative                                     | 1,641            | 1,349            |
| Alliance des Religieux contre le VIH/SIDA et les autres Pandémies   | 1,606            | 663              |
| The Association of Volunteers in International Service Foundation   | 1,582            | -                |
| Mercy Corps   | 1,566            | 724              |
| Plan International – Netherlands                                    | 1,511            | 1,722            |
| Shimantik   | 1,484            | 549              |
| CARE International – United Kingdom                                 | 1,442            | 2,961            |
| Friends in Village Development – Bangladesh                         | 1,429            | 1,978            |
| World Vision International – Ethiopia                               | 1,425            | 1,640            |
| Windle International – Uganda                                       | 1,417            | 1,179            |
| Health Poverty Action – Myanmar                                     | 1,413            | 1,198            |
| Norwegian Refugee Council – Ethiopia                                | 1,401            | 3,850            |
| Norwegian Refugee Council – Iraq                                    | 1,368            | 1,472            |
| The Federal Democratic Republic Of Ethiopia Ministry Of Agriculture | 1,366            | 626              |
| Association of Upper Egypt For Education and Development            | 1,328            | 871              |
| Center for Natural Resource Studies                                 | 1,298            | 1,710            |
| Expenditure through other partners                                  | 202,610          | 196,203          |
| <b>Total expenditure</b>  | <b>326,874</b>   | <b>264,082</b>   |

## (e) Geographical analysis of expenditure

|  | 2022<br>USD 000s | 2021<br>USD 000s |
|--|------------------|------------------|
| Afghanistan  | 76,543           | 31,569           |
| Bangladesh   | 50,040           | 60,292           |
| Cambodia   | 7,144            | 8,631            |
| China  | 5,792            | 8,340            |
| Laos   | 8,389            | 10,078           |
| Myanmar  | 73,091           | 61,175           |
| Nepal and Bhutan   | 40,169           | 37,799           |
| Philippines  | -                | 9                |
| Sri Lanka  | 8,482            | 6,593            |
| Thailand   | 1,139            | 5,554            |
| Vietnam  | 9,681            | 9,745            |
| Asia regional office – programme expenditure   | 2,542            | 6,143            |
| Asia regional office – oversight and support   | 6,070            | 5,487            |
| <b>Asia</b>  | <b>289,082</b>   | <b>251,415</b>   |
| Albania  | -                | 3,801            |
| Egypt  | 17,892           | 14,271           |
| Northwest Balkans  | 3,875            | 6,764            |
| Georgia  | 797              | 562              |
| Occupied Palestinian Territory   | 10,337           | 16,079           |
| Iraq   | 19,569           | 17,249           |
| Kosovo   | -                | 3,020            |
| Lebanon  | 27,922           | 26,638           |
| Poland   | 25,083           | -                |
| Syria  | 32,692           | 31,252           |
| Türkiye  | 4,012            | 4,636            |
| Ukraine  | 84,669           | 3,900            |
| Yemen  | 83,165           | 77,278           |
| Middle East, North Africa and Eastern Europe regional office – programme expenditure | 4,208            | 4,848            |
| Middle East, North Africa and Eastern Europe regional office – oversight and support | 2,607            | 2,710            |
| <b>Middle East and Eastern Europe</b>  | <b>316,828</b>   | <b>213,008</b>   |
| Bolivia  | 6,663            | 5,818            |
| Colombia   | 27,506           | 29,005           |
| El Salvador  | 7,188            | 6,585            |
| Guatemala  | 16,273           | 18,860           |
| Haiti  | 9,590            | 6,062            |
| Nicaragua  | 2,500            | 4,230            |
| Peru and Ecuador   | 14,789           | 13,783           |
| Venezuela  | 8,397            | 6,576            |
| Latin America and Caribbean regional office – programme expenditure                  | 2,619            | 3,296            |
| Latin America and Caribbean regional office – oversight and support                  | 2,551            | 1,729            |
| <b>Latin America and Caribbean</b>   | <b>98,076</b>    | <b>95,944</b>    |
| Burkina Faso   | 19,065           | 17,943           |
| Central African Republic   | 7                | -                |
| Côte d'Ivoire  | 35,657           | 40,075           |
| Democratic Republic of the Congo   | 28,752           | 26,279           |
| Liberia  | 7,059            | 6,930            |
| Mali   | 31,121           | 27,643           |
| Niger  | 34,342           | 26,704           |
| Nigeria  | 64,254           | 64,346           |
| Senegal  | 3,644            | 6,840            |
| Sierra Leone   | 6,299            | 8,099            |
| West and Central Africa regional office – programme expenditure                      | 7,332            | 5,634            |
| West and Central Africa regional office – oversight and support                      | 3,717            | 2,569            |
| <b>West and Central Africa</b>   | <b>241,249</b>   | <b>233,062</b>   |



(e) *Geographical analysis of expenditure (continued)*

|  | 2022<br>USD 000s | 2021<br>USD 000s |
|--|------------------|------------------|
| Ethiopia   | 85,632           | 76,911           |
| Kenya  | 27,789           | 16,758           |
| Malawi   | 20,467           | 17,967           |
| Mozambique   | 25,631           | 23,963           |
| Rwanda   | 6,163            | 7,797            |
| Somalia  | 127,130          | 107,647          |
| South Sudan  | 48,967           | 50,100           |
| Sudan  | 40,031           | 39,056           |
| Tanzania   | 9,052            | 12,795           |
| Uganda   | 45,715           | 41,751           |
| Zambia   | 10,841           | 8,623            |
| Zimbabwe   | 4,660            | 8,682            |
| East and Southern Africa regional office – programme support     | 4,759            | 6,573            |
| East and Southern Africa regional office – oversight and support | 4,697            | 4,451            |
| <b>East and Southern Africa</b>                                  | <b>461,534</b>   | <b>423,074</b>   |
| Addis Ababa  | 739              | 769              |
| Geneva   | 1,424            | 1,405            |
| New York   | 937              | 821              |
| <b>Save the Children advocacy offices</b>                        | <b>3,100</b>     | <b>2,995</b>     |
| Save the Children International centre                           | 41,644           | 39,785           |
| Centrally managed international programmes                       | 35,531           | 13,884           |
| Business transformation  | 25,331           | 19,246           |
| <b>Total expenditure</b>   | <b>1,512,375</b> | <b>1,292,413</b> |

(f) *Net income for the year is stated after charging:*

|   | 2022<br>USD 000s | 2021<br>USD 000s |
|---|------------------|------------------|
| Auditor's remuneration:   |                  |                  |
| Audit of these financial statements   | 716              | 698              |
| Amounts receivable by the charity's auditor and its associates in respect of: |                  |                  |
| Audit of financial statements of subsidiaries of the charity                  | 79               | 44               |
| Audit of financial statements of branches of the charity                      | 163              | 196              |
| Other assurance services  | 315              | 357              |
| Non-audit services  | 17               | 3                |
| Lease rental payments   | 18,701           | 18,576           |
| Depreciation  | 6,215            | 5,917            |

(g) *Trustees' remuneration*

None of the trustees received any remuneration from the charity during 2022 (2021: nil). None of the trustees received any other benefits in kind during 2022 (2021: nil)

Expenses, including travel and subsistence were reimbursed to trustees or paid to third parties on behalf of trustees as follows: 16 trustees totalling USD 44,009 (2021: 2 trustees totalling USD 1,908).

Save the Children International purchased trustee indemnity insurance to the value of GBP 10 million (USD 13 million) which covers the trustees or other officers of the charity. These insurances provide cover:

- to protect the charity from loss arising from the neglect or defaults of its trustees, employees or agents
- to indemnify the trustees or other officers against legal liability for inadvertent errors or omissions on their part.

#### 4. STAFF COSTS

##### (a) Staff costs

|   | 2022<br>USD 000s | 2021<br>USD 000s |
|---|------------------|------------------|
| Wages and salaries                      | 327,566          | 295,677          |
| Social security costs and payroll taxes | 10,026           | 9,267            |
| Pension contributions                   | 10,924           | 10,038           |
| Terminal grants                         | 16,331           | 17,231           |
| Benefits in kind                        | 29,657           | 27,808           |
| Other staff costs                       | 4,717            | 15,142           |
| <b>Total direct staff costs</b>         | <b>399,221</b>   | <b>375,163</b>   |
| Donated staff costs from members        | 9,438            | 6,095            |
| <b>Total staff costs</b>                | <b>408,659</b>   | <b>381,258</b>   |

Save the Children International contributes to a defined contribution scheme for staff at the centre, a group personal pension (GPP) operated on a salary sacrifice basis. Included in the pension costs above are employers' contributions to this scheme of USD 2,140,295 (2021: USD 1,807,960).

Save the Children International contributes to a long term savings plan for programme staff on international contracts. Employers' contributions charged to the consolidated statement of financial activities were USD 4,027,212 (2021: USD 3,380,718).

Donated staff costs from members represents secondees from members provided for no consideration. The value of these secondees is included within gifts in kind in note 2 (c).

Save the Children International has made USD 392,613 termination payments which were either paid during the year or had been communicated before 31 December 2022 (2021: USD 0).

##### (b) Average number of Save the Children International employees calculated on a full-time equivalent basis:

|                       | Country<br>offices | Regional<br>offices | Advocacy<br>offices | Centre | 2022<br>Total | 2021<br>Total |
|-----------------------|--------------------|---------------------|---------------------|--------|---------------|---------------|
| Charitable activities | 17,116             | 269                 | 27                  | 986    | 18,398        | 16,350        |
| Fundraising           | 11                 |                     |                     |        | 11            | 8             |
|                       | 17,127             | 269                 | 27                  | 986    | 18,409        | 16,358        |

(c) The table below shows the number of staff (including secondees from members) with emoluments falling in the following ranges, starting from USD 60,000. Emoluments include salary, taxable benefits in kind and other payments to employees but not employer pension contributions.

For members of staff working in our international programmes, emoluments may include accommodation and other benefits, which allow us to be appropriately competitive in recruiting and retaining staff in the International Non-Governmental Organisation market. Employees based in Save the Children International's centre office receive salary amounts in GBP and therefore foreign exchange movements between GBP and USD will impact comparisons between financial years.

|                           | 2022<br>Gross salaries | 2022<br>Total Emoluments<br>(including other benefits) | 2021<br>Gross salaries | 2021<br>Total Emoluments<br>(including other benefits) |
|---------------------------|------------------------|--|------------------------|--|
| USD 60,001 – USD 75,000   | 271                    | 324  | 251                    | 286  |
| USD 75,001 – USD 90,000   | 138                    | 183  | 121                    | 149  |
| USD 90,001 – USD 105,000  | 60                     | 104  | 47                     | 88   |
| USD 105,001 – USD 120,000 | 29                     | 57   | 24                     | 60   |
| USD 120,001 – USD 135,000 | 18                     | 27   | 14                     | 25   |
| USD 135,001 – USD 150,000 | 5                      | 13   | 3                      | 19   |
| USD 150,001 – USD 165,000 | 3                      | 10   | 7                      | 13   |
| USD 165,001 – USD 180,000 | 5                      | 10   | 2                      | 7  |
| USD 180,001 – USD 195,000 | 3                      | 7  | 2                      | 5  |
| USD 195,001 – USD 210,000 | 2                      | 4  | 2                      | 6  |
| USD 210,001 – USD 225,000 | 0                      | 2  | 0                      | 0  |
| USD 225,001 – USD 240,000 | 1                      | 2  | 1                      | 1  |
| USD 240,001 – USD 255,000 | 0                      | 1  | 1                      | 3  |
| USD 255,001 – USD 270,000 | 0                      | 0  | 0                      | 1  |
| USD 270,001 – USD 285,000 | 1                      | 1  | 1                      | 1  |
| USD 285,001 – USD 300,000 | 0                      | 0  | 0                      | 0  |
| USD 300,001 – USD 315,000 | 0                      | 1  | 0                      | 0  |
| USD 315,000 – USD 330,000 | 0                      | 0  | 0                      | 1  |
| USD 330,000 – USD 345,000 | 0                      | 0  | 0                      | 0  |
| USD 345,000 – USD 360,000 | 0                      | 0  | 0                      | 0  |
| USD 360,000 – USD 375,000 | 0                      | 0  | 0                      | 0  |
| USD 375,000 – USD 390,000 | 0                      | 1  | 0                      | 0  |

Our CEO is reported under USD 270,001 – USD 285,000 for gross salary and USD 300,001 – USD 315,000 for total emoluments (including other benefits). Our highest earner under USD 375,000 – USD 390,000 is predominately due to a termination payment, which is shown in note 4a.

(d) *Remuneration of key management personnel*

The trustees delegate the day-to-day running of the organisation to the Senior Leadership Team who are considered to be the key management personnel. Remuneration for members of the Senior Leadership Team for the year ended 31 December 2022 are detailed below

| Position  | No of Senior Leadership<br>Team roles<br>2022 | Actual gross<br>remuneration 2022<br>USD | No of Senior Leadership<br>Team roles<br>2021 | Actual gross<br>remuneration 2021<br>USD |
|---|---|--|---|--|
| Chief Executive Officer                         |   | 312,298                                  |   | 270,255                                  |
| Chief Operating Officer                         |   | 222,359                                  |   | 246,452                                  |
| Chief Financial Officer                         |   | 188,940                                  |   | 176,226                                  |
| Other Senior Leadership Team members            | 6   | 1,345,818                                | 6   | 1,230,113                                |
| Total remuneration for key management personnel |   | 2,069,415                                |   | 1,923,046                                |

All staff received a salary increment to ensure our staff are protected against the rise in the cost of living. The remaining fluctuations on our senior leadership team salaries is due to foreign exchange differences when converting to our functional currency, USD.

In addition to the gross salaries, USD 188,356 (2021: USD 197,206) was paid for employer's national insurance and pension contributions in respect of the above individuals.



## 5. FIXED ASSETS

### (a) Group tangible fixed assets

|                                     | Furniture, fittings<br>and equipment<br>USD 000s | Motor vehicles<br>USD 000s | Leasehold property<br>USD 000s | Freehold property<br>USD 000s | Total<br>USD 000s |
|-------------------------------------|--|----------------------------|--------------------------------|-------------------------------|-------------------|
| Cost                                |  |                            |                                |                               |                   |
| Brought forward at 1 January 2022   | 1,066  | 10,310                     | 1,829                          | 2,668                         | 15,873            |
| Additions                           | 83   | 2,361                      | -                              | -                             | 2,444             |
| Disposals                           | -  | (210)                      | (4)                            | (1)                           | (215)             |
| Carried forward at 31 December 2022 | 1,149  | 12,461                     | 1,825                          | 2,667                         | 18,102            |
| Depreciation                        |  |                            |                                |                               |                   |
| Brought forward at 1 January 2022   | 921  | 7,033                      | 903                            | 787                           | 9,644             |
| Charge for the financial year       | 24   | 797                        | 177                            | 68                            | 1,066             |
| Disposals                           | -  | -                          | -                              | -                             | -                 |
| Carried forward at 31 December 2022 | 945  | 7,830                      | 1,080                          | 855                           | 10,710            |
| Net book value                      |  |                            |                                |                               |                   |
| <b>31 December 2022</b>             | <b>204</b>                                       | <b>4,631</b>               | <b>745</b>                     | <b>1,812</b>                  | <b>7,392</b>      |
| 31 December 2021                    | 145  | 3,277                      | 926                            | 1,881                         | 6,229             |

Leasehold property amounts all relate to long-term leases.

### (b) Group intangible fixed assets

|                                     | Computer software systems<br>USD 000s | Total<br>USD 000s |
|-------------------------------------|---------------------------------------|-------------------|
| Cost                                |                                       |                   |
| Brought forward at 1 January 2022   | 35,259                                | 35,259            |
| Additions                           | 6,898                                 | 6,898             |
| Disposals                           | -                                     | -                 |
| Carried forward at 31 December 2022 | 42,157                                | 42,157            |
| Depreciation                        |                                       |                   |
| Brought forward at 1 January 2022   | 14,817                                | 14,817            |
| Charge for the financial year       | 5,149                                 | 5,149             |
| Disposals                           | -                                     | -                 |
| Carried forward at 31 December 2022 | 19,966                                | 19,966            |
| Net book value                      |                                       |                   |
| <b>31 December 2022</b>             | <b>22,191</b>                         | <b>22,191</b>     |
| 31 December 2021                    | 20,442                                | 20,442            |

All fixed assets are held for direct charitable purposes.

**6. STOCK**

|  | 2022<br>USD 000s<br>Group | 2022<br>USD 000s<br>Charity | 2021<br>USD 000s<br>Group | 2021<br>USD 000s<br>Charity |
|--|---------------------------|-----------------------------|---------------------------|-----------------------------|
| <i>Undistributed gifts in kind</i>       |                           |                             |                           |                             |
| Food aid                                 | 9,548                     | 9,548                       | 9,509                     | 9,509                       |
| Pharmaceutical and medical goods         | 1,932                     | 1,941                       | 1,687                     | 1,695                       |
| Other goods                              | 865                       | 689                         | 246                       | 420                         |
| <b>Total undistributed gifts in kind</b> | <b>12,345</b>             | <b>12,178</b>               | <b>11,442</b>             | <b>11,624</b>               |
| <i>Other Stocks</i>                      |                           |                             |                           |                             |
| Food aid                                 | 706                       | 706                         | 1,101                     | 1,101                       |
| Pharmaceutical and medical goods         | 10,998                    | 10,957                      | 8,779                     | 8,664                       |
| Other goods                              | 5,905                     | 5,391                       | 2,878                     | 2,129                       |
| <b>Total other stocks</b>                | <b>17,609</b>             | <b>17,054</b>               | <b>12,758</b>             | <b>11,894</b>               |
| <b>Total stock</b>                       | <b>29,954</b>             | <b>29,232</b>               | <b>24,200</b>             | <b>23,518</b>               |

**7. DEBTORS**

|  | 2022<br>USD 000s<br>Group | 2022<br>USD 000s<br>Charity | 2021<br>USD 000s<br>Group | 2021<br>USD 000s<br>Charity |
|--|---------------------------|-----------------------------|---------------------------|-----------------------------|
| Amounts due from Save the Children members | 198,699                   | 198,744                     | 138,924                   | 138,336                     |
| Other debtors                              | 10,143                    | 9,804                       | 11,802                    | 9,953                       |
| Prepayments and accrued income             | 12,896                    | 12,278                      | 10,307                    | 9,656                       |
|  | <b>221,738</b>            | <b>220,826</b>              | <b>161,033</b>            | <b>157,945</b>              |

**8. INVESTMENTS**

|                     | 2022<br>USD 000s<br>Group | 2022<br>USD 000s<br>Charity | 2021<br>USD 000s<br>Group | 2021<br>USD 000s<br>Charity |
|---------------------|---------------------------|-----------------------------|---------------------------|-----------------------------|
| Short Term deposits | 49,526                    | 49,526                      | 31,360                    | 31,360                      |
| Associated company  | 230                       | 230                         | 219                       | 219                         |
|                     | <b>49,756</b>             | <b>49,756</b>               | <b>31,579</b>             | <b>31,579</b>               |

In 2021, included in short term deposits, we have bank term deposits, all of which mature within three months and therefore we included these in the cash flow statement as cash and cash equivalents. In 2022 our investments are not of this nature and therefore have not be included in the cash flow statement as cash and cash equivalents.

## 9. CASH AT BANK AND IN HAND

|                               | 2022<br>USD 000s<br>Group | 2022<br>USD 000s<br>Charity | 2021<br>USD 000s<br>Group | 2021<br>USD 000s<br>Charity |
|-------------------------------|---------------------------|-----------------------------|---------------------------|-----------------------------|
| Cash held at centre           | 212,571                   | 212,571                     | 189,113                   | 189,113                     |
| Cash held in overseas offices | 38,286                    | 35,335                      | 33,740                    | 31,087                      |
|                               | <b>250,857</b>            | <b>247,906</b>              | <b>222,853</b>            | <b>220,200</b>              |

## 10. CREDITORS DUE WITHIN ONE YEAR

|  | 2022<br>USD 000s<br>Group | 2022<br>USD 000s<br>Charity | 2021<br>USD 000s<br>Group | 2021<br>USD 000s<br>Charity |
|--|---------------------------|-----------------------------|---------------------------|-----------------------------|
| Amounts due to Save the Children Association | 5,572                     | 5,572                       | 4,547                     | 4,547                       |
| Amounts payable to Save the Children members | 195,717                   | 195,717                     | 180,142                   | 179,827                     |
| Amounts due to subsidiary undertakings       | -                         | 7,863                       | -                         | 5,347                       |
| Trade creditors                              | 17,279                    | 17,078                      | 14,738                    | 14,186                      |
| Financial instrument liability               | 489                       | 489                         | 519                       | 519                         |
| Other short term liabilities                 | 10,328                    | 3,625                       | 12,577                    | 11,582                      |
| Accruals and deferred income                 | 76,749                    | 72,203                      | 60,497                    | 55,551                      |
|  | <b>306,134</b>            | <b>302,547</b>              | <b>273,020</b>            | <b>271,559</b>              |

Amounts payable to Save the Children members include amounts advanced to Save the Children International to fund working capital.

## 11. PROVISIONS

|                             | Balance at<br>1 January 2022<br>USD 000s | Arising in the<br>financial year<br>USD 000s | Utilised in the<br>financial year<br>USD 000s | Provisions<br>released<br>USD 000s | Balance<br>as at 31<br>December<br>2022<br>USD 000s |
|-----------------------------|--|--|---|------------------------------------|---|
| Terminal grant provisions   | 43,181                                   | 4,359  | (1,735)                                       | -                                  | 45,805  |
| Property dilapidations      | 624                                      | 95   | (15)  | -                                  | 704   |
| Operating lease provision   | 361                                      | 711  | (702)   | -                                  | 370   |
| Provision for tax liability | 8,736                                    | 3,124  | (1,735)                                       | (2,890)                            | 7,235   |
| Other provisions            | 7,666                                    | 5,159  | (4,435)                                       | (4,045)                            | 4,345   |
|                             | <b>60,568</b>                            | <b>13,448</b>                                | <b>(8,622)</b>                                | <b>(6,935)</b>                     | <b>58,459</b>                                       |

Total provisions held within the Save the Children International charity only were \$56,612,000 (2021: \$58,242,000)

Terminal grant provisions are contractual amounts due to employees in country and regional offices when leaving employment with Save the Children International.

Property dilapidations represent the estimated costs of payments required to make good the condition of properties on the termination of leases.

The operating lease provision represents the value of lease inducements (rent free period) received by Save the Children International. It will be utilised over the term of the lease.

The tax provision represents estimates of the amounts of liabilities for employee taxes in country and regional offices.

Other provisions represent provisions for pending legal cases or provisions required to be recognised which do not fit into the specific categories listed above.

**12. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

|                     | 2022<br>Unrestricted<br>USD 000s | 2022<br>Restricted<br>USD 000s | 2022<br>Total<br>USD 000s |
|---------------------|----------------------------------|--------------------------------|---------------------------|
| Fixed assets        | 29,583                           | -                              | 29,583                    |
| Current assets      | 416,322                          | 135,983                        | 552,305                   |
| Current liabilities | (306,134)                        | -                              | (306,134)                 |
| Provisions          | (58,459)                         | -                              | (58,459)                  |
|                     | 81,312                           | 135,983                        | 217,295                   |

**13. COMMITMENTS UNDER OPERATING LEASES**

The total future minimum lease payments and current year expenditure on non-cancellable operating leases:

|   | 2022<br>Land and buildings<br>USD 000s | 2022<br>Other leases<br>USD 000s | 2021<br>Land and buildings<br>USD 000s | 2021<br>Other leases<br>USD 000s |
|---|--|----------------------------------|--|----------------------------------|
| Lease payments recognised as current year expense | 16,564                                 | 2,137                            | 16,272                                 | 2,304                            |
| Lease payments due within one year                | 13,759                                 | 326                              | 13,532                                 | 416                              |
| Lease payments due between one and five years     | 9,249                                  | 8                                | 8,952                                  | 57                               |
| Lease payments due after five years               | 1,789                                  | -                                | 457                                    | 26                               |
|   | 24,797                                 | 334                              | 22,941                                 | 499                              |

**14. FINANCIAL COMMITMENTS**

(a) At 31 December 2022, Save the Children International has committed the following amounts in grants to partners subject to satisfactory performance. These amounts will form part of the grants allocated in future years.

|                                      | Balance as at<br>1 January 2022<br>USD 000s | Charged to<br>SOFA in 2022<br>USD 000s | New<br>commitments<br>USD 000s | Balance as at 31<br>December 2022<br>USD 000s |
|--------------------------------------|---|--|--------------------------------|---|
| Commitments to partner organisations | 254,746                                     | (326,875)                              | 388,631                        | 316,502                                       |

Commitments to partner organisations consist of amounts falling due:

|                 | 2022<br>USD 000s | 2021<br>USD 000s |
|-----------------|------------------|------------------|
| Within one year | 232,223          | 166,860          |
| After one year  | 84,279           | 87,886           |
|                 | 316,502          | 254,746          |

(b) Save the Children International has entered into a number of long-term contracts for the supply of services all of which are cancellable.



## 15. CONSOLIDATED STATEMENT OF FUNDS

### Unrestricted funds

|  | Balance as at<br>1 January 2022<br>USD 000s | Income<br>USD 000s | Expenditure<br>USD 000s | Transfers<br>USD 000s | Balance as at 31<br>December 2022<br>USD 000s |
|--|---|--------------------|-------------------------|-----------------------|---|
| General funds                              | 3,854                                       | 25,717             | (17,982)                | (2,728)               | 8,861   |
| Fixed asset funds                          | 30,552                                      | 1,624              | (223)                   | 5,139                 | 37,092  |
| International programming designated funds | 13,620                                      | 26,113             | (21,248)                | 3,161                 | 21,646  |
| International programming reserve          | 8,800                                       | -                  | (577)                   | 577                   | 8,800   |
| Closure reserve                            | 4,163                                       | -                  | -                       | 750                   | 4,913   |
| Designated funds                           | 57,135                                      | 27,737             | (22,048)                | 9,627                 | 72,451  |
| <b>Total unrestricted funds</b>            | <b>60,989</b>                               | <b>53,454</b>      | <b>(40,030)</b>         | <b>6,899</b>          | <b>81,312</b>                                 |
| <b>Restricted funds</b>                    |   |                    |                         |                       |   |
| International programme grants             | 79,755                                      | 1,457,528          | (1,385,152)             | (916)                 | 151,215                                       |
| International programme operational fund   | 5,371                                       | 52,439             | (54,640)                | 916                   | 4,086   |
| Strategic investment fund                  | (15,365)                                    | 20,655             | (20,417)                | (6,899)               | (22,026)                                      |
| Donated professional services              | -   | 11,765             | (11,765)                | -                     | -   |
| Member growth fund                         | 1,998                                       | 1,081              | (371)                   | -                     | 2,708   |
| <b>Total restricted funds</b>              | <b>71,759</b>                               | <b>1,543,468</b>   | <b>(1,472,345)</b>      | <b>(6,899)</b>        | <b>135,983</b>                                |
| <b>Total funds</b>                         | <b>132,748</b>                              | <b>1,596,922</b>   | <b>(1,512,375)</b>      | <b>-</b>              | <b>217,295</b>                                |

General funds represent the amounts that trustees are free to use in accordance with Save the Children International's charitable objectives.

The fixed asset fund represents the net book value of tangible fixed assets and proceeds from the sale of fixed assets to be used for the replacement of fixed assets in 2023. The value of fixed assets acquired out of general funds, the international programme operational fund, the international programme investment fund and the fixed asset replacement fund are transferred to the fixed asset fund.

International Programming designated funds represents Non-Award funds, disallowance reserve and funded provisions and assets.

The closure reserve represents the funds set aside to provide for the costs in the event of the closure of the non-programming functions of the charity.

International programme grants represent funds received from members for development and humanitarian projects.

The international programme operational fund represents contributions received from members for the running costs of Save the Children International's international programme work, not directly attributable to projects.

The strategic investment fund is used to pre-finance our High Performing Organisation project capital spend. This ensures the organisation can deliver on its strategic plan, with an emphasis on investing in the portfolio of global transformation projects aimed at improving our efficiency and effectiveness.

The use of reserves to fund system developments was agreed with Save the Children members and the reserve will be replenished over the coming years in accordance with that agreement. As a consequence, the Strategic Investment Fund has been in a negative position since the end of 2021 and will be for the next five years. The replenishment plan in place with all Save the Children members gives Save the Children International a reasonable expectation of receiving income in the future. As stated in the replenishment plan, members are providing funds on an annual basis to Save the Children International for an amount equivalent to the annual depreciation of the High Performing Organisation capital costs and therefore the Strategic Investment Fund will be replenished for High Performing Organisation costs at the end of 2027.

Donated professional services represents the value of services provided directly to Save the Children International free of charge.

The member growth fund represents funds received to support the continued growth and development of members.

## 16. SUBSIDIARY AND ASSOCIATED COMPANIES

Save the Children International had eight wholly-owned subsidiary entities and one associate at 31 December 2022:

(a) The Save the Children Alliance Trading Limited is incorporated in England and Wales with registered company number 3744223; registered address: St Vincent House, 30 Orange Street, London WC2H 7HH) as a company limited by shares. It was made a dormant company in 2007; its principal activities were the provision of consultancy services to Save the Children International and commercial use of the Save the Children name and logo. The charity holds the entire issued share capital. The cost of this investment is £1.

(b) Save the Children Asia Regional Office Limited is a Singapore incorporated public company limited by guarantee with registered Company No: 201024335C; registered as a charity under the Singapore Charities Act and registered address is 352 Tanglin Road, Tanglin International Centre, #03-01 Strathmore Building, Singapore 247671. Save the Children International is the sole member of Save the Children Asia Regional Office Limited. The company's net assets, liabilities, income and expenditure for the year ended 31 December 2022 were as follows:

|                        | 2022<br>USD 000s | 2021<br>USD 000s |
|------------------------|------------------|------------------|
| Assets                 | 647              | 1,308            |
| Liabilities            | (847)            | (1,165)          |
| Total net assets       | (200)            | 143              |
| Income                 | 8,104            | 11,417           |
| Expenditure            | (8,447)          | (11,627)         |
| Net incoming resources | (343)            | (210)            |

(c) Shpetoni Femijet (Save the Children) is incorporated as a foundation under Albanian law and is registered at address Shpetoni Femuet (Save the Children), Rruga Komuna e Parisit Vila Lami, Tirana, Albania. As of 1 January 2022, Save the Children International's Albania Country Office became an independent National Office. This entity was previously a subsidiary of Save the Children International because all its board members were employees of Save the Children International and are responsible for appointing board members of Shpetoni Femijet. It became an independent National Office on 1 January 2022, with only one Save the Children International Board Member and six other independent (non-Save the Children International) Board Members. Save the Children International no longer has the right to appoint its board members and therefore no longer has control over the entity. We have therefore no longer recognised this entity as a subsidiary of Save the Children International for 2022.

|                        | 2022<br>USD 000s | 2021<br>USD 000s |
|------------------------|------------------|------------------|
| Assets                 | -                | 815              |
| Liabilities            | -                | (747)            |
| Total net assets       | -                | 68               |
| Income                 | -                | 3,842            |
| Expenditure            | -                | (3,802)          |
| Net incoming resources | -                | 40               |

(d) Save the Children International (Kenya) is incorporated in Kenya under the Non-Governmental Organizations Co-ordination Act with registered address as Kenya & Madagascar Country Office, 1st Floor, Merchant Square Block C, Riverside Drive P.O. Box 27679-00506, Nairobi, Kenya.

Save the Children International is the sole corporate member of Save the Children International (Kenya). The company's net assets, liabilities, income and expenditure for the year ended 31 December 2022 were as follows:

|                        | 2022<br>USD 000s | 2021<br>USD 000s |
|------------------------|------------------|------------------|
| Assets                 | 4,399            | 5,744            |
| Liabilities            | (3,894)          | (4,935)          |
| Total net assets       | 505              | 809              |
| Income                 | 27,484           | 17,314           |
| Expenditure            | (27,790)         | (16,758)         |
| Net incoming resources | (306)            | 556              |

(e) Save the Children International (Zambia) is incorporated in Zambia under the Societies Act with registered no. ORS/102/35/3906 and registered address as Plot 4E, Warthog Way, Off Warthog Road, Kabulonga, Post net Box 487, Private Edge Bag E891, Lusaka, Zambia. The members of Save the Children (Zambia) are Save the Children International and the International Programming Director of Save the Children International. The company's net assets, liabilities, income and expenditure for the year ended 31 December 2022 were as follows:

|                        | 2022<br>USD 000s | 2021<br>USD 000s |
|------------------------|------------------|------------------|
| Assets                 | 1,781            | 2,094            |
| Liabilities            | (1,782)          | (2,300)          |
| Total net assets       | (1)              | (206)            |
| Income                 | 11,046           | 8,360            |
| Expenditure            | (10,841)         | (8,623)          |
| Net incoming resources | 205              | (263)            |

(f) Save the Children International (US Global Advocacy Office), Inc. was incorporated in 777 United Nations Plaza #3A, New York, NY 10017, United States as an exempt non-profit organisation. Save the Children International is sole member with right to remove and appoint director / officer(s). The company's net assets, liabilities, income and expenditure for the year ended 31 December 2022 were as follows:

|                        | 2022<br>USD 000s | 2021<br>USD 000s |
|------------------------|------------------|------------------|
| Assets                 | 66               | 52               |
| Liabilities            | (66)             | (52)             |
| Total net assets       | 0                | 0                |
| Income                 | 937              | 821              |
| Expenditure            | (937)            | (821)            |
| Net incoming resources | 0                | 0                |

(g) Fundación Save the Children Colombia (registration number S0046070 and registered address as Calle 77 N° 11-19 Piso 5. Bogotá D.C. and was incorporated in Colombia as a Foundation (a type of private, not-for-profit entity). Save the Children International is the sole member (a corporate member). The company's net assets, liabilities, income and expenditure for the year ended 31 December 2022 were as follows:

|                        | 2022<br>USD 000s | 2021<br>USD 000s |
|------------------------|------------------|------------------|
| Assets                 | 1,369            | 2,516            |
| Liabilities            | (905)            | (1,365)          |
| Total net assets       | 464              | 1,151            |
| Income                 | 26,819           | 29,843           |
| Expenditure            | (27,506)         | (29,005)         |
| Net incoming resources | (687)            | 838              |

(h) Asociacion Civil Save the Children International Venezuela was registered at the Public Registry of the First Circuit of the Baruta Municipality, Miranda State under number 15 folio 86 of Volume 24 of the Transcription Protocol incorporated on 8th October 2019 with registered address as Entre las calles La Guarita y Veracruz. Edificio Torreón, Piso 6 Oficina 6B. Urbanización Las Mercedes. Caracas-Miranda.

|                        | 2022<br>USD 000s | 2021<br>USD 000s |
|------------------------|------------------|------------------|
| Assets                 | 173              | 359              |
| Liabilities            | (108)            | (344)            |
| Total net assets       | 65               | 15               |
| Income                 | 8,351            | 6,481            |
| Expenditure            | (8,397)          | (6,572)          |
| Net incoming resources | (46)             | (91)             |

(i) Fundacja Save the Children International (Poland) was registered in the National Court Register in the country on 14 April 2022 with registered address as Save the Children, c/o Bobo Holdings, Ul Prosta 70, 00-838, Warsaw, Poland. The organisation's net assets, liabilities, income and expenditure for the year ended 31 December 2022 were as follows:

|                        | 2022<br>USD 000s | 2021<br>USD 000s |
|------------------------|------------------|------------------|
| Assets                 | 566              | -                |
| Liabilities            | (1,906)          | -                |
| Total net assets       | (1,340)          | -                |
| Income                 | 23,742           | -                |
| Expenditure            | (25,082)         | -                |
| Net incoming resources | (1,340)          | -                |

(j) Fintech for International Development Ltd was incorporated in 2021 with a registered address 41 Luke Street, London, EC2A 4DP. Save the Children International holds 11% of the equity and due to its significant influence over the activities and direction of the company, it is considered to be an associate.

|   | 2022<br>USD 000s | 2021<br>USD 000s |
|---|------------------|------------------|
| Assets  | 2,209            | 2,083            |
| Liabilities   | (117)            | (94)             |
| Total net assets                                      | 2,092            | 1,989            |
| Save the Children International's share of net assets | 230              | 219              |



## 17. RELATED PARTY TRANSACTIONS

In accordance with the provisions of section 33 of the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), Related Party Disclosures, the related party transactions entered into by Save the Children International are detailed below. All transactions were in the normal course of business.

### (a) *Save the Children Association*

Save the Children International has been controlled throughout the financial year by its ultimate parent undertaking Save the Children Association, a Swiss association formed pursuant to Articles 60-79 of the Swiss Civil Code. No other group financial statements include the results of the charity.

At the end of 2022 Save the Children Association comprised 27 members and 3 associate members. Members and associate members are each separate and independent legal entities incorporated under laws of their home country and are bound together as members through: Save the Children Association Bylaws, a Trademark Licence Agreement between Save the Children Association and each member, and an All Member Agreement, entered into in the first quarter of 2011 to implement an international programming strategy.

The boards of Save the Children Association and Save the Children International have identical membership and both are managed on a day-to-day basis by the same leadership team employed by Save the Children International. During the financial year, the following types of transactions took place between Save the Children International and Save the Children Association: grants of USD 46,097,983 (2021: USD 39,604,999) were received by Save the Children International from Save the Children Association.

At the year end, the group balances with Save the Children Association were:

|  | 2022<br>USD 000s | 2021<br>USD 000s |
|--|------------------|------------------|
| Amounts payable to the Save the Children Association | (5,572)          | (4,547)          |

### (b) *Save the Children members*

During the financial year the following types of transactions took place between Save the Children International and members (primarily the 17 international programming members):

- i Grant income of USD 1,430,653,968 (2021: USD 1,203,160,000) was received from the members for international programming activities.
- ii Donated services of USD 9,135,000 (2021: USD 6,096,000) were received from members.
- iii Donated goods of USD 67,319,000 (2021: USD 51,874,000) were received from members.
- iv Contributions to the charity's working capital of USD 35,032,427 (2021: USD 28,940,329) have been made by, and are repayable to, members.
- v Donations were received by Save the Children International on behalf of Save the Children members. The sums received are remitted to the relevant member.
- vi Additional commitments have been made by the members to Save the Children International as set out in note 18.

No profit or loss has arisen on these transactions.

At the year end, the group's balances with members were:

|  | 2022<br>Amounts<br>receivable<br>USD 000 | 2022<br>Amounts<br>payable<br>USD 000s | 2022<br>Net<br>balance<br>USD 000s | 2021<br>Net<br>balance<br>USD 000s |
|--|--|--|------------------------------------|------------------------------------|
| <b>Save the Children member organisation</b> |  |  |                                    |                                    |
| Australia                                    | 1,446                                    | (3,622)                                | (2,176)                            | (2,722)                            |
| Canada                                       | 2,453                                    | (5,365)                                | (2,912)                            | (3,398)                            |
| Denmark                                      | 10,767                                   | (6,439)                                | 4,328                              | 1,751                              |
| European Union                               | 82                                       | -                                      | 82                                 | 149                                |
| Finland                                      | 1,996                                    | (4,007)                                | (2,011)                            | (2,065)                            |
| Germany                                      | 5,990                                    | (10,049)                               | (4,059)                            | (5,358)                            |
| Hong Kong                                    | 700                                      | (1,752)                                | (1,052)                            | (745)                              |
| Iceland                                      | 2  | -                                      | 2                                  | (13)                               |
| India  | 285                                      | -                                      | 285                                | 84                                 |
| Indonesia                                    | -  | (23)                                   | (23)                               | (33)                               |
| Italy  | 3,309                                    | (5,596)                                | (2,287)                            | (824)                              |
| Japan  | 2,138                                    | (1,715)                                | 423                                | 587                                |
| Jordan                                       | -  | (60)                                   | (60)                               | 34                                 |
| Korea  | 690                                      | (2,846)                                | (2,156)                            | 1,350                              |
| Lithuania                                    | 11                                       | -                                      | 11                                 | 32                                 |
| Mexico                                       | 38                                       | -                                      | 38                                 | 32                                 |
| Netherlands                                  | 3,450                                    | (7,485)                                | (4,035)                            | (2,670)                            |
| New Zealand                                  | 352                                      | (288)                                  | 64                                 | (15)                               |
| Norway                                       | 10,032                                   | (19,132)                               | (9,100)                            | (7,420)                            |
| Philippines                                  | -  | (597)                                  | (597)                              | 170                                |
| Spain  | 757                                      | (1,164)                                | (407)                              | (416)                              |
| South Africa                                 | 327                                      | -                                      | 327                                | 318                                |
| Sweden                                       | 4,508                                    | (13,845)                               | (9,337)                            | (8,295)                            |
| Switzerland                                  | 1,094                                    | (2,657)                                | (1,563)                            | (1,457)                            |
| United Kingdom                               | 26,383                                   | (28,395)                               | (2,012)                            | (3,204)                            |
| United States                                | 121,841                                  | (79,071)                               | 42,770                             | (7,058)                            |
|  |  |  | -                                  |                                    |
| <b>Total Save the Children members</b>       | <b>198,651</b>                           | <b>(194,108)</b>                       | <b>4,543</b>                       | <b>(41,186)</b>                    |

(c) *National Offices*

On January 1, 2022, our Kosovo country office transitioned to an independent Save the Children National Office; also on January 1, 2022 Sheptoni Fermijet (Save the Children), registered in Albania, listed in note 16, transitioned from being a subsidiary of Save the Children International to an independent Save the Children National Office. On 1st May 2022 our Thailand country office transitioned to an independent Save the Children National Office. All three entities were previously controlled by Save the Children International but are now separately managed and controlled entities. Although Save the Children International does not have direct significant influence over the National Offices there are persons directly connected with Save the Children International that have significant influence with the National Offices and accordingly we believe that they should be treated as related parties and therefore. The following related party transactions occurred within the year:

|                               | 2022<br>Amounts<br>receivable<br>USD 000s | 2022<br>Amounts<br>payable<br>USD 000s | 2022<br>Net balance<br>USD 000s | 2021<br>Net<br>balance<br>USD 000s |
|-------------------------------|---|--|---------------------------------|------------------------------------|
| Albania                       | -   | (10)                                   | (10)                            | -                                  |
| Kosovo                        | 48  | (554)                                  | (506)                           | -                                  |
| Thailand                      | -   | (1,045)                                | (1,045)                         | -                                  |
| <b>Total National Offices</b> | <b>48</b>                                 | <b>(1,609)</b>                         | <b>(1,561)</b>                  | <b>-</b>                           |

## 18. CONTINGENT ASSETS

|  | 2022<br>International<br>programming reserve<br>commitments (a)<br>USD 000s | 2022<br>International<br>programming closure<br>indemnity (b)<br>USD 000s | 2022<br>Total contingent<br>assets<br>USD 000s | 2021<br>Total contingent<br>assets<br>USD 000s |
|--|---|---|--|--|
| <b>Save the Children member organisation</b> |   |   |  |  |
| Australia                                    |   | 190   | 190  | 214  |
| Canada                                       | -   | 542   | 542  | 482  |
| Denmark                                      | -   | 686   | 686  | 761  |
| Finland                                      | -   | 395   | 395  | 327  |
| Germany                                      | -   | 810   | 810  | 999  |
| Hong Kong                                    | -   | 120   | 120  | 155  |
| Italy  | -   | 1,204   | 1,204  | 1,006  |
| Japan  | -   | 119   | 119  | 123  |
| Korea  | -   | 389   | 389  | 294  |
| Netherlands                                  | -   | 675   | 675  | 619  |
| New Zealand                                  | -   | 46  | 46   | 36   |
| Norway                                       | -   | 1,409   | 1,409  | 1,610  |
| Spain  | -   | 291   | 291  | 271  |
| Sweden                                       | -   | 1,500   | 1,500  | 1,527  |
| Switzerland                                  | -   | 239   | 239  | 203  |
| United Kingdom                               | 3,112   | 2,404   | 5,516  | 5,563  |
| United States                                | 3,100   | 8,981   | 12,081   | 12,022   |
|  | 6,212   | 20,000  | 26,212   | 26,212   |

(a) Members have made cash contributions in previous years of USD 8,800,000 to enable Save the Children International to meet its requirements to hold free reserves in accordance with the reserves policy agreed by the trustees. In addition, members provided a further USD 6,212,000 during 2016 in the form of standby letters of credit which give the charity unconditional and irrevocable access on demand to funds in the event of the use of reserves being required (see note 15).

(b) The costs associated with the closure / wind-down of the charity's international programming work are covered by member indemnities up to a maximum of USD 20 million.

## 19. CONTINGENT LIABILITIES

Save the Children International is involved in various legal proceedings and claims arising in the normal course of business. Management does not expect the ultimate resolution of these actions to have a material adverse effect on Save the Children International's financial position, changes in net assets, or cash flow, as the possibility is remote or the estimate of the financial effect is not practical with the information available.

Save the Children International receives funding from members for various activities, which are subject to audit. Although such audits may result in disallowance of certain expenditures, which would be absorbed by Save the Children International, in management's opinion the ultimate outcome of such audits would not have a significant effect on the financial position, changes in net assets, or cash flows of Save the Children International.

## 20. RE-PRESENTATION OF EXPENDITURE ANALYSIS

Expenditure on charitable activities have been re-presented from previous year to represent Save the Children International's new strategic objectives as shown below.

|   | 2021<br>as reported<br>last year | Reclassification<br>of categories | Apportionment<br>of cross strategic<br>costs | 2021<br>Re-classified |   |
|---|----------------------------------|-----------------------------------|--|-----------------------|---|
| Expenditure on raising funds                | 629                              |                                   |  | 629                   | <i>Expenditure on raising funds</i>               |
| Charitable activities                       |                                  |                                   |  |                       |   |
| Health                                      | 279,778                          | (279,778)                         |  |                       | <i>Charitable activities</i>                      |
| Nutrition                                   | 196,074                          | (196,074)                         |  |                       |   |
| HIV / AIDS                                  | 55,262                           | (55,262)                          |  |                       |   |
|   |                                  | 531,114                           | 20,323                                       | 551,437               | <i>Healthy start in life</i>                      |
| Education                                   | 341,629                          |                                   | 13,073                                       | 354,702               | <i>Safe back to school and learning</i>           |
| Child protection                            | 181,901                          |                                   | 6,960  | 188,861               | <i>Live free from violence</i>                    |
| Livelihoods                                 | 189,532                          |                                   | 7,252  | 196,784               | <i>Safety nets &amp; resilient families</i>       |
| Child rights governance                     | 24,286                           |                                   | (24,286)                                     |                       |   |
| Campaigning and advocacy                    | 21,748                           |                                   | (21,748)                                     |                       |   |
| Growth and development of Save the Children | 1,574                            |                                   | (1,574)                                      |                       |   |
| Support costs (c)                           | -                                |                                   |  | -                     | <i>Support costs (c)</i>                          |
| Total expenditure on charitable activities  | 1,291,784                        | -                                 | -  | 1,291,784             | <i>Total expenditure on charitable activities</i> |
| Total expenditure                           | 1,292,413                        | -                                 | -  | 1,292,413             | <i>Total expenditure</i>                          |

## 21. SUBSEQUENT EVENTS

For the reporting date 31 December 2022, we have identified one subsequent event in Sudan where we have confirmed some of Save the Children's assets and stocks were looted from our warehouses. As at the date of approving these accounts the USD values of these items could not be quantified. Sudan's total stock valued USD 653,000 total fixed assets valued USD 1.2 million and therefore management can confirm the looted amounts would not constitute a material error in the financial statements.

Save the Children International holds an 11% share in FinTech for International Development Ltd as listed in note 16. On 26 May, the board for FinTech for International Development Ltd (F4ID) approved a change in strategy to significantly reduce business operations to preserve cash flow due to delayed revenue projections and further funding not yet being secured. As the company is significantly reducing business operations, it is currently not probable that the intangible assets will generate future economic benefits and as such the values have been reduced to a nominal fair value. Save the Children International (SCI) has assessed its investment value for the year ended 31 December 2022 and given that Save the Children International's investment in F4ID was \$230k on the balance sheet as at 31/12/22, SCI does not deem this to materially impact its investment value and therefore has not adjusted the financial statements.

For the reporting date 31 December 2022, there are no subsequent events which has any impact on the recognition and measurement of assets and liabilities.





Yulia\*, 9, was forced to flee from Ukraine. She is attending a Romanian-language summer class run by teachers from Save the Children Romania.





**Save the Children**

**Save the Children International**

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