Towards Sustainability

A World Vision Australia Accountability Initiative. Issue #1

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How do we report on sustainability?

Towards Sustainability: A World Vision Australia Accountability Initiative is World Vision Australia's first sustainability report. It covers our performance during the period between 1 October 2006 and 30 September 2007, aligning with the World Vision International Partnership's financial year.

The report summarises aspects of the sustainability, performance and impacts of our operations, programs and activities, both in Australia and internationally. As it is our first report, full and accurate reporting in some areas has not been possible because of lack of available data. Future reports will expand our coverage as we continue to develop integrated systems for sustainability data collection, reporting and analysis.

Use of Global Reporting Initiative guidelines

This report is based on the Global Reporting Initiative's (GRI) G3 guidelines. We have assessed our GRI application level as C. We have used these guidelines because they help organisations to compare themselves with peers and track progression and improvement over time. Some of our work cannot be usefully described using the generic performance indicators in the GRI G3 guidelines. However, our ability to benchmark our performance will be further aided by a GRI Sector Supplement for non-governmental organisations (NGO's) now being prepared.

We have begun the process of measuring current performance levels to use as a basis for comparing future achievements. This report will be a key tool and point of engagement for ongoing discussions and action on sustainability management and reporting at World Vision Australia (WVA).

Stakeholder engagement

WVA has a wide range of stakeholders including donors, supporters, partners, suppliers, staff, volunteers, the community at large, target communities and government. These stakeholders have numerous diverse concerns about sustainability issues. This report will address some of these issues allowing stakeholders to more fully understand our goals, operations and achievements. It will also hopefully create questions and generate challenging feedback. This will help us improve our reporting and data collection processes.

Assurance

WVA is using a phased approach to report assurance. We engaged external consultants who are AA1000 accredited to provide advice on the development of this first report and have also used internal peer review processes to finalise the report. We are planning to introduce third party verification or assurance for forthcoming sustainability reports (from 2009).

What we report

To determine what should be included in our sustainability report, we undertook a process of identifying issues of concern to stakeholders. We consulted a wide range of staff and drew from the representation, expertise and experience of our own Environment and Sustainability Committee.

Net Balance Foundation was employed in a consultative and advisory role, which included facilitating a workshop on materiality and content. The process was guided by AccountAbility's five-part materiality test (*www.Accountability21.net*) to identify issues relevant to:

- direct short-term financial performance;
- the organisation's ability to deliver on its strategy and policies;
- best practice norms exhibited by peers;
- stakeholder behaviours and concerns; and
- societal norms, particularly where linked to possible future regulation.

We also conducted a materiality survey among a number of high interest and high influence WVA staff members on the issues they perceived as important to include in the report and the issues they felt external stakeholders would want to see in the report.

School friends,
Cambodia

Message from our Board and Chief Executive

World Vision has an ambitious mission: life in all its fullness for every child. However, we believe that as a global community, we have the know-how and resources to achieve it. The potential to achieve our mission is demonstrated by the considerable success World Vision Australia has already had in its 40 years of working in partnership with the world's poorest communities. And today, with support from more than 400,000 Australians, leading companies and the Australian Government, we are witnessing a mass movement for change – a movement to make poverty history.

The support we receive in Australia and the willingness of communities to engage with us is based on a 'sacred trust', a trust World Vision does not take for granted. As a result, we believe we have a responsibility to continually strive for even higher levels of accountability, transparency and effectiveness in all that we do.

In the past few years this has led us to think much more carefully about the information in our Annual Report and how it is presented. We have committed to publishing annually a report detailing the impact our programs are having on child wellbeing and how we are learning from our successes and failures. Our first such report, *Responses to Poverty*, was published in 2007. We are also in the process of including on our website information about World Vision governance, policies and practices that are relevant to our accountability. This year we have attempted to innovate further by developing this *Towards Sustainability: A World Vision Australia Accountability Initiative*. This is our first attempt to disclose our operations and performance results under the three key aspects of sustainability: environmental, social and economic management.

However, this report is not just about increased accountability. Sustainability and poverty alleviation are inexorably linked. One of the key environmental challenges within sustainability management is climate change, which is impacting on the world's poorest people more than anyone else. Climate change has the potential to undo many of the hard won gains made in the developing world over the last 50 years. At World Vision, responding to climate change is therefore a key part of our community development programming, our engagement with Australia and of our advocacy work. Not surprisingly then, our response to the climate change challenge is also one of the key elements of our sustainability reporting.

Finally, well designed reporting drives organisational performance. Through tools like this report, we therefore also aim to actively manage two of the most important aspects of our operations: our organisational effectiveness; and the impact of our work on child wellbeing.

Anne Robinson
Board Chair

Tim Costello
World Vision Australia
Chief Executive

Introduction

As Tim and Anne highlighted in their message, publicly reporting on World Vision Australia's sustainability performance is about fulfilling an accountability commitment to stakeholders.

Sustainability reporting has traditionally been used by global private corporations to voluntarily communicate information on environmental, social and economic performance relevant to the sustainability of their business operations. It is arguably even more important to organisations like World Vision.

It's not just donors, staff, volunteers and the Australian public who are interested in the way we work. If you are living in one of the hundreds of poor communities who partner with World Vision Australia, your children's wellbeing and future prospects may be directly and intimately related to our ongoing effectiveness. In many of these communities, 'normal' accountability mechanisms, such as the media, simply don't function as they do in Australia. So, we bear an even greater responsibility to pursue accountability mechanisms like this report.

We recognise that it is vital that we are held to account for the way we manage our organisation, and donor and partner funds, in working with poor communities. In addition, we should be accountable to our employees and to our volunteers who generously donate their own resources to further our cause.

While NGO watching is not new, organisations like World Vision are now being judged by the same criteria as private companies, including factors such as transparency, effective evaluation, the involvement of stakeholders in decision making and complaint and response procedures. For example, a recently published report by the One World Trust shows that accountability has become a major issue for NGOs. The Global Accountability Report launched in December 2006 by the United Kingdom's International Development Secretary, Hilary Benn, compared 30 of the world's top organisations – ranging from Anglo American to Pfizer and inter-governmental organisations such as the World Bank – with international NGOs such as World Vision, Oxfam and Action Aid.

Sustainability reporting is also an important way for World Vision to manage risk. The increasing size and complexity of our operations makes this ever more important. By identifying and acknowledging the sustainability risks facing us, we can create strategy and processes to manage them. It also provides a basis for stakeholders to provide feedback to us. This will also help drive innovation and continuous improvement at World Vision in areas that can have a significant impact on our stakeholders and on the environment.

Finally, if WVA is to actively encourage our partners to embrace their corporate responsibilities around sustainability, we must ensure our own house is in the best possible order. WVA has grasped this opportunity to show how we are walking the talk in relation to disclosing our sustainability footprint and measuring our impacts here in Australia through this *Towards Sustainability: A World Vision Australia Accountability Initiative*.

At WVA, we feel privileged to be so trusted by the donors and communities with whom we work. We also recognise that our growing size and influence necessarily means we will be held to higher standards than in the past. With this report and the journey it begins for us, we seek to honour that trust and respond to the responsibility we have to operate in the most sustainable way possible. I commend the report to you.

Paul Ronalds
Deputy CEO

Paul Ronalds
Deputy CEO

Summary of our performance 2007

World Vision Australia Activities	Year ended September 2007
Number of people assisted	20.4 million
People assisted by emergency relief	2.8 million
Number of children sponsored	Approximately 400,000
People taking part in the 40 Hour Famine	270,000
Economic Performance	
Total revenue raised 2007	$356.5 million
Total Revenue from child sponsorship	$189.3 million
Value of work on behalf of AusAID	$14.1 million
Money raised through corporate donations and partners	$12 million
Total projects at home and overseas	Over 735
People *	
Total number of WVA employees (excluding casual employees)	517
Number of full-time employees	395
Number of part-time employees	122
Staff turnover**	23%
Total volunteers	3,808
Hours volunteered	157,056 hours
Average annual days sick leave per full-time equivalent employee	5 days
Gender Profile	
Women in executive positions	33%
Women in senior management	48%
Average female salary (as % of male salary)	98%
Workplace Safety	
Number of reported incidents or injuries	41
Training and Learning	
Average hours of training per employee	22.5 hours
Average expenditure on training per employee (excluding volunteers)	$1,450

Excluding WVI employees based in Australia.
*** Of total workforce, excluding casual staff and World Vision International employees.*

Environmental Performance	
Carbon dioxide (CO_2) emissions ***	6,899.2 tonnes CO_2-e
Total emissions from transport	2,878 tonnes CO_2-e
Air travel	2,681.8 tonnes CO_2-e
Car fleet	196.5 tonnes CO_2-e
Offsets purchased	
Green power	604 tonnes CO_2-e
CO_2 emissions from energy use	
Electricity	3,606.7 tonnes CO_2-e
Gas	434.9 tonnes CO_2-e
Total water use, kilolitres^	4,237 kilolitres
Total waste – (waste to landfill and recycled waste), tonnes^	81.3 tonnes
Waste collected for recycling, tonnes ^	20.01 tonnes

***Total emissions reported as part of WVA Greenhouse Challenge Plus 2007 annual report, incorporating emissions from all WVA's support office operations.
^ WVA's East Burwood office only.

About us

World Vision Australia is Australia's largest overseas aid and humanitarian organisation, committed to engaging people to eliminate poverty and its causes. WVA is an independent Christian non-governmental organisation and is part of the global World Vision International Partnership.

Our headquarters are in the suburb of East Burwood in Melbourne. We also have offices in the Melbourne central business district, Sydney, Brisbane, Hobart, Perth, Adelaide and Canberra, as well as a warehouse for donated goods located in Mulgrave, Victoria.

Our relationship with the World Vision International Partnership

World Vision Australia is part of the World Vision International Partnership, which operates in 97 countries. It is a partnership of interdependent national offices, most of which are governed by local boards or advisory councils. By signing the World Vision International Covenant of Partnership, each partner agrees to abide by common policies and standards. Partners hold each other accountable through an ongoing system of peer review.

Whilst we are accountable to other World Vision offices, World Vision Australia is a distinct legal entity. Together with our partner offices, we are responsible for the design, monitoring and evaluation of all programs for which we provide funding. Fundraising and marketing activities are managed locally.

The Board of Directors of World Vision International oversees the Partnership. The full Board, which meets twice a year, appoints the Partnership's senior officers, approves strategic plans and budgets, and determines international policy. The Board consists of 25 members from 19 countries. Each national office, regardless of size, enjoys an equal voice in Partnership governance. Two Directors of World Vision Australia sit on the Board of World Vision International.

Vision, mission and values

Our vision
Our vision for every child, life in all its fullness.
Our prayer for every heart, the will to make it so.

Our mission
To transform the lives of children and their communities by tackling the causes of poverty.

Our values
We are committed to the poor
We value people
We are stewards
We are partners
We are responsive
We are Christian

Hadi, 12 and Hoda, 6,
Iraqi refugees in Jordan

Our commitment to sustainability

World Vision Australia has produced this sustainability report to improve our accountability and transparency to our stakeholders about the work that we do, both in Australia and in our overseas aid and development programs. The same principles that guide our overseas programming are applied to our business management practices in Australia. We believe it is critical to keep our stakeholders informed about our organisation and all aspects of our work, and to obtain their feedback on our activities. However, as Anne and Tim note, in their message:

...this report is not just about increased accountability. Sustainability and poverty alleviation are inexorably linked.

We therefore believe it is important to make clear our commitment to sustainability.

All the work of WVA is based on the principle of sustainable development. As described in Our Common Future, the Report of the United Nations World Commission on Environment and Development, sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs.

We seek to meet the needs of the present through aid and development programs that address requirements such as clean water, education, agriculture, preparation for natural disasters and health. All of our work on alleviating poverty contributes to progress on achieving the Millennium Development Goals.

We aim to ensure that future generations can meet their own needs through our focus on children and their communities. Our programs are designed to assist transformation to restore and enable life with dignity, justice, peace, and hope through empowering children to be agents of change; fostering mutually beneficial relationships; interdependent and empowered communities; and systems and structures that contribute to the elimination of poverty.

We aim to meet challenges to sustainability, including food insecurity, climate change, decreasing availability of resources, such as water and energy, weak governance, economic insecurity and the displacement of people.

Our programs are designed to support changes that are economically, environmentally, socially, psychologically and spiritually sustainable.
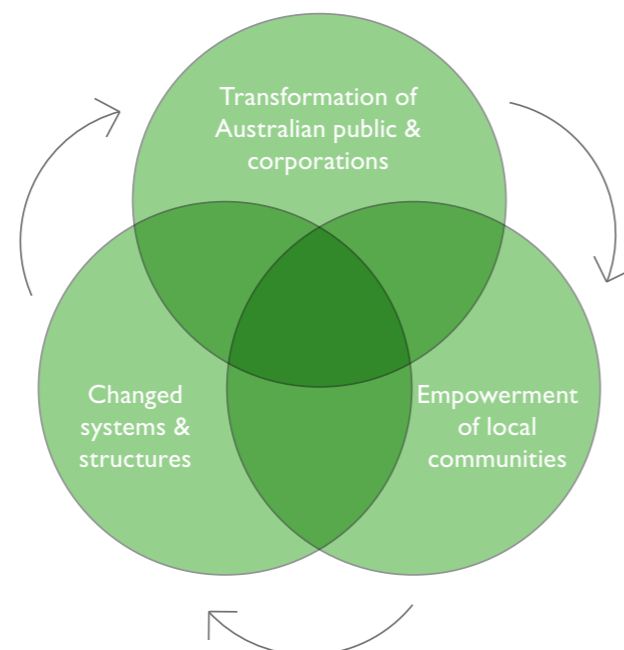
What we do

WVA, through its Policy and Programs Group, allocates funds raised from public and private donors across three core areas: development – long-term projects aimed at empowering communities to become self reliant; humanitarian and emergency affairs (HEA) – disaster management which includes prevention, mitigation and response to disasters through capacity; and advocacy – work which seeks to address the structural and systemic causes of poverty [1]. Examples of our key achievements for the 2007 fiscal year are shown in the table below.

WVA Activities 2007	
Number of people helped	20.4 million
People helped by emergency relief	2.8 million
Number of children sponsored	Approx. 400,000
People taking part in the 40 Hour Famine	270,000
Employees trained in our child protection policy	100%

Strategic goal of the Policy and Programs Group

Our current three-year Blueprint for the Future commits the organisation to achieving a five-fold increase in program impact by the 2010 financial year. The strategy defines impact as the sum of:

- Quality of responses,
- Quantity of inputs and outputs, and
- Effective, positive and proactive leverage through the work and influence of partners.

The five **operational goals** that underlie the overall strategic goal are:

1. Challenge and advance humanitarian and development thinking and practice
2. Resource and influence quality advocacy, humanitarian and development programming globally to contribute to poverty reduction
3. Implement best practice programs in Australia
4. Influence the policy and practice of the Australian Government, international institutions and foreign governments to contribute significantly to poverty alleviation
5. Ignite a movement to engage the Australian public to alleviate the causes of poverty

We use a selection of models and tools to test and measure our progress towards this goal of increased program impact.

Long-term development work: children at the forefront

The core aim of our development work is to ensure the best use of resources for community-driven and poverty-focused programs that enable communities to manage their own development. Through long-term activities based on community participation and defined standards for quality program management, WVA strives to ensure viable ongoing impact.

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[1] *Fully explained, advocacy in the context of WVA is a project, program or programmatic approach which seeks to address the structural and systemic causes of poverty by changing policies, systems, practices and attitudes that perpetuate inequality and deny justice and human rights.*

Transformational development framework

World Vision defines development as seeking 'to restore and enable wholeness of life with dignity, justice, peace, and hope for all girls, boys, women, men, households and their communities'. We call our approach transformational development (TD).[2]

The key principles of our development approach are:

- Community ownership – Key community representatives and stakeholders envision, plan, implement, monitor and evaluate programs in an inter-dependent relationship with WVA.
- Sustainability – Programs are designed to support changes that are economically, environmentally, socially, psychologically and spiritually sustainable.
- Holism – Our programs reflect an integrated physical-spiritual understanding of human beings, the world they live in and the way people develop.
- Mutual transformation – We seek the continuing transformation of all partners in development, including WVA staff, volunteer Board, donors as well as communities, faith-based organisations, NGOs, businesses and governments.

Key components of our development work

WVA's development programs include sector-specific programs, Area Development Programs and programs that form part of the AusAID NGO Cooperation Program. These are described below.

Sector-specific development programs

These programs are generally three years in duration and address issues such as child trafficking, child labour, conflict resolution and food security. They are funded though a range of different sources, including community appeals, corporate partnerships, major donors and government funding.

Area Development Programs

WVA currently funds 200 Area Development Programs in 57 countries. Area Development Programs operate in contiguous geographical areas, large enough to have some micro-regional impact, yet small enough to make a major impact on selected communities. They may focus on clean water, education, agriculture, preparing for natural disasters, health or leadership skills. Activities that improve the community's ability to advocate for policy change are also often included.

Area Development Programs comprise approximately one-third of our total number of projects – more than any other individual program type.

One strength of Area Development Programs is their longevity. Unlike many development programs, Area Development Programs typically run for 10 to 15 years. Before starting an Area Development Program, World Vision staff spend two years working with the community to identify its current capacity and needs, and then together they plan the most appropriate development activities.

Progress towards meeting the Area Development Program goals is evaluated every five years, and its design and future is then reassessed.

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[2] *For more information, see World Vision International's Transformational Development website: http://www.transformational-development.org/*

AusAID NGO Cooperation Program

AusAID, the Australian Government's international development agency, provides annual funding for accredited Australian NGOs to implement development and poverty alleviation programs overseas on the government's behalf. This initiative is called the AusAID NGO Cooperation Program (ANCP).

NGOs are required to submit an Annual Development Plan and all proposed projects must adhere to ANCP guidelines. For every $3 that AusAID provides in program funding, the NGO must raise $1.

World Vision Australia was implementing 88 ANCP projects during the period October 2006 to September 2007. These projects covered health, HIV and AIDS, education, capacity building, water and sanitation and food security and run for an initial three or four-year period. This period may be extended for a further two or three years (for a maximum of six years) if required.

Programs can be partially or fully funded. WVA must submit an annual report to AusAID on each project, reporting on achievements against targets for the previous 12 months. All supporters are also provided with an annual progress report.

Humanitarian and emergency affairs

WVA's humanitarian and emergency affairs work includes all aspects of disaster management including disaster mitigation, preparation, response, recovery, rehabilitation and transition to transformational development activities.

World Vision responds to emergency situations including:

- rapid and slow onset natural disasters such as earthquakes, floods, tsunamis and droughts;
- man-made disasters such as conflicts and war;
- complex humanitarian emergencies caused by political, social and economic factors that can occur across a single country or a group of countries; and
- chronic ongoing emergencies where a country experiences a deterioration in quality of life over an extended period of time.

With operations in almost 100 countries, the World Vision International Partnership is able to adapt programming from ongoing development work to emergency relief operations. WVA's Humanitarian and Emergency Affairs group is made up of three teams:

- Rapid Response;
- Food Programming; and
- Community Resilience and Program Management

Good Enough Guide

This year, WVA contributed to the publication of The Good Enough Guide, a guide for humanitarian and emergency affairs field workers to measure the difference our assistance makes in communities which have experienced a disaster. The guide was developed by the Emergency Capacity Building Project (ECB). The ECB is a collaborative effort of CARE International, Catholic Relief Services, the International Rescue Committee, Mercy Corps, Oxfam Great Britain, Save the Children, and World Vision International.

The Global Rapid Response Team

The World Vision International Global Rapid Response Team (GRRT) aims to send key staff to emergencies within 72 hours of the emergency, if requested. Effectiveness and impact are measured by the degree to which we achieve our mandate of rapid deployment of personnel and goods and commitment of funds during emergencies. In 2007, we achieved this mandate. We have also sent several non-emergency staff members to emergencies throughout the world as required.

WVA has two full-time and two part-time staff members serving on the GRRT.

Global Rapid Response Team training exercise, Senegal

WVA has begun stockpiling relief goods in warehouses in Brisbane and is negotiating other warehousing around the region. These relief goods may contain any combination of non-food items, such as plastic sheeting, cooking utensils, play items for children, tents, tools and women's hygiene kits.

Providing civilian protection in humanitarian emergencies

Protection in humanitarian response focuses on the safety and dignity of disaster-affected populations.

The critical need for effective civilian protection in emergency contexts is well documented and widely accepted within the international humanitarian community. However, despite agreement on the need to incorporate protection analysis and response into humanitarian action there continue to be significant challenges in practice. These have resulted in ad hoc and different protection responses across agencies, and an inability to adequately measure the impact of protection responses.

WVA has developed minimum protection standards for emergency response. A global consultation process involving more than 20 agencies helped draft the final document.

The standards will be jointly piloted by WVA, CARE Australia, Caritas Australia and Oxfam Australia in collaboration with field partners. Baseline measurement and post project evaluations will assess the extent to which standards are met in existing programs, and how well standards have been applied following training, program redesign and mentoring. The significance of achieving minimum protection standards will be examined by questioning the extent to which community perceptions of safety and dignity have changed as a result of their application.

Food aid

The provision of food aid – distribution of essential food items – has become a commonplace and critical component in disaster response. The food aid programming team is dedicated to ensuring that the right food and the best food is delivered fairly to the right people at the right time, in a manner that preserves and enhances the human rights of beneficiaries.

In 2007, WVA contributed to major food aid responses in Northern and Southern Sudan, Mozambique, Malawi, Kenya, Northern Uganda, East Timor, Angola and Somalia, and as part of disaster relief in the Solomon Islands and Southern Asia.

World Vision International has recently established a Food Aid Quality Group, and work is underway to ensure that all food programs comply with international accountability standards and are appropriately designed, monitored and evaluated.

Assessing the emergency supply chain

A crucial component of WVA's emergency response is the availability of life-saving supplies in warehouses strategically located throughout the world.

At the beginning of 2007, WVA in collaboration with other ACFID members and AusAID, conducted a Supply Chain Assessment for the Asia Pacific region. This assessment identified both the capacity and the gaps in the current supply chain to help agencies determine effective locations for storing emergency supplies.

The information will be used to increase preparedness, efficiency and effectiveness in international emergency response.

World Vision often remains in emergency-affected areas well beyond the initial relief phase, helping communities rebuild their lives and preparing them to deal more effectively with potential future shocks. Community resilience aims to facilitate a community's transition from reliance on relief to development. This year, WVA supported three community resilience projects in Asia, Africa and Latin America. Lessons learned from these initiatives will be used to improve future program responses.

Advocacy

For our development and humanitarian work to be effective over the long term, it must be accompanied by changes in the systems and structures that underpin poverty. WVA is actively involved in bringing about these changes by undertaking detailed policy analysis, by lobbying governments and others in positions of power and by undertaking public campaigns that educate and mobilise communities. This work occurs at the local, national and international level.

World Vision nutrition post,
East Timor

Field advocacy

Community mobilisation has long been a key component of WVA's field programs, particularly for issues such as HIV and AIDS and human trafficking, in which the transformation of community attitudes and government responses is critical. It is also an essential part of programs related to human trafficking.

Demand-led governance is another important example of WVA's field advocacy and refers to government capacity to respond to the demands of citizens, and citizens' capacity to articulate such demands. Our Community Based Performance Monitoring (CPBM) governance tool creates a forum for community members to identify important issues and agree with local government on how these issues will be addressed. It also enables the community to monitor the government's response. An evaluation of CBPM will be completed in 2008.

WVA's Integration Team monitors our field advocacy work in Australia and overseas to ensure that it is consistent with our policy and programs.

Government relations

Policy change is pursued through a combination of public campaigning, influential policy research and lobbying. In 2007, some government policy decisions to which we contributed included:

- The Australian Government's decision to increase Overseas Development Assistance to 0.5% of GNI by 2015 (still less than the UN agreed target of 0.7%);
- The government's decision to provide an additional $300 million for water and sanitation projects;
- The government's announcement of a Debt2Health swap with Indonesia worth $75 million.

Advocacy campaigns in Australia and globally

WVA seeks to change attitudes through public awareness and community education activities using our publications such as *Island Nation, Global Citizen* which summarised significant public research on Australia's contribution to tackling global poverty issues. Public action is a tangible way to evaluate whether or not people understand our campaigns and have been inspired to act accordingly.

Our participation in the Make Poverty History campaign has had significant success in raising awareness and increasing public action:

- We reached 1.5 million people through the Make Poverty History G20 concert;
- An estimated 50,000 Australians demonstrated their support for the Make Poverty History campaign;
- Approximately 103,000 people participated in Stand Up Against Poverty, up from 92,000 in 2006;
- 900,000 Make Poverty History white wrist bands have been distributed in Australia to date; and
- 270,000 people took part in the 40 Hour Famine.

Another indication of growing awareness of the issues we address was the acknowledgement by both major parties during the 2007 federal election that overseas aid was one of the Top 10 most significant election issues. Members of the public attended 21 Make Poverty History community forums held in the lead up to the election.
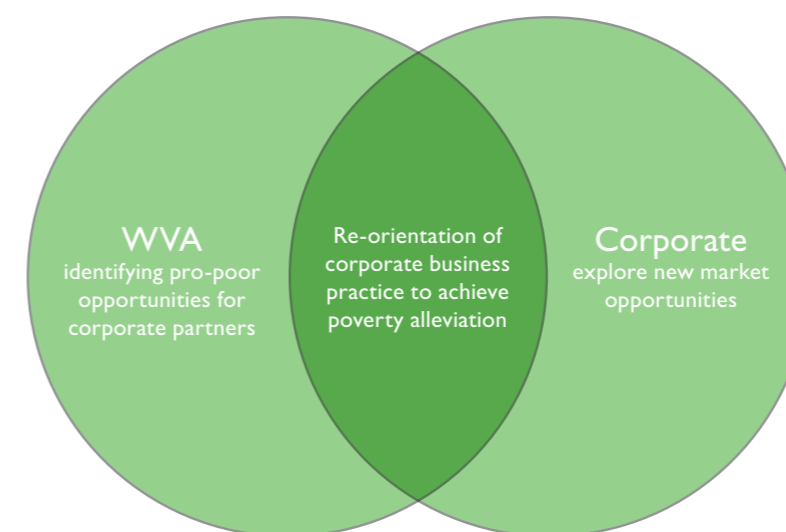
Private sector engagement

WVA employees and corporate ambassadors work to support and develop the quality of discussion about poverty alleviation within the corporate sector, this year speaking on a wide range of topics including transparency, business ethics, palm oil production, child trafficking and poverty.

WVA maintains a 'Credible Voice' database to record public presentations made by WVA representatives. We hope to develop a comprehensive data bank of valuable skills and expertise, improved information sharing and better measurement of our contribution to raising awareness on global poverty.

WVA's Innovative Partnership Group initiates strategic, innovative business models/partnerships with selected transnational entities, including corporations, multilateral and bilateral institutions. Specifically, it explores the potential for cross-sector partnerships that involve government, business and civil society.

During 2007, a strategic new link with Australian businesses was formed with the launch of Business for Millennium Development (B4MD). This is a leadership forum that aims to drive economic development in the emerging markets of the Asia-Pacific region in a way that contributes to poverty alleviation. B4MD believes Australian companies can do more to reduce poverty while developing business in the region when they operate, innovate and grow in true partnership with host communities.

Our aspiration for working with the private sector is to build on our respective competencies, as portrayed in the following diagram:

WVA
identifying pro-poor opportunities for corporate partners

Re-orientation of corporate business practice to achieve poverty alleviation

Corporate
explore new market opportunities

WVA views social responsibility as the responsibility of every organisation and integral to its overall mission. We understand our broader obligations to partners, supporters, employees, volunteers, donors, the community and the environment.

Ethical and responsible decision making, risk management and good governance are promoted through our adherence to the World Vision International Partnership's Covenant, WVA's Core Values, our Whistleblower Protection and Child Protection policies [3].

Further information about our social responsibility agenda is contained within the Annual Report 2007 on our website.

Our stakeholders

As a not-for-profit organisation, World Vision Australia's accountability is solely to our stakeholders. This section describes the range of WVA's stakeholders and the way in which we actively engage with them. We also report on measures we are taking to improve our responsiveness to stakeholders. WVA defines stakeholders as individuals or groups who could be affected by our operations, or who could through their own actions affect these operations. Each of the stakeholder groups we interact with provides an invaluable contribution to the sustainability of our work.

Children and communities

We aim to change the lives of children by changing the world in which they grow up through long-term projects that benefit entire communities. Communities are partners and leaders in our development projects. We also engage with communities through project monitoring and evaluation processes such as our regular Area Development Program progress evaluations and project reports to AusAID.

Churches

Churches engage with WVA through financial support, prayer and programs such as Kids Hope and the 40 Hour Famine. They also participate in campaigns and events focused on building a deeper theological framework for working with the poor. In their common mission, WVA and churches are in constant dialogue. In the next year, WVA will be focusing on building a deeper relationship with churches and church leaders in engagement in transformational mission and development.

Corporate and major donors

Companies can play an important role in poverty reduction by reviewing, reporting, and where appropriate, adjusting their business operations to respond to the realities of the world's poor. Corporate support via donations of cash and gifts in kind, workplace giving and volunteering provides vital support for our work. In 2007 we engaged with over 2,000 corporations and individual major donors, raising $12 million for programs for Australia's Indigenous communities and for overseas development.

WVA undertakes a reputational-risk assessment of corporate bodies when approached to engage in a financial partnership. This WVA assessment looks at the company's overall reputation as well as its record and commitment on environmental standards, human rights, internationally recognised labour laws and standards, transparency and accountability.

In the coming year, we will be directing efforts to promoting the link between environmental issues and poverty alleviation, and the benefits that can be delivered by working with WVA in a strategic and sustainable partnership.

Polling day 2007, Northern Territory
Credit: Glenn Campbell, courtesy of Fairfax photos

Government

WVA is a beneficiary of funding from AusAID, the government's overseas aid agency. WVA conducted work to the value of $14.1 million on behalf of AusAID, 4% of our total revenue.

Recent examples of productive policy dialogue include the government's decision to significantly increase overseas aid funding for basic education, health and HIV and AIDS programs in line with calls from WVA and the Make Poverty History campaign. It also increased support for international bodies such as the Global Fund to Fight AIDS, Tuberculosis and Malaria.

The Government has committed to increase the aid budget to 0.5% of GNI, a key objective of World Vision's Government Relations Strategy.

Policy products such as the publication *Island Nation, Global Citizen* form the basis for direct and indirect lobbying and advocacy with members of Parliament and federal government departments. Formal feedback on the perceptions of these stakeholders will be captured through opinion research to be conducted annually from 2008.

Other government departments with which we work include Department of Foreign Affairs and Trade, Department of Climate Change, Department of the Prime Minister and Cabinet and the Department of Immigration and Citizenship.

Future efforts will also focus on health policy in the Asia-Pacific region, adaptation to and mitigation of climate change impacts in developing countries and improved support for demand-led governance in the Asia-Pacific.

Partners in development

WVA collaborates with other international NGOs on advocacy, and with NGOs and inter-governmental organisations on complex humanitarian emergencies and development programs. The effectiveness of these partnerships is a key contributor to WVA's ability to meet its goals.

WVA works with other NGOs in coalitions such as Make Poverty History, allowing us to work on a broader scale and achieve improved results. We also work to achieve better international humanitarian co-ordination through global mechanisms such as the UN Office for the Coordination of Humanitarian Affairs' clusters and the Global Humanitarian Platform's 'Principles of Partnership', as well as participation in initiatives to improve aid effectiveness.

Going forward we will continue to work through the Make Poverty History coalition to meet the 2015 Millennium Development Goals.

Future efforts will also focus on increasing our impact through developing and leveraging strategic partnerships for campaigns such as the anti-trafficking campaign.

Staff

WVA is committed to providing an environment in which staff and volunteers can excel and grow professionally, where self development is fostered, a healthy work-life balance is supported and where performance and work practices are continually improved for the benefit of both the individual, the organisation and ultimately for our key stakeholders, those living in poverty.

World Vision youth volunteers, NSW

We conducted employee engagement and resilience research, which informed a full employee climate survey during 2008. Additional efforts will include an updated and improved orientation program and the introduction of 'entry interviews' for new recruits. Additional details of our staff programs are provided in the Our people section of this report.

Supporters

It is only through the commitment and generosity of our supporters that WVA is able to continue to change lives and give children a brighter future. We engage and communicate with our supporters in the following ways:

- We provide information about our programs and activities in World Vision News, our supporter magazine, newsletters focusing on specific programs and the My World Vision website.
- The World Vision "Supporter Feedback" page on our website provides a direct way for our supporters to provide any comments or complaints. These are then directed to the relevant staff or departments for consideration and resolution.
- Regular performance reports capture supporter feedback and suggestions by category and type, as well as trends in supporter contact and resulting actions. These reports inform action by our Supporter Service Group, which is currently preparing a year-on-year analysis of feedback trends.

Children's Parliament,
Peru

Our governance

World Vision Australia has in place strong structures and procedures to ensure that its activities are carried out in an open and accountable manner and that funds are used in an efficient and effective manner. Our governance provides for sound management of our risks and opportunities and ensures that our activities are directed towards achievement of our mission and goals.

World Vision Australia is a public company limited by guarantee, incorporated under the Corporations Act 2001. Ultimate responsibility for the governance of World Vision Australia rests with the Board of Directors.

Board of Directors

Roles and responsibilities of the Board

The primary role of the Board of Directors is to ensure that WVA's activities are directed towards achieving its mission and goals.

In seeking to achieve WVA's mission and goals, the Board focuses on ensuring alignment with the organisation's strategy and values to ensure that funds are utilised in the most efficient and effective manner. It supports the ASX Corporate Governance Council's Principles of Good Corporate Governance and Best Practice Recommendations (ASX Principles) published in March 2003. WVA is not a publicly listed company and, as such, is not obliged to report on these principles. However, WVA has applied the ASX Principles as appropriate to a not-for-profit organisation, giving regard to the scope of its operation and level of donor and public interest.

The Board is comprised entirely of independent non-executive Directors. The Directors have a broad range of skills in commercial, business and international activities, providing accountability and judgement to ensure optimum results for communities, donors and partners.

The Board has adopted a formal Board Charter and adheres to the policies set out in its Board Policies Manual. In particular the Board is responsible for:

* setting the strategic direction for WVA, assessing progress towards strategic objectives and approving policies to work towards those objectives;
* approving and monitoring the annual budget;
* monitoring and receiving advice on areas of operational business opportunities and financial risk;
* considering strategies and policies to ensure appropriate risk management;
* ensuring compliance with laws and policies;
* appointing and evaluating the performance of the Chief Executive Officer;
* approving proposals for changes in the executive leadership (i.e. those people who report directly to the Chief Executive Officer) along with all compensation packages for members of the executive leadership; and
* appointing Board committees to assist in effective governance.

The Chief Executive Officer is responsible for operational management, with all powers, discretions and delegations authorised, from time to time, by the Board. The Board is responsible for regularly reviewing and ensuring that all necessary and appropriate delegations are in place to enable the Chief Executive Officer and the management team to meet this responsibility.

Board structure

WVA's Constitution provides that that there must be no fewer than seven and no more than 14 non-executive Directors. No fees are paid for serving as a Director, but WVA meets the costs of travel expenses incurred in connection with Board activities.

Each Director's term is for three years with the option for re-election up to a maximum of nine years. A Director may be appointed for an additional period to accommodate the appointment of that Director to a World Vision International position. The Chair of the Board is elected every 12 months. WVA's Constitution does not permit any employee of WVA, including the Chief Executive Officer, to be a Director of WVA.

The Board Development and People Committee is responsible for identifying and recommending individuals for election to the Board. Recommendations for election to the Board are guided by the application of a balanced "skills matrix" of general and special criteria to ensure that the Board has the right mix of skills, experience and expertise.

Board meetings and Board committees

The full Board normally meets five times during the year, with additional meetings scheduled as required. Forums are held where the Board and the management team examine various strategic issues. The Board does not delegate major decisions to Board committees. Board committees are responsible for considering detailed issues and making recommendations to the Board. There are five Board committees, each with a formal charter:

- Executive Committee
- Audit Committee
- Engagement Committee
- Board Development and People Committee
- Policy and Programs Committee

Further details on the Board committees can be found in WVA's Annual Statements and Accounts on our website.

Standards, performance, participation

Ethical standards

The Board's policy is for the Directors and all employees to conduct themselves with the highest ethical standards. WVA has adopted a set of Core Values and a Mission Statement, which are distributed to all employees. The Directors regularly review the Core Values and the Mission Statement to ensure that WVA's organisational practices reflect best practice in corporate governance.

Conflicts of interest

Any actual or potential conflict of interest must be fully disclosed to the Board. The Board has adopted a comprehensive Conflict of Interest Policy.

Board performance

The Board undertakes a process of review of its performance and evaluation against agreed benchmarks. All Board members undergo a rigorous performance review (at least once during each three-year term).

Board members receive written advice of the terms and conditions of their appointment and undertake an induction and orientation program that includes reading of materials on WVA and relevant issues, meeting with the Company Secretary, Chief Financial Officer and other key staff; and visiting WVA programs overseas within the first year where possible. Board members have access to continuing education and are strongly encouraged to complete the Company Directors course of the Australian Institute of Company Directors.

Participation

Directors are encouraged to participate actively in all meetings. They are required to exercise independent judgement decision making. The Board arranges for management to supply the Board and committees with information that enables Directors to discharge their duties effectively.

Risk management

The Board regularly monitors and receives advice on areas of operational opportunities and financial risk and considers strategies and policies for appropriate risk management. To enhance our risk management processes, WVA during 2007 established a new position and employed a manager of risk and internal audit, with responsibilities relating to the strengthening of our risk management framework and the development of appropriate policies, guidelines and controls to manage risk in every part of our operations.

External advisory services

WVA's external auditor is PricewaterhouseCoopers, and the internal audit function is carried out by Deloitte. Legal services are primarily provided by Clayton Utz on a pro bono basis. Banking services are provided by ANZ.

Accreditation and codes of conduct

WVA is fully accredited by AusAID, the Australian Government's agency for international development.

World Vision Australia is an active member of the Australian Council for International Development (ACFID) which defines the minimum standards of governance, management and accountability for development NGOs (more information on ACFID can be found at acfid.asn.au).

Our voluntary adherence to ACFID's Code of Conduct demonstrates our commitment to ethical practice and accountability. Our approach to program evaluation is also informed by the ACFID development effectiveness framework, and we abide by national and in-country child protection and privacy policies.

In addition to ACFID, World Vision Australia also subscribes to a variety of other codes of conduct and standards such as the International Red Cross/Red Crescent Movement and SPHERE codes of conduct.

SPHERE has developed an international Humanitarian Charter and Minimum Standards in Disaster Response framework. Components include a handbook of standards for four different aid sectors and a charter describing the rights of people affected by disasters. [4]

The International Red Cross/Red Crescent Code of Conduct, written in 1994, is a set of guiding principles for organisations involved in humanitarian activities. As of 2007, more than 400 organisations have signed the code.

[4] For additional information on this handbook and the standards it contains, see the SPHERE website: www.sphereproject.org

WVA's child protection policy stems from our vision for life in all its fullness for every child, and is underpinned by our endorsement and support for the United Nations Convention on the Rights of the Child (1989).[5]

Responsible communications and marketing

WVA is committed to protecting the privacy of our staff, partners and supporters. We are bound by the National Privacy Principles in the Privacy Act 1988 (Commonwealth). We strictly adhere to these principles relating to the collection and use of data and information, and provide channels to contact our privacy officer through our website at http://www.worldvision.com.au/site/privacy.asp#commitment

Our adherence to the ACFID Code of Conduct also covers communicating with the public and acting with integrity in all our fundraising activities and there have been no incidences of non-compliance in the 2007 financial year.

Monitoring and reporting social sustainability and impact

"Real transformation involves stumbling, taking unexpected detours; it requires imagination and generous thinking; it involves listening, dialogue and debate; it demands the constant testing, measuring and adjusting of theories and practice."
Tim Costello, World Vision Australia

Although we are accountable to other offices in the World Vision International Partnership, World Vision Australia is a distinct legal entity. Together with our partner offices we are responsible for the design, monitoring and evaluation of all programs for which we provide funding.

Learning through Evaluation with Accountability and Planning (LEAP)

The World Vision International Partnership established the Learning through Evaluation with Accountability and Planning (LEAP) program in 2005 as its approach to program design, monitoring and evaluation. LEAP has been designed to hold in tension the following approaches to development:

- Management by objectives, which tends to be formalised, structured and driven by donor accountability; and
- Learning by action, which expresses a commitment to reflection and with the objective of increasing positive impact upon the community.

Leoni and her children, Democratic Republic of Congo

LEAP is the standard for all project activity, except where institutional donors have specific requirements. All projects with such specific requirements should also be implementing LEAP standards by the end of 2008. The LEAP framework is being continually updated and specific manuals have been written for emergency and advocacy programs.

LEAP is now being implemented in 60 percent of World Vision's programs. During 2007, a total of 21 LEAP evaluations were conducted, six by WVA staff and 15 by external consultants.

By 2012, a third edition of the LEAP manual will be available and all staff will have received appropriate training in and access to LEAP resources. Our goal is that by 2012 up to 70 percent of World Vision programs will be LEAP-aligned at the first two levels of the program, and that a further 10-20 percent will be aligned with the full LEAP program cycle. LEAP will continue to be modified as World Vision evolves, to help us reach new levels of program quality, accountability and professionalism.

[5] *Our full child protection policy is available on our website.*

Response to 2004 Asian Tsunami

In 2007, World Vision International commissioned a comprehensive evaluation of its tsunami response program, successful phase-out and transition to development activities across Indonesia, Sri Lanka, India and Thailand.

The evaluation examined the relevance and effectiveness of World Vision strategies and responses, assessed the program's impact on households and communities, and explored the long-term viability of activities. Surveys of randomly selected households, focus group discussions, questionnaires and Most Significant Change stories were used to gather information.

Overall, the studies found that World Vision's program addressed many critical community needs, appropriately targeted households and supported them in their recovery. The program was highly valued by communities, governments and other NGOs. Key evaluation findings included:

• Livelihood security in India and Thailand has recovered to a level near to or what it was prior to the tsunami;
• In Sri Lanka, household resilience has increased and there is a restored capacity for economic development;
• Residents of new housing feel that houses are safer than their previous homes;
• In Sri Lanka, people consider the building of homes to be the most important contribution to communities by World Vision;
• As a result of gender-sensitive approaches, women's leadership and livelihood opportunities have increased, as well as participation in community-based activities, development projects and NGO meetings; and
• In Sri Lanka, community notice boards, consultation and regular meetings generated greater awareness and transparency about World Vision's program.

Our economic management and performance

> "It's our priority to ensure that the money Australians entrust with us ultimately changes as many lives as possible." *Grant Dawson, CFO, Annual Report 2006.*

Our economic activities create direct impacts through practices such as payment of suppliers, donor due diligence, transparency in our transactions and responsible selection of partners. There are also numerous indirect impacts we have in contributing to the communities where we work, such as job creation, education or economic development. These are less straightforward to measure but of equal importance. By striving for transparency, we can improve how we measure our impacts, and ensure proper procedures are in place to generate positive impacts.

A summary of our economic performance is shown in the table below.

Economic Activities	2007	Increase from 2006
Total revenue raised 2007	$356.5 million	13.9%
Total revenue from child sponsorship	$189.3 million	9.1%
Value of work on behalf of AusAID	$14.1 million	19.5%
Money raised through corporate donations and partners	$12 million	4.5%
Value of donated goods	$97.7 million*	40.9%
Total projects at home and overseas	735	8.4%
Expenditure on relief and development work with overseas communities (excluding Tsunami Appeal funds)	$190.8 million	7.9%
Expenditure on fundraising and administration as a % of total revenue	14.7 % (2007)	13.6% (2006)

* Includes $51.8 million worth of medicines donated by international agencies.

Revenue

WVA revenues have grown consistently over the past eight years, as can be seen in the graph below. In 2007, total revenue raised was $356.5 million.
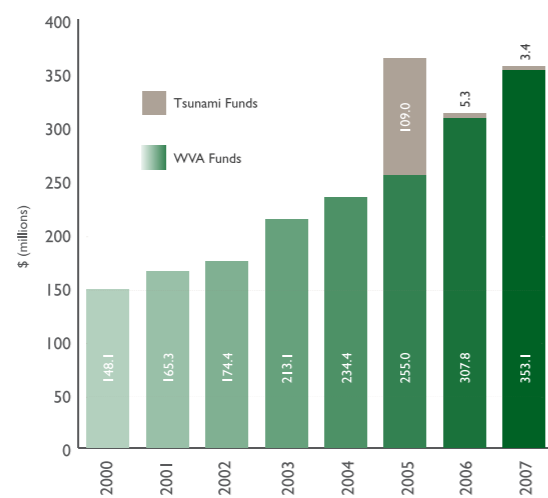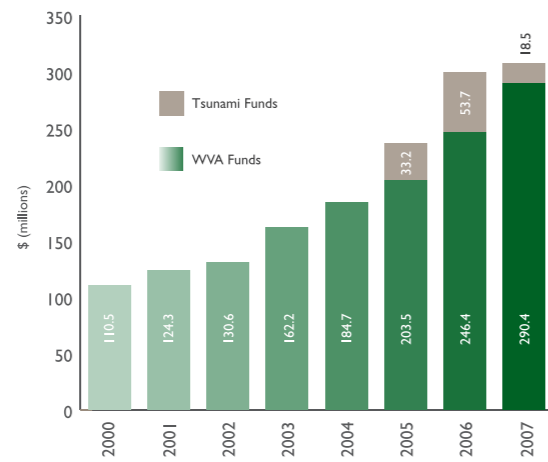
The breakdown of revenue received during 2007 is shown in the following graph. As can be seen, child sponsorship accounted for more than half our revenue.

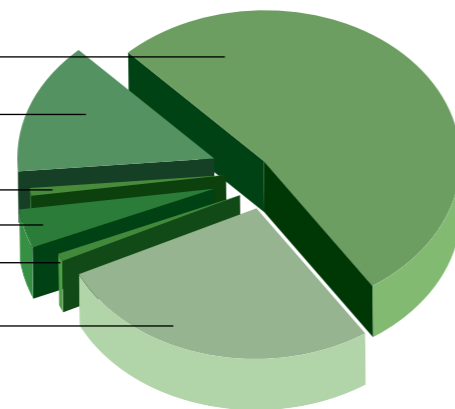### Revenue Summary

Child Sponsorship 53%

Other Donations 14%

Tsunami Appeal 1%

AusAid Grants 4%

Other Revenue 1%

Food & Goods 27%

Disbursements

WVA worked on over 735 projects in 2007 here in Australia and overseas, with cash disbursements to support our relief and development work with overseas communities increasing by $14.0 million (7.9%) to $190.8 million (excluding Tsunami Appeal funds). The breakdown of our disbursements is shown in the table below.

Program-related expenses	(%)
International projects	73.3
Global management and expertise	3.8
International field offices	3.5
Project management in Australia	1.6
Domestic projects	0.3
Community education	0.8
Operational expenses	(%)
Fundraising	7.8
Administration	6.9
Other	2.0

Financial transparency and accountability

World Vision Australia is committed to accountable and transparent financial management. We follow strict procedures, including a detailed internal process and annual external audits, to ensure funds are used as intended. At least once every three years we are also audited by the World Vision International Partnership's Audit and Evaluation Department.

Our Field Allocations Committee monitors and ensures compliance with World Vision Australia and World Vision International Partnership policies. It helps to ensure integrity in the allocation of funds for programming, and accuracy in our communications with supporters. The committee applies local and international accounting standards and operational audits ensure that our overseas and local partners adhere to our project management standards.

Corporate partner due diligence

As part of its Corporate Strategy, WVA encourages and values corporate participation in poverty alleviation initiatives. We recognise that the operations of some companies contribute to serious social and environmental problems. WVA therefore undertakes a reputational-risk assessment on all corporate bodies before engaging in a financial partnership. WVA's reputational-risk assessment looks at the company's overall reputation as well its record and commitment to:

• Environmental standards;
• Human rights;
• Internationally recognised labour laws and standards; and
• Transparency and accountability.

This allows WVA to assess the values and activities of the company to determine compatibility with our mission and values. It also helps to identify any potential opportunities for core business change to achieve pro-poor outcomes.

Quantifying our impact – the challenge of measurement

WVA recognises that as well as being good stewards of the funds generously given into our care, we are also responsible for understanding and acting on the economic impacts of our work with communities both in Australia and overseas.

We aim to empower people living in poverty to build sustainable communities, and the growth of sustainable economic activity in these communities is a key part of that improvement.

As a large organisation we also have an economic impact within Australia, from the salaries our employees earn to the payments our suppliers receive, and all the flow on effects that these economic transactions create.

The indirect economic impact we have on communities, through the resources we contribute and the work we support is difficult to measure. Tools such as Transformational Development Indicators, which monitor changes in the wellbeing of children, families and communities, and feedback gathered from program evaluation exercises, help us assess where we are most effective and capture best practice for the future.

Our people

WVA is committed to providing an environment in which staff and volunteers can excel and grow professionally, where self development is fostered, a healthy work-life balance is supported and where performance and work practices are continually improved for the benefit of both the individual, the organisation and ultimately for our key stakeholders, those living in poverty.

Some of the measures we take to meet this commitment include:

• Our Learning and Development Framework;
• Feedback mechanisms, such as our Employee Engagement and Resilience survey;
• A strong occupational health and safety program;
• A wellness program;
• Work-life balance statement and support for the 48/52 employment model;
• Access to free counselling services;
• Muffins for Mental Health program;
• Provision of rooms for parenting and for reflection and prayer;
• Access to free vaccinations; and
• Staff recognition and awards programs.

The following table presents key data related to our people.

| World Vision Australia People	
Total number of employees WVA (excluding casual workers)*	517
Number of full-time employees (excluding casual workers)*	395
Number of part-time employees (excluding casual workers)*	122
Contract	124
Permanent	393
Total volunteers	3,808
Hours volunteered	157,056 hrs
Staff turnover**	23%
Gender Profile	
Women in executive positions	33%
Women in senior management	48%
Average female salary (% of male salary)	98%
Workplace Safety	
Number of reported incidents or injuries	41
Training & Learning	
Average hours of training per employee	22.5 hrs
Average expenditure on training per employee	$1,450

Excluding WVI employees based in Australia.
*** Of total workforce, excluding casual staff and World Vision International employees.*

Workplace profile

Total WVA employees 2006/07

Male 153
Female 304

2006

Male 167
Female 350
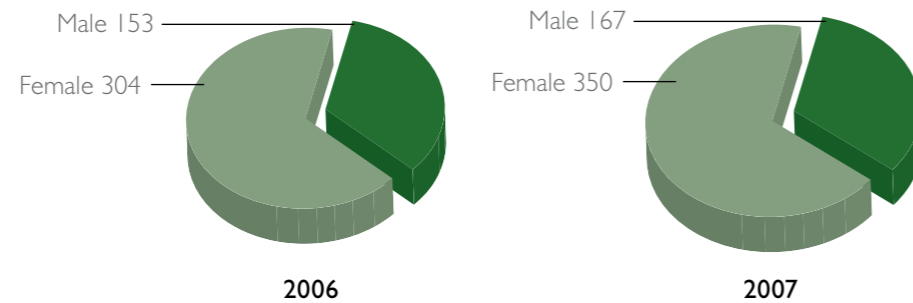
2007

During 2007, WVA employed 517 (full-time equivalent) staff. Female employees constitute 33% of executive management and 48% of senior management.

WVA recognises that casual employees form a significant part of our workforce, and we are reviewing data collection techniques in 2008 to improve our ability to provide data about the profile of casual employees in future reports.

Recruitment

WVA is committed to Equal Employment Opportunity (EEO) principles reflected in all relevant State and Federal legislation. World Vision Australia continuously reviews its practices, and monitors its progress on equal opportunity. We submit annual review reports to the Equal Opportunity for Women in the Workplace Agency, a statutory authority located within the portfolio of the Australian Commonwealth Department of Families, Housing, Community Services and Indigenous Affairs.

WVA treats all potential and existing employees equally in matters of recruitment, promotion, transfer, training and conditions of employment. A Collective Agreement covers the terms of employment for staff in our Supporter Services Group. This is underpinned by the Clerical and Administrative Employees (Victoria) Award 1999. The Collective Agreement covers 80% of the 112 employees in this group.

Remuneration

In consideration of our not-for-profit status, we position salaries at the 25th percentile of the general industry rate. For executive staff reporting directly to the CEO, salaries are positioned at the 10th percentile. WVA uses the benchmark rates calculated by the Hay Group. Our monitoring of salary levels indicates that the difference in salaries between men and women is greatest for para-professionals and least for clerical staff, as shown in the table below.

Average female salary by level (% of male salary)	2006	2007
Executive management	98%	96%
Senior management	110%	99%
Senior specialist/team leader	92%	98%
Para-professional	91%	91%
Administrative	103%	106%
Clerical	102%	100%

All staff employed are covered for Superannuation including Casual Staff who earn over $450. Employees in the Supporter Services Group are covered by a Collective Agreement with World Vision Australia under the Australian Pay and Classification scales.

Staff turnover

Staff turnover at WVA for 2007 was 23%; this is a small increase on the rate of 21% in 2006. By gender, turnover was slightly higher among female employees at 23.7%, than for males at 21.5%. Turnover was highest among the 26-35 age bracket at 27.6%.

	2006		2007	
	Actual	%^	Actual	%^
Overall staff turnover rate	96	21	119	23

Occupational health and safety

WVA has a robust and effective occupational health and safety management system in place, independently confirmed by audit. Our system includes well-established and functional consultation mechanisms, regular workplace inspections and incident reporting, and an increased use of incident reporting to enable early responses and identification of trends. A formal system for reporting hazards was introduced in 2007 and the reported number of incidents and injuries declined by 11.

	2006	2007*
Incidents/injury reports	52	41
Hazard reports*	–	13
Claims	12	9

*Formal system introduced in 2007

WVA as a learning environment

The ability to respond to unpredictable global political changes or massive humanitarian disasters for example, must be a core competency of WVA people. This requires a workplace learning environment that is conducive to innovation and calculated risk taking and that equips employees to respond to the challenges they may face.

Our organisational culture encourages knowledge and information sharing, accountability, effective project management, evaluation and measurement, as well as reflection and challenging the status quo.

Focused, ongoing staff training and capacity building are essential. Integrated development management training builds a foundation of basic knowledge and skill, while encouraging critical thinking and creative adaptation.

The focus of learning and development activities at WVA is on linking individual and team development requirements with business goals, through tailored solutions rather than rigid or standardised training approaches. The WVA Learning Framework supports this shared responsibility by helping staff to identify their development needs, suggesting ways for these needs to be fulfilled and providing appropriate resources. Over the past year there has been a focus at WVA on improving the learning and development resources available to staff and the methods for collecting data on employee development.

The Learning @ WVA program provides new and existing employees with a comprehensive understanding of our values, operations, organisational culture and our staff responsibilities.

In total, 602 employees participated in the 22 learning and development programs offered in 2007. These covered topics ranging from our values and behaviours, technical and management skills to lifelong learning and OHS at work. A leadership development program covers the essential skills of leading and managing others and is supported by ongoing coaching and mentoring. The most popular program covered our values and behaviours; this was attended by 71% of all new employees. This program includes introductions to WVA's company policies on issues such as diversity, equal opportunity, sexual harassment, bullying and occupational violence.

The average hours spent in training per employee at WVA (excluding volunteers) was 22.5 in 2007. The average expenditure on learning and development per employee was $1,450 in 2007.

WVA has implemented measurements to collect data on the number of employees undergoing career and performance reviews and has put processes in place to support management in the delivery of these reviews.

Employee engagement and resilience

Part of our commitment to the continuous improvement of our workplace involves seeking feedback from our staff, and using this information to further develop and refine our programs and processes. In 2007, our People, Culture and Learning team completed the first phase of an Employee Engagement and Resilience research project. This phase involved qualitative methodology of in-depth interviews. The next phase, an employee climate survey, has been implemented in 2008.

The research utilised an established, cutting edge theory and model of work engagement and was conducted in partnership with the University of South Australia. The interviews captured feedback from a demographically representative sample of WVA staff, and achieved an 84% response rate. Some of the topics covered were:

- Motivations for working at WVA;
- Healthy adjustment to working at WVA;
- How people stay engaged and resilient;
- Why people leave or stay with WVA;
- What people want in a manager;
- What helps and what hinders people in doing their work; and
- What provides job satisfaction.

The results provided a sound basis for a number of actions for 2008 and will improve our practices related to staff recruitment and retention, job satisfaction and individual and organisational performance.

2007 Gender Audit

WVA is committed to providing equal treatment for all employees regardless of gender. WVA has an active gender group that convenes monthly to discuss ways to advocate for and improve gender equality in our programs and organisation. WVA is also part of the World Vision International Partnership Gender Net which is committed to ensuring gender is an integral part of all of World Vision.

In response to recommendations from the WVA gender group and in line with calls from the World Vision International Partnership, WVA conducted a gender audit in July 2007. The initiative was co-sponsored by two senior managers and 216 staff provided input.

Overall, the results of the audit showed there is little perceived distinction in the treatment of men and women at WVA. However, findings indicated opportunities exist to reinforce the World Vision International Gender and Development Policy and translate this into a staff-owned gender strategy with clear responsibility and accountability for monitoring.

The resulting recommendations have been used in developing a WVA Gender Action Plan. Priority objectives include:
- Revisiting training for all staff on gender issues;
- Strengthening maternity/paternity leave and flexible working practices;
- Increasing communications to highlight the Board's commitment to gender equity;
- Recruiting a gender specialist;
- Improving methods for capturing sex-disaggregated data across programs; and
- Devising a 'gender' internal communications plan.

Volunteers

WVA places great value on the generosity and dedication of our many and varied volunteers and our objective is to be the volunteer organisation of choice. In 2007, we had 3,808 volunteers, who provided 157,056 hours of volunteer work.

Our commitment to supporting volunteers includes providing access to staff training and development, one-on-one support, gaining feedback through volunteer surveys and instituting recharge days.

World Vision volunteers, Victoria

In line with our child protection policy, every volunteer and staff member at WVA must complete a national police clearance check before commencing work.

Staff activities in the community

Many WVA employees are actively engaged in community activities. Examples of some initiatives that staff participated in during 2007 include:

National Ride to Work Day, 2007

National Ride to Work Day

In October, 50 WVA staff took part in Bicycle Victoria's Ride to Work Day, some abandoning their normal means of transport to cycle into work. About 30 WVA employees attended a Ride to Work breakfast co-hosted by organisations including WVA who have headquarters in Melbourne's Tally Ho Business Park. WVA volunteers helped organise this event.

Tally Ho Green Group

WVA staff participate in the Tally Ho Green Group, which works to promote waste initiatives amongst organisations in the Tally Ho Business Park. WVA has been involved in the Tally Ho Green Group since its inception in June 2006. The group meets every three months.

Walk Against Warming

WVA staff took part in the Walk Against Warming in Melbourne during November, which attracted the participation of an estimated 50,000 people. WVA CEO Tim Costello was a keynote speaker at this event intended to show support for greater government action on climate change.

Chris Olver,
Kubatana Award winner

WVA staff members Pauline
Farrugia and Jessica Smith

WVA staff member Ellen Viljoen accepts an award

Recognition – World Vision Kubatana Award

The Kubatana Award provides the opportunity for employees in the Supporter Service Group (SSG) to have their work recognised. It gives them the chance to experience WVA's overseas development projects firsthand.

Applicants must demonstrate:

- Passion for WVA's work;
- Commitment to WVA values;
- How they would be a good ambassador for WVA when visiting an overseas project;
- How they would share their experiences to educate, inspire and motivate other SSG staff.

In 2007, Chris Olver, SSG Consultant, received the Kubatana Award at the SSG's annual Night of Stars and he travelled to Latin America in 2008.

Our environmental management and performance

World Vision Australia's value statement, as included in our 2005 Strategic Plan, is: "We are responsible when using our resources, including our people, our finances and our materials. We will sustain the environment as we ensure the best outcome for the poor and vulnerable. Our individual decisions will reflect, at all levels of the organisation, our commitment to:

- Ensuring an optimum outcome from the effective use of our resources
- Longer term remedies rather than short-term results
- Using our time and dollars efficiently
- Taking responsibility for our decisions
- Limiting our environmental footprint"

Our environmental performance in 2007 is shown in the table below.

Environmental Performance	
CO_2 emissions*	6,899.2 tonnes CO_2-e
Total emissions from transport	2,878 tonnes CO_2-e
Air travel (calculated using Greenfleet's methodology)	2,681.8 tonnes CO_2-e
Car fleet (calculated using Greenhouse Challenge Plus methodology)	196.5 tonnes CO_2-e
Offsets purchased	604 tonnes CO_2-e
CO_2 emissions from energy use	
Electricity	3,606.7 tonnes CO_2-e
Gas	434.9 tonnes CO_2-e
Total water use**	4,237 kilolitres
Total waste – (landfill, paper recycling and co-mingled recycling)**	81.3 tonnes
Recycled waste collected (paper recycling and co-mingled recycling)**	20.01 tonnes
Office paper purchased**	9.17 tonnes

*Total emissions reported as part of WVA Greenhouse Challenge Plus 2007 annual report, incorporating emissions from all WVA's support office operations.
**WVA's East Burwood office only.

Improving environmental awareness and performance

We are committed to improving our environmental performance. In 2007, we established a professional Corporate Social Responsibility unit to work within WVA and with current and potential corporate partners. We formalised our sustainability governance structure through the creation of the Environment and Sustainability Committee (ESC), chaired by a member of the WVA executive team. We created of the Green Vision website on our internal communication network, with regular features like green surveys, tips and resource use data.

Supported by WVA, staff committees organised on-site energy efficient light bulb sales and a screening of the film *An Inconvenient Truth* for staff and volunteers based at our East Burwood office.

In 2008, we plan to make environmental improvement measures mainstream activities in all cost centres and establish a Carbon Cops system. We will also analyse the sustainability of our supply chain.

Our greenhouse footprint

Greenhouse gas emissions

WVA is committed to becoming carbon neutral by 2015 and has developed tools and processes to continually monitor and improve our performance, under the umbrella of the Australian Greenhouse Challenge Plus program, which WVA joined in May 2007. We have appointed a Climate Change Analyst, with KPIs based on emissions reductions.

Data on our greenhouse gas emissions is not always comprehensive, with some information, such as gas and waste figures, only available for our East Burwood office. We have calculated our emissions using the tools available through our participation in the Greenhouse Challenge Plus program.

We have collected energy use data for every site we occupied during this reporting period, with the exception of some small donated spaces. Energy use and travel are our major sources of emissions. WVA has implemented measures to offset and reduce our energy consumption, and will continue to do so throughout the 2008 financial year. We have reduced the size of our car fleet, installed an open plan office format in our East Burwood office, and upgraded lighting controls to reduce hours of operation. Inefficient kitchen appliances have been replaced.

WVA's Technology Department is currently rationalising computer network servers, moving to virtualised services and introducing blade servers. We will reduce our energy use by replacing old monitors with LCD units. Laptop stands will replace duplicate monitors for laptop users. WVA also plans to review its computer power settings, exploring the implementation of automatic shutdowns for units left idle.

During 2007, our total emissions for air travel were 2,681.76 CO_2-e, calculated using Greenfleet methodology. Reducing travel-related emissions is crucial to improving our environmental performance overall. As many of our staff are required to undertake long distance air travel as part of their work, this is a key challenge for us. However, we are actively looking at ways to reduce employee air travel across all of our business units, including encouraging virtual meetings and teleconferences wherever practical. We are expanding our traditional development approaches to assist target communities to adapt to the consequences of climate change. In 2007, we developed a climate change policy position that reviews the interconnections between development and climate change and outlines our position and plans. In 2008, we will undertake regional climate change impact assessments to inform resilience programming.

WVA Carbon Emissions Breakdown FY07

Travel 38%
Paper 6%
Waste 2%
Energy 54%
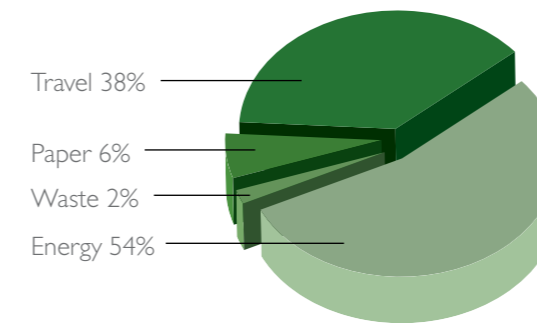
Offsets and Green Power

We have offset 604 tonnes of greenhouse gas emissions through our purchase of Green power sourced from Australian wind farms.

Water use

Total water use for our East Burwood office for in 2007 was 4,237 kilolitres, an increase of 2.3% from 4,140 in 2006. To reduce our water use, we have upgraded our water-using equipment, including the introduction of waterless urinals at our East Burwood office. This has contributed to a reduction in water consumption of more than 50% in the first three months following installation.

Waste and recycling

Our waste footprint

As part of WVA's commitment to reduce its environmental footprint, we are continuing to develop tools to track our resource use. This includes our waste, both in terms of the weight produced annually and the ways that different waste streams are being utilised. Recycling facilities for both paper and co-mingled waste are available at our East Burwood office site, which produced 81.3 tonnes[+] of waste during 2007.

Annual waste audits are conducted at our East Burwood office by staff volunteers with support from the Climate Change Analyst. Intended primarily as a staff behaviour change exercise, these audits highlight the processes used for recycling waste, produce some interesting insights and provide data to set objectives for year-on-year improvements.

Re-negotiation of cleaning contracts included appropriate recycling measures.

[+]Calculated using estimated bin weights

Recycling

Recycling services are provided at our East Burwood office site by Visy Recycling. In 2007, Visy collected 16.553 tonnes of material for recycling from WVA operations including paper, cardboard and co-mingled waste. In addition to this, Wanless Waste Management collected 3,522 tonnes of paper security shredding for recycling. WVA hopes to further improve these calculations by requesting more frequent reports on the materials collected from our operations by contractors and developing our processes to include sites outside of East Burwood.

We are committed to ensuring that obsolete IT equipment is not disposed into landfill, but rather donated to organisations that can give it a second lease on life. Faulty equipment is to be separated into component parts for recycling.

Paper use

WVA moved to using 100% recycled paper in its East Burwood and Western Australian offices in 2007, with remaining state offices to follow in 2008. Based on purchase order records, our East Burwood office used 9.17 tonnes of paper during 2007.

Moving to hand dryers from paper towel dispensers has drastically reduced our volumes of paper towel waste Other actions to reduce paper consumption include simple modifications to printer settings and behaviours such as a swipe-card login and default double-sided printing.

In 2007, World Vision Australia launched Twice As Green, a new environmental program giving Australians an easy way to help change the lives of some of the world's poorest children and help the environment at the same time.

Through Twice As Green, World Vision Australia works with poor communities on environmental protection, restoration and sustainability work such as:

- Reforestation, tree planting and fruit tree initiatives across Asia, Africa and Latin America.
- Re-vegetation programs in four west African countries.
- Training in sustainability and organic farming to improve soil quality in countries like Zambia.
- Training in diversified farming options like agro-forestry and beekeeping to reduce communities' dependency on regular rainfall in countries like Ethiopia.
- Creating cleaner and sustainable fuel options like energy-saving cooking stoves and solar cookers in Tanzania and Ethiopia.

For more information go to worldvision.com.au/green

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Additional information

The online version of this document provides links to supplementary information, such as the full financial accounts, at www.worldvision.com.au/aboutus/annualreport

For more information about World Vision Australia in general and other supplementary publications please visit our website at worldvision.com.au

Global Reporting Initiative

We have assessed our GRI application level as: C. The full GRI Content Index and this sustainability report are available at http://www.worldvision.com.au/aboutus/whoweare/csr.asp

Feedback

We warmly welcome and encourage feedback on the methodology, the report and the issues contained herein. To comment on or receive more information about this report please contact:

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Relevant accreditation/affiliations

• ASX Corporate Governance

• ACFID

• GRI Application level