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# INTRODUCTION

Welcome to Human Dignity Foundation's 2019 Annual Report. 2019 has marked an important milestone for the Foundation and for me on a personal level. During my first full year in the role of Executive Director, I have had the great privilege of deepening my knowledge of our outstanding grantees and working with an exceptionally talented and dedicated group of individuals in our Executive Team, Audit & Investment Committee and Board.

From a Foundation perspective we took the opportunity in 2019 to take stock of HDF's achievements to date and build a new shared strategy across Executive Team and Board. While this will continue to be an ongoing and evolving discussion, we have already made significant progress in refining our focus for the years ahead and look forward to our final phase of funding with energy and enthusiasm.

We started the year by completing a portfolio-wide audit and strategy review. As a result, we are now managing a smaller portfolio of grants with a renewed focus on the issues of online child sexual exploitation and abuse and female genital mutilation/cutting. Our first grantee of the new strategy era, Orchid Project, is featured in this report alongside one of our longest-standing grantees, INTERPOL. We are looking forward to partnering with Orchid Project and INTERPOL in 2020 and beyond. The new shape and size of our portfolio has presented us with an opportunity to refresh how we manage the whole grant lifecycle. We are a funder first and foremost. How we 'do' funding most efficiently and effectively remains one of our driving motivations.

Finally, our strategy review and grant lifecycle refresh provided a great deal of impetus for another critical pillar of HDF's strategy – spend down and legacy. We have now begun to further clarify what legacy means to us and how this can be manifested through funding. We look forward to sharing more in the months and years ahead.

**Seán Coughlan**  
Executive Director



We have begun to clarify what legacy means to us and how this can be manifested through our funding.



# LEGACY

HDF was established in 2004 and in 2009 took the decision to become a limited life foundation committed to spending all funds within a set period of time. This was a significant step and one with implications for what we fund, how we fund, and when we fund. In other words, a finish line means you have to pace your race!

We have always believed that choosing to spend down is a good match for the profile and size of HDF relative to our fellow funders across the children's rights and violence against children sectors. By compressing the period in which we can fund, we have increased the relative size, intensity and urgency of our contribution. This has resulted in a legacy of varied funding over the 11 years since HDF took the decision to spend down.

**Alongside consistent support for direct, community engagement projects, HDF has been a regular and early funder of sector-building initiatives.**

The clear logic has always been that funding at multiple tiers of the ecosystem will have a cumulative impact on the issue that HDF prioritises – namely the dignity of children through the protection and promotion of their rights.

We are now in our last phase of funding. The next few years will see HDF make its final contributions to the sector. Now more than ever the issue of legacy is front and centre. At HDF, 'Legacy' is understood in a number of practical ways: it is the sustainability of grantees and project activities, it is our contribution to a strengthened sector to ensure a more effective response to online child sexual exploitation and abuse and female genital mutilation/cutting, and it is also the identification of funding opportunities that both support our priority areas of work and highlight our Founder's steadfast commitment to children's rights.

These practical interpretations of what legacy might look like are useful, but overarching questions remain. Why does legacy matter to HDF and what are we going to do about it? In 2019 we have started to address these questions.

## **MORE TARGETED RESOURCES**

When we look at the scourge of violence against children, we see a fundamental fault line in humanity. We see a global and stubborn affront to some of the most vulnerable people in the world. But violence against children is also the underbelly of every society. It is hidden in plain sight. Many of its manifestations are taboo. Correspondingly, international profile, political priority and large-scale funding have been difficult to generate. Momentum is growing, not least amongst colleagues working to tackle threats to children online, and we want to play our role in accelerating this process through the targeted and strategic use of our remaining funds. As such we will continue to explore opportunities to bring more resources and support to the fight to end violence against children.

## **BETTER PHILANTHROPY**

In our final years of funding the experiences of HDF come into stark relief – the successes, the failures, the surprises, the good fortune, the bad fortune, the benefits of hindsight, and the lessons for a lifetime. There is no predefined right or wrong way to do philanthropy, but the authentic sharing of experience can help inform budding philanthropists and lead to better philanthropy. The HDF Founder and Executive Team will be contributing to fora of philanthropists and leaders in philanthropy by sharing the HDF experience.

**At HDF 'Legacy' is about thoughtfully exploring how we can complete funding most impactfully and profoundly. This is our challenge and opportunity in the final phase.**

# INTERPOL

INTERPOL is one of HDF's longest-standing partners, having begun our work together in 2015. The FACE Project – Fight Against Child Exploitation – is an effort to tackle internet facilitated crimes against children and the international sex offenders responsible for these crimes. The availability of, and engagement with, child sexual abuse material online is exploding. In 2018 technology companies reported over 45 million online photos and videos of children being sexually abused – more than double the number reported the previous year.

Law enforcement, particularly INTERPOL and its member states, are faced with an ever evolving, clandestine network of perpetrators and many thousands of victims who often remain unidentified.

**The FACE Project has built world-leading expertise in the forensic analysis of child sexual abuse material to identify victims, identify perpetrators, and build case files in partnership with national police forces for use in rescue and prosecution.**

Based in Lyon, FACE brings together a diverse range of police and civilian technology expertise to tackle what is one of the most widespread, coordinated, and commercialised threats to children's rights today.

To date, the team has identified over 10,000 victims, leading to the sharing of over 2000 case files with local law enforcement. In addition, the secure ICSE database, which is used by INTERPOL members to share information and expertise, has grown by hundreds of thousands of unique pieces of analysed and categorised media.

2020 will bring to an end the current FACE Project. It has been incredibly successful and plays a critical role in the global response to online child sexual exploitation and abuse. However, this remains an escalating threat to children. HDF is therefore very pleased to have finalised plans to support INTERPOL's second phase of the FACE Project, due to begin in 2020.



INTERPOL FACE is based at the Lyon headquarters. The expert team utilise highly sophisticated software and their network of law enforcement partners to identify victims and track down perpetrators.

# ORCHID PROJECT

From 2020 Orchid Project will be leading a new initiative to reduce the prevalence of Female Genital Mutilation/Cutting (FGM/C) amongst the Maasai and Samburu ethnic groups in Kenya's Narok and Samburu counties. Having supported Orchid Project's efforts to establish a specific FGM/C-related indicator in the Sustainable Development Goals in 2015, this will be HDF's first community engagement partnership with Orchid Project.

Kenya certainly provides a nuanced and complex picture when it comes to the prevalence of FGM/C. The national rate currently stands at 21%, having dropped from nearly 38% in 1998 (Kenya Demographic Health Survey, 2014). However, that does not tell the whole story.

**Specific geographies and ethnic groups within Kenya have considerably different rates compared to the national average. The estimated prevalence within the Maasai is 78%, whilst for the Samburu that figure is 81%.**

Ultimately FGM/C is prevalent because it has social value. Many families continue the practice because it is an important element of culture and they will experience stigma or ostracism if they do not participate. Young women, for example, will often have more difficulty finding a husband. Many communities also offer positive sanctions for participation in the practice, including gifts and broader social acceptance.

The Orchid Project approach will focus on raising awareness of the risks of FGM/C in Narok and Samburu counties, supporting community members to debate and question the practice, and helping girls to feel empowered and have agency in their own lives. 'Success' will be a Maasai and Samburu-led initiative to end FGM/C founded in the principles of traditional culture and proactively driven by the community.



Young Maasai warriors, the Moran, at a public blessing of the Loita Rite of Passage which allowed girls to graduate to womanhood and remain uncut. Orchid Project

# AUDIT & ASSURANCE

The audit and assurance functions at HDF are an essential aspect of our final phase strategy. Our grants and partners require a system of operational excellence if they are to affect long-term change. As a funder, we have a responsibility to set the highest of standards.

## PORTFOLIO AUDIT

Assurance has been, and remains, a key priority for the HDF Board, Executive Team and Audit and Investment Committee. As such, an independent, third party portfolio audit was commissioned in late 2018 and completed in 2019. The audit was a useful test of existing functions and consequently provided an opportunity to evolve our approach to assurance, with a focus on financial oversight and risk management.

## MANAGING RISK

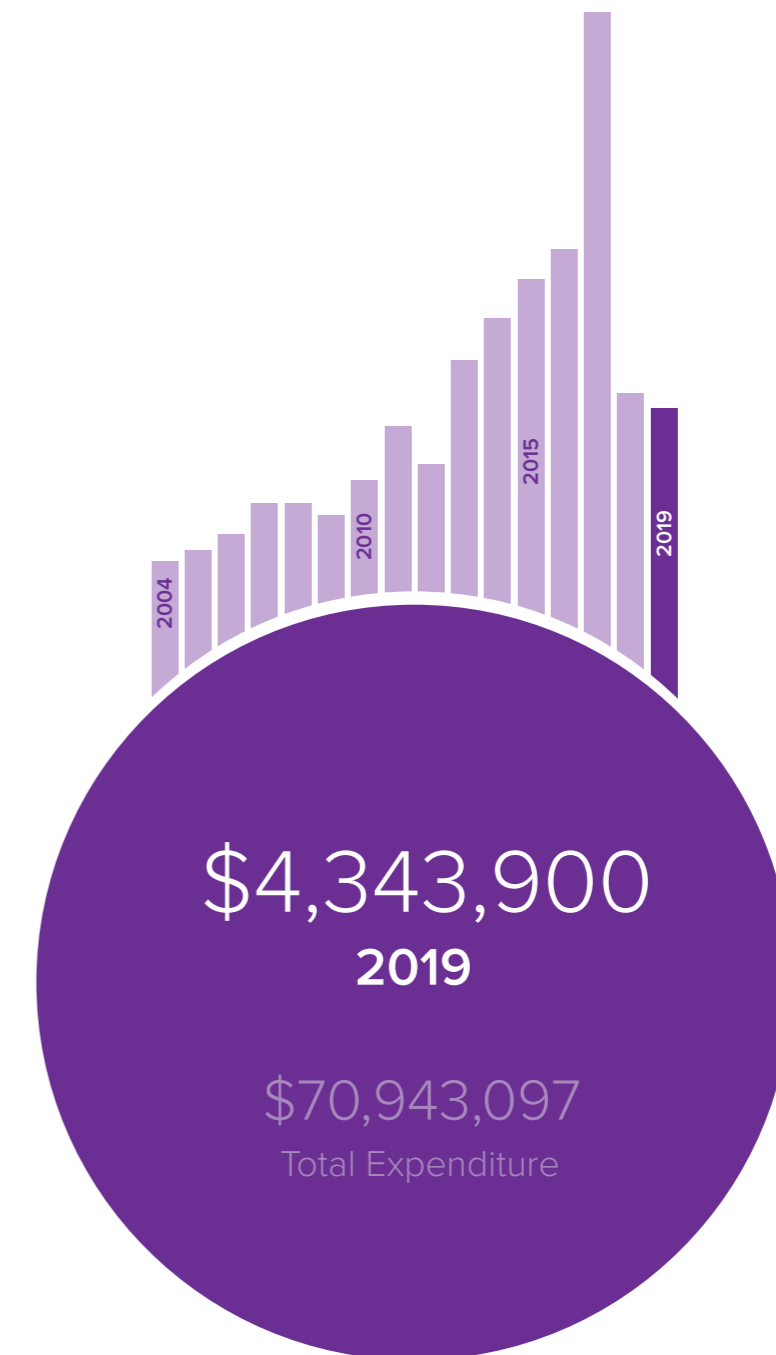
As a result of the portfolio audit and a broader strategic review, HDF is now managing a smaller, more targeted portfolio of grants and the administration of the whole grant lifecycle has been streamlined; from due diligence to project closure. How we perceive, monitor, and manage risk is a foundational feature of this streamlined process. If risk is managed well, it enables more effective grant management and project delivery. In late 2019 we developed a more embedded risk management framework for application at the corporate level and on each individual HDF grant. This significant step will allow us to weigh risk more effectively and direct time and resources accordingly. Our aim is to shift towards a greater focus on proactivity with regards to risk assessment, management, and mitigation.

## BUILDING EXPERTISE

Leading the evolution of our approach to assurance is HDF's new Director of Finance and Risk, who brings extensive leadership experience in internal audit and financial oversight across the non-profit and private sectors.

We will be road-testing our evolved audit and assurance functions in 2020 and working with partners to fine tune our approach.

# EXPENDITURE





# DISBURSEMENTS 2019

49% **Online Child Sexual Exploitation and Abuse**  
\$2,144,359 • 3 GRANTS

11% **Female Genital Mutilation/Cutting**  
\$477,962 • 3 GRANTS

40% **Historical**  
\$1,721,579 • 7 GRANTS

**TOTAL**  
\$4,343,900 • 13 GRANTS

