Our Communication on Progress
to the United Nations Global Compact

October 2011

maplecroft

risk responsibility reputation

About us

As the global landscape evolves, it is imperative to navigate, manage and monitor the political, economic, social and environmental risks that affect new growth opportunities for business, especially in emerging markets.

Maplecroft's Global Risks Portfolio and services combine rigorous research with technological innovation to offer risk screens, monitoring tools and invaluable insights into the most challenging political, economic, social and environmental risks and responsibilities facing global business today.

Our products and services are used extensively by leading global corporations across all sectors, governments, UN agencies and international non-governmental organisations. For example, banks use our indices and in-depth reports to screen and manage risk, corporations use our research to understand investment risk and supply chain managers use our tools for due diligence monitoring. In particular, we focus on human rights and labour standards and we are into year 5 of monitoring the human rights and labour rights landscape across all countries for: human security, labour protections, civil and political rights, and access to remedy.

The Towers, Bath

Background information

Company name	Maplecroft
Address	The Towers St Stephen's Road Bath BA1 5JZ UK
Telephone no.	+44 (0) 1225 420 000
Fax no.	+44 (0) 1225 338 329
Web addresses	http://www.maplecroft.com/ http://www.global-risks.com/
Submission date	6 October 2011
Membership date	11 February 2005
Number of employees	65 employees
Sector	Professional, Scientific and Technical Services
Contact name	Gus Macfarlane
Contact position	Director

Table of Contents

Statement of support

The best demonstration of our strong support for the UN Global Compact is the fact that our very business model is closely aligned with the 10 Principles. A core aim of our products and services is to help a wide range of actors, including responsible multinational companies, to better support these Principles.

In addition, where both practical and beneficial, we make some of our products and services available on a subsidised or pro bono basis to, for example, NGOs and international organisations. By doing so, we hope to promote integrity, transparency, social progressiveness and environmental sustainability within the business community and beyond.

In the last reporting year, we estimate that the contribution Maplecroft has made via our pro bono and subsidised work in relation to the UNGC Principles amounts to more than £250,000 (US$385,000).

Furthermore, we take our own commitment to these Principles – as a growing employer and expanding business – seriously. As such, we take care to ensure that we practice these Principles with respect to our employees, environment, operations and local communities.

Other (ongoing) examples of how we put the 10 Principles of the UN Global Compact into practice include the following:

•   My participation on the Board of Transparency International (UK)

•   Active participation by Maplecroft employees in the UN Global Compact Human Rights Working Group

•   Provision of free and/or heavily subsidised access to selected Global Risks Portfolio products to a number of schools, universities, international organisations and NGOs (including the UN Development Programme, the UN World Food Programme, Save the Children, the UN Office for the Coordination of Humanitarian Affairs) and Amnesty International

•   Discounted provision of mapping materials and/or services to the World Economic Forum and the North Star Foundation

•   Discounted development and maintenance of the Girls Discovered website for the UN Foundation, Nike Foundation and the Coalition for Adolescent Girls

•   Development of the UN Global Compact-hosted and GE Foundation-funded Human Rights and Business Dilemmas Forum

•   Continued publication and dissemination of Ethical Insight, a free fortnightly review of corporate responsibility news and analysis that is distributed to an estimated 45,000 people via more than 5,000 subscribers

•   Continued provision of free public access to a selection of Maplecroft maps

Over the next year, we plan to continue the expansion of our business – as well as the reach of our products and services. In addition to the obvious commercial benefits of doing so, we also believe that this will help more companies apply the 10 Principles effectively, responsibly and efficiently – and so further the interests and aims of the UN Global Compact.

Alyson Warhurst

Professor Alyson Warhurst, Chair and founder

Case study: Pro bono and subsidised products and services for the not-for-profit community

During the course of the last 12 months, Maplecroft has provided a range of products to services to NGOs and international organisations. These are provided either on a completely pro bono basis, or on the basis of subsidised 'NGO rates'.

Examples include the following:

- Amnesty International: Free access to our Human Rights Risk Atlas 2011

- The British Red Cross: Free 'bronze' subscription to all our atlases, maps and indices

- E3G: Free access to our Climate Change Risk Atlas 2011

- Global Witness: Free 'bronze' subscription to all our atlases, maps and indices

- Greenpeace: Free access to our Climate Change Risk Atlas 2011

- International Rescue Committee: Subsidised access to our Natural Hazards Risk Index

- Medecins Sans Frontiers, Spain: Free 'bronze' subscription to all our atlases, maps and indices

- Nike Foundation: Subsidised development and maintenance of the Girls Discovered website

- OCHA: Subsidised development of OCHA Global Focus Model

- Oxfam: Subsidised access to our Natural Hazards Risk Index and free access to our Climate Change Risk Atlas 2011

- Plan International: Subsidised bespoke mapping exercise

- UN Office for the Coordination of Humanitarian Affairs (£5,000): Subsidised 'bronze' subscription to all our atlases, maps and indices

- UN World Food Programme: Subsidised access to all of our Natural Hazard Indices

- World Vision: Free access to our Climate Change Risk Atlas 2011 and subsidised access to other resources

The provision of pro bono and subsidised materials is a key part of how we do business for a number of reasons. It helps us develop and enhance our relationships with the not-for-profit community, improves staff morale and motivation, and helps ensure that our research and analysis continues to have a positive impact, not only for business, but for society as a whole.

Maplecroft products and services

Much of our support for the 10 Principles of the UN Global Compact comes through our provision of a range of products and services aimed at helping major multinational companies (and other organisations) maintain and improve their sustainability performance. As a result, our efforts are 'amplified' across a range of industries, including banking, energy, mining, manufacturing and many others. These products and services are set out below.

Products: Global Risks Portfolio

Our Global Risks Portfolio products cover a wide range of issues across 10 key areas, including:

- Governance and business environment

- Integrity and corruption

- Geopolitics and emerging powers

- Terrorism and conflict

- Resource security

- Macroeconomics and development

- Human rights and labour standards

- Infectious diseases and public health

- Climate change and environment

- Natural hazards

Specific products include the following:

- **Maps and indices:** Maplecroft has developed a suite of over 100 indices and interactive maps designed to enable the easy identification and comparison of political, economic, social and environmental risks – and opportunities – worldwide. These indices and maps facilitate the identification, measurement, comparison and monitoring of risks– whilst also delivering country rankings, highlighting risk hotspots and providing analysis of relevant and material issues

- **Global Risks Atlas:** The Global Risks Atlas 2011 analyses 32 different risk indices, across seven aggregate clusters in 175 countries and identifies areas of high risk exposure for organisations with global footprints

- **Political Risk Atlas:** The Political Risk Atlas 2011 includes 41 risk indices measuring political risks relating to two distinct areas. The first, Dynamic Risk, assesses 'traditional' political risks, such as regime stability, rule of law, terrorism, and the business environment. The second, Structural Risk, measures long-term trends and deeply ingrained features of a country, such as human rights, resource security, development and climate change vulnerability

- **Legal and Regulatory Environment Atlas:** Maplecroft has created the Legal and Regulatory Environment Atlas 2011 as a practical resource to help businesses, investors and international organisations to assess and compare legal and regulatory risks across different jurisdictions. Country-by-country scorecards provide an at-a-glance overview of 21 risks in six aggregated risk areas for 172 countries

- **Human Rights Risk Atlas:** Maplecroft's Human Rights Risk Atlas 2011 is designed to help business, investors and international organisations assess, compare and mitigate human rights risk in different investment, operation and sourcing locations. The Atlas includes interactive maps and indices for 30 human rights categories and scorecards for 196 countries covering human security, labour standards and protection, civil and political rights and access to remedy. It also features sub-national mapping of human rights violations and human security incidents down to site-specific levels

Maplecroft's Human Rights Risk Index
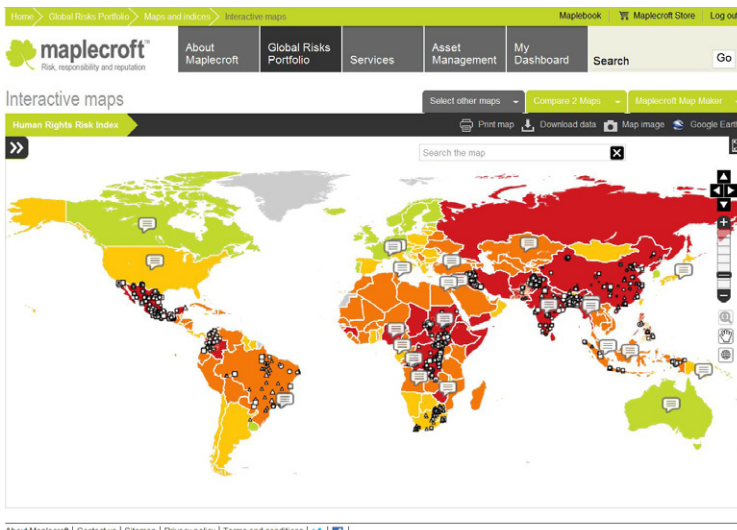
- **Climate Change Risk Atlas:** Maplecroft's Climate Change Risk Atlas 2011 evaluates the risks to business relating to CO2 emissions, unsustainable energy use, regulation and climate change vulnerability. The Atlas includes interactive maps and indices to enable the identification, evaluation and comparison of these risks, as well as sub-national GIS-derived maps pinpoint risk down to a 25km² scale

- **Natural Hazards Risk Atlas:** Maplecroft's Natural Hazards Risk Atlas features expert quantitative analysis and sub-national mapping to help organisations identify and monitor the risks posed to their operations, investments and assets, across 196 countries

- **Country reports and briefings:** In-depth reports and briefings are available for all countries, issues and sectors and are tailored to clients' specific risk management needs

- **Labour standards reports:** The labour standards reports analyse and compare major labour issues affecting countries at both national and provincial levels. Key areas of focus include labour rights and protection, working hours, compensation, contract law, labour protests, health and safety, freedom of association and collective bargaining, discrimination, forced labour and child labour

- **Corruption risk briefings:** These analyse corruption risks affecting countries at both the national and provincial level. The briefings focus on the effectiveness of the domestic legislative framework in tackling corruption, the prevalence of corruption in the public and private sectors, and the highest risk sectors of each economy. This approach enables companies to assess their risk of complicity in corruption in those countries where they operate or have their value chains

- **Human Rights Quarterly Monitor:** The Human Rights Quarterly Monitor offers up-to-date, one-page country risk scorecards for organisations with operations, supply chains and investments in countries that present high levels of human rights risk

- **Political Risk Quarterly Outlook:** This offers up-to-date, one-page country risk scorecards for organisations with operations, supply chains and investments in high-risk political environments. It provides qualitative analysis of significant recent events for each of the three core risk areas and includes country scores and trends across 11 risk areas

- **Policy bank:** Maplecroft's policies (and related guidance) are designed to direct and inform employees, supply chain partners, customers, investors and other stakeholders about subscribing companies' sustainability standards and requirements, including how these are being implemented, managed, monitored and reported

Asset management products and services include the following:

- **Climate innovation indexes:** The Maplecroft Climate Innovation Indexes (CIIs) provide investors and stakeholders with insight into the activities of leading US companies – and address the compelling case for climate-related innovation and carbon management as leading indicators of future financial performance. They are closely aligned with the SEC guidance issued in January 2010 requiring listed US companies to disclose climate change risks and opportunities associated with regulatory changes, market exposures and the physical impacts of climate change

  The Maplecroft CIIs are developed from an initial universe of all US stocks with a free-float market capitalisation of over US$1bn. They include:

  - The Maplecroft CII Benchmark (Bloomberg ticker: CICOMP) – c.300 of the largest US companies screened from c.800 companies

  - The Maplecroft CII Leaders (Bloomberg ticker: CII) – the 100 top performing companies from the Maplecroft CII Benchmark

  - The Maplecroft CII US 100 (Bloomberg ticker: CI100) – the 100 largest US companies by free-float market capitalisation

- **Human Rights Benchmark:** The Human Rights Benchmark (HRB) measures human rights risk exposure and management for companies across different sectors by comparing their operational footprints against our proprietary human rights risk indices for 196 countries and 30 violation categories. It provides vital intelligence for shareholders and stakeholders who want to engage companies in their investment portfolios and promote positive action on human rights. The objectives of the HRB are to:

  - Provide a quantitative framework for the assessment of companies' human rights exposures and risk management proficiency

  - Understand sector-specific human rights risk exposures and to assess areas of strength and weakness in risk management proficiencies

  - Provide constructive insight to companies, investors, international and non-governmental organisations about the evolving human rights responsibilities of business

- **Environmental, social and governance (ESG) rating and market research:** Our comprehensive portfolio of company risk ratings, country and sub-sovereign risk indices, interactive GIS maps, and in-depth reports provide innovative and proven solutions for assessing both country and value chain risk exposures, as well as corporate ESG management proficiency

  These tools allow users to drill-down and explore the components of over 100 global risk indices, including raw data, sources and weightings. Country risk indices are used for government bond ratings as well as the rating of sub-sovereign authorities. Investors can identify risk at regional, country and site specific levels, whilst exploring the inter-relationships between different risks and their specific implications for different areas of operations. Maps can be tailored to incorporate sector- and asset-overlays for industries including agriculture, financial services, oil and manufacturing, as well as individual organisations' specific operational footprints. The focus is on understanding future growth environments, as well as the companies and countries that will flourish within them

The Maplecroft Sustainability Performance Benchmark (MSPB) is a repository of company ESG intelligence. It includes our ratings for almost 1,000 companies on their exposure to – and management of – both ESG and business risks. The electronic questionnaire, data centre and analysis tools include insight into more than 300 questions and performance parameters. Each of these is derived from best practice and international standards, as well as extensive in-field and consulting experience. The MSPB captures risk insight for all sectors in line with Bloomberg's sector classifications and uses Maplecroft's global risk indices to understand wider risk exposures across the entire geographic footprint of each company

Risk calculators include the following:

- **Country/Sovereign Risk Calculator:** The calculator draws on our vault of more than 500 political, economic, social and environmental risk indices and indicators. This Risk Calculator allows users to extract and combine over 100 risk indices for any country worldwide and create a bespoke country risk scorecard – providing instant awareness of risk exposures

- **Sector Risk Calculator:** The Sector Risk Calculator is a new concept incorporating the latest Maplecroft Risk Calculator technology. The tool enables companies to create custom scorecards that quantify risk across 10 sectors for all geographies worldwide. Sectors include chemicals, construction and engineering, electric utilities, food products, machinery, metals and mining, oil and gas, paper and forestry, transportation and wireless communications

Publications include the following:

- **Global Risks Forecast:** This subscription-based publication provides fortnightly analysis and forecasts of emerging trends and issues across the global risks spectrum - including an archive of over 2,000 articles

- **Ethical Insight:** This free publication provides a fortnightly review of corporate responsibility news and analysis

Services

Maplecroft delivers tailored services to empower organisations to mitigate extra-financial risks in their operations, supply chains and distribution networks. Services include:

- **Auditing, gap analysis and risk assessment:** Our unique approach aligns entity risk exposure with risk management proficiency and covers all areas of sustainability: political, economic, social and environment. Our repository of over 700 audit criteria has been developed over 10 years and is based on best practice international standards and initiatives including ISO 14001, SA 8000, OHSAS 18001, the Dow Jones Sustainability Index, the UN Global Compact, the Global Reporting Initiative and more

- **Carbon accounting:** Maplecroft works extensively in the field of carbon accounting and footprinting with some of the world's largest organisations. This included over 20 separate carbon accounting and auditing engagements in 2009 alone, each of which calculated energy consumption and Scope 1, 2 and 3 emissions across a company's own operations as well as its value chain

- **Company rating:** Our rating tools evaluate business performance in each area with respect to management, adaptation, data and trends, risk mitigation and innovation. Companies are scored on the information they disclose, as well as activities that they undertake and analysis by respected third parties. Information is obtained through initial desk research and followed up with direct engagements to fill gaps and better understand each company's risk exposures (e.g. geographic footprint, sector, product area etc.)

- **Mapping:** Maplecroft develops bespoke, interactive GIS maps for corporate, civil society and other clients. These maps allow organisations to communicate important but sometimes poorly understood risks to internal and external stakeholders. Maps are created by subject matter experts in partnership with a dedicated GIS and software team to ensure outcomes are both factually accurate, as well as visually stimulating and relevant

- **Human rights and business dilemmas:** The Human Rights and Business Dilemmas Forum is an online, multi-stakeholder platform, developed by Maplecroft and the UN Global Compact for multinational companies with operations or supply chains in areas that present significant human rights risks. The Forum is designed to help business understand and share experiences of real-world dilemmas, and to provide a platform for NGOs and other stakeholders to contribute and comment on suggestions. It also provides an extensive collection of resources for responsible organisations wanting to respect and support human rights - even where the means of doing so is not immediately obvious

- **Ethical supply chains:** Our approach to ethical supply chain management is to determine and map the intrinsic risk exposure of each supplier (e.g. relating to sector, product type, geography etc.). This is later aligned with specific information on risk management proficiency (i.e. how well these risks are managed by supplier). The latter is determined through either a questionnaire or an audit approach, both of which build on relevant ethical supply chain initiatives (e.g. Sedex, the Ethical Trade Initiative etc.)

- **Human rights monitoring:** Maplecroft works in partnership with its clients to ensure ongoing monitoring of human rights risk as a central part of the mainstream risk-management process. This typically involves the deployment of a human rights survey at all company operations. This can be adapted and aligned with company values, principles or policies to provide an overview of human rights risk at an operational level (i.e. the risk of infringement in each of the different geographies worldwide)

- **Impact assessment:** The Maplecroft team has pioneered social and environmental impact assessment since the early 1980s. This includes extensive on-site experience in mining and other extractive operations in Africa, Asia, the Americas and Europe. Our approach to impact assessment and closure planning is to both assess and quantify potential impacts (positive and negative). Potential impacts and baseline information are scored and indexed consistently on a scale of 0-10. This enables a clearer evaluation of possible mitigation scenarios as well as effective benchmarking and the transfer of knowledge and work programmes into the operations and projects phases

- **Interactive Dashboard:** The Interactive Dashboard helps to improve risk management proficiency through quicker and easier access to information on business risk exposure and forecasting. It also empowers clients to better monitor key risks, thus ensuring more profitable investment and business continuity. Clients are able to create a tailored, simple, easy to use and visually compelling Interactive Dashboard through the allocation of a unique point of entry, user journey, content and functionality

- **Investment decision-making:** Intelligence includes more than 120 risk indices and 520 indicators covering all areas of political risk, human rights, climate change as well as societal and other risks including pandemics, food, energy and water security. Risk indices and indicators are combined with detailed country analysis, stakeholder viewpoints and case studies of business engagement in either 3-10 page country briefings or in-depth 25+ page country reports

- **Policy development:** In addition to our "off-the-shelf" bank of 25 policies, Maplecroft also develops bespoke policies for individual companies. Each policy sets out the framework for communicating, implementing, monitoring and reporting on responsible practice and is accompanied with guidance on how to embed the policy, as well as references and hyperlinks to similar policies from peer organisations

- **Reporting and assurance:** Maplecroft produces award winning sustainability and social responsibility reports for leading global brands, NGOs and even sectors (e.g. the recent IPC Postal Sector Sustainability Report 2010). Reports are aligned with best practice standards such as the Global Reporting Initiative and the UN Global Compact Communication on Progress framework. Reports can also be developed to focus on issues and risks that are relevant and material to the company and its stakeholders. Each report is tailored to an organisation's needs and based on expert understanding of sustainability. Our team offers a full spectrum integrated service. Consultants develop, write, design and deliver high specification reports that are structured to demonstrate performance against defined sustainability targets

Reports will also include case studies of engagement, stakeholder viewpoints, feature pages and other visually compelling tools that make the end product more accessible and engaging to interested parties

- **Same day risk analysis:** Subscribers to our bronze, silver and gold subscription packages are able to request same day risk analysis on key events or news issues. This in-depth analysis uses a consistent framework derived from Maplecroft's Global Risks Forecast, which draws from a wide range of sources including ad hoc reports, stakeholder views and from material provided by leading-edge subscription services

- **Stakeholder engagement:** Our integrated approach to stakeholder engagement helps organisations:

  - Identify issues of importance to stakeholders in order to focus business strategy

  - Raise awareness of corporate commitment amongst stakeholders

  - Inform on the best methods of communication with specific stakeholder groups

  - Provide a repository of engagement tools for use subsequent to each engagement

  - Provide assurance that issues are being managed effectively and responsibly

- **Universities and schools:** Some of the world's leading universities use Maplecroft's tailored educational products. We deliver academic quality research across 500 risks and issues, covering the key areas of political risk, human rights, climate change, the legal and regulatory environment, health, and economic risks. Our data is converted into comparable country scorecards and state-of-the-art GIS maps, which introduce investigative learning for school age students and easy-to-use research tools for more advanced academics

Case study: Safeguarding employee, health, safety and wellbeing

In January 2011, Maplecroft created the new position of Head of Human Resources (HR) as part of ongoing efforts to formalise our HR procedures and fully comply with health and safety regulations as our business continues to grow. Under these efforts, we have also implemented a number of new procedures aimed at further safeguarding the health, safety and wellbeing of our employees. In 2011, such initiatives included:

- A confidential health survey to identify health risks affecting our employees and inform key mitigating actions around those issues. As a result of this survey, for example, we identified a number of employees had allergies to wasp and insect stings and put appropriate plans in place in case any of them suffer allergic reactions

- Ongoing health screening, including workplace assessments and provision of free specialist ergonomic equipment to employees with joint or back complaints

- Distribution of regular reminders to take screen breaks to promote employees' visual health

- Displaying clear safety signs throughout company offices to raise employee awareness of key safety hazards. In addition, road safety signs have also been displayed in close proximity to company property to instil safe driving practices amongst employees for their own safety and the safety of surrounding communities

- A comprehensive review of fire equipment and implementation of contractual service agreements to ensure effective maintenance

- Regular fire drills to formalise correct fire safety procedures throughout the organisation, as well as the carrying out of regular fire and carbon monoxide alarm testing

- The designation of two qualified first aiders and the identification to all employees of first aid equipment to aid rapid and efficient medical responses in the event of an accident or emergency

All of the above initiatives are subject to regular and ongoing assessment and will be updated as required. Health and safety briefings have now been integrated into our monthly employee forums to keep employees informed of ongoing health, safety and wellbeing initiatives and to incorporate their ideas and concerns into future plans.

PRINCIPLE 1: Protection of internationally proclaimed human rights

Our commitment or policy

We are committed to supporting and respecting the protection of internationally proclaimed human rights. Our commitment applies to our own operations, our field of influence and our work with our clients.

A brief description of our processes and systems

We turn our commitments into practice by ensuring employees are aware of their own human rights, as well as their role in helping protect the human rights of others. We also advise and assist our clients in managing their own responsibilities in this respect. We do so using the following processes and systems:

In our own operations

- Human Rights Policy (as part of our overarching Corporate Responsibility Policy)

- Employee Handbook, which includes guidance on our commitment to the Global Compact with respect to the protection of human rights

In our products and services

In our client services Maplecroft's human rights products and services help organisations identify, manage and mitigate human rights risks in their operations, supply chains and distribution networks. They support investors to select the companies and governments that best address human rights and enable responsible business to assess, prioritise, screen and monitor human rights risk at all levels of operation

Our human rights team includes a multi-disciplinary group of academic experts, lawyers, trained human rights researchers and auditors with substantial impact assessment field experience

- **Human Rights Risk Atlas 2011:** This includes interactive maps and indices for 30 human rights categories and scorecards for 196 countries covering human security, labour standards and protection, civil and political rights and access to remedy. It also features sub-national mapping of human rights violations and human security incidents down to site-specific levels worldwide

- **Human Rights Briefings and In-depth Reports:** These include human rights risk briefings (3-10 pages) and in-depth reports (25+ pages), which are available for all countries and include expert analysis, country scores, sector details, stakeholder viewpoints and key events, plus GIS-derived sub-national and regional maps

- **Labour Standards Reports:** Theses analyse and compare major labour issues affecting countries at both national and provincial levels. The reports include in-depth analysis, risk indices and trends, stakeholder viewpoints, recent events and sub-national maps of labour rights violations

Fiona Place, Associate Director

- **Human Rights Monitoring:** Maplecroft works in partnership with its clients to ensure the ongoing monitoring of human rights risks are a central part of the mainstream risk-management and due diligence approach to companies' human rights responsibilities

- **Human Rights Impact Assessments:** These assessments focus on the extent of protection of human rights by the state and the levels of respect for human rights shown by other companies. These assessments will predict possible human rights impacts that may arise from an investment or business activity and will also identify the risk factors that should be monitored in the future and that need active management

- **Human Rights and Labour Standards Rating Tools:** Rating tools evaluate business performance with respect to management, adaptation, data and trends, risk mitigation and innovation. Companies are scored on information disclosed, activities undertaken and on analysis by respected third parties

- **Ethical Supply Chain Risk Calculators:** These evaluate and map the intrinsic risk exposure of each suppliers (i.e. relating to sector, product type, geography, etc.).This is then aligned with specific information on risk management proficiency (i.e. how well these risks are managed by suppliers)

- **Policy Bank:** Maplecroft has developed a number of best practice human rights policies for companies. These include child labour; ethical supply chains; forced and bonded labour; and freedom of association and collective bargaining

- **Global Risks country reports and briefings:** These cover the full range of Global Risks on a country-by-country basis, including societal and human rights risk

- **Human Rights and Business Dilemmas:** The Human Rights and Business Dilemmas Forum is designed to help companies and stakeholders understand and share experiences of-real-world dilemmas, particularly in emerging economies. These include: child labour, forced labour, freedom of speech, human trafficking, migrant workers and security forces

- **Human Rights Benchmark:** The Human Rights Benchmark measures human rights risk exposure and management for companies across different sectors worldwide by comparing global operational footprints against our proprietary human rights risk indices for 196 countries and 30 violation categories. It provides vital intelligence for shareholders and stakeholders who want to engage companies and promote positive action on human rights by business

- **Human Rights Stakeholder Viewpoints and Key Events:** Maplecroft holds a repository of over 10,000 stakeholder viewpoints and 20,000 key events relating to human rights incidents around the world. This repository includes human rights articles and analysis from Maplecroft's free Ethical Insight publication, as well as its Global Risks Forecast subscription publication

Our actions over the last year

- Continued to develop, update and deliver our full range of human rights products and services (see above and under 'Maplecroft products and services')

- Appointed a new Head of Human Resources (HR) who has further developed and formalised our HR policies and procedures, including implementation of a number of initiatives to safeguard the health, safety and wellbeing of our employees (see below case study)

Viewpoints of employees

"Maplecroft's unique and rapidly expanding human rights portfolio puts our clients in a strong position to mitigate human rights risk across their global supply chains. Our products and services are helping responsible multinational companies to fully comply with the UN's "Protect, Respect and Remedy" policy framework."

Katharina Hermann, Principal Analyst (Human Rights)

James Petretta, Principal Analyst

- Continued to ensure that all employees are aware of their human rights and the role they can play in helping to ensure the human rights of others are not compromised via our Employee Forum – a monthly meeting to which all staff are invited in order to discuss company business and employee concerns. Health and safety briefings have now been included as part of these meetings to keep employees informed of ongoing health, safety and wellbeing initiatives and incorporate their ideas and concerns into future plans

- Ongoing recruitment of human rights specialists, reflecting our growing body of human rights work for a range of multinational corporations and other organisations

- Continued participation by Professor Warhurst and Dr Kevin Franklin on the Human Rights Working Group of the UN Global Compact

- Continued facilitation by Professor Warhurst of the Clinton Global Initiative working group on human trafficking, as well as the provision of relevant mapping materials

Our targets for next year

- To expand and enhance our human rights products and services and to make them available to a growing number of multinational companies (as well as other relevant organisations), in support of UN's "Protect, Respect and Remedy" policy framework.[1]

- To continue to ensure Maplecroft promotes the respect of human rights within its own workplace through ongoing monitoring of our human rights performance

- To continue in our attempts to strengthen our human rights relationships with international businesses and organisations

Measurable results or outcomes

No formal complaints regarding company performance in this respect.

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[1] Special Representative of the Secretary-General on the issue of human rights and transnational corporations and other business enterprises, 7 April 2008, Protect, Respect and Remedy: a Framework for Business and Human Rights, http://www.reports-and-materials.org/Ruggie-report-7-Apr-2008.pdf

Case study: UN Business and Human Rights Conference at Clifford Chance in London

On 15 and 16 September 2011, Maplecroft paid for the head of its human rights team to attend a major conference on Business and Human Rights and Implementing the UN Guiding Principles. The conference was hosted by the British Institute of International and Comparative Law and held in London at the Canary Warf offices of global law firm Clifford Chance. It aimed to "bring together experts from academia, business, government, international organisations, private legal practice and the non-profit sector, to discuss the opportunities and challenges associated with implementation of the UN Guiding Principles". Participants at the conference, which was attended by a range of lawyers, policy makers, NGOs and academics, included:

• Graham Baxter, International Business Leaders' Forum

• Susan Bird, European Commission

• Ambassador Luis Gallegos, Government of Ecuador

• Marie-France Houde, OECD

• Benedetta Lacey, Amnesty International

• Andie Lambe, Global Witness

• Larrissa Loy, International Financial Corporation

• Dame Meg Taylor, World Bank Group

Attendance by Maplecroft was considered important for ensuring that we stay at the cutting-edge of business and human rights research and analysis. The conference was especially relevant to our work as our methodology for the Human Rights Risk Atlas is, in part, based on the UN 'Protect, Respect and Remedy' Framework and the UN Guiding Principles on Business and Human Rights. In addition, the advice we provide to responsible business in our dilemma papers builds on the UN Guiding Principles. The conference provided expert insight into how these Principles can be implemented across different sectors, including through the actions of responsible companies (private and state-owned), which will further strengthen the work of our human rights' team.

See: http://www.biicl.org/events/view/-/id/654/

PRINCIPLE 2: Ensure non-complicity in human rights abuses

Our commitment or policy

Maplecroft is committed to ensuring that the organisation, its employees, its suppliers and its customers are not complicit in human rights abuses. Our commitment applies to our own operations, our field of influence and our work with our clients.

A brief description of our processes and systems

As part of our commitment, we ensure employees are not complicit in human rights abuses, and help clients manage their responsibilities in this respect. We do so using the following processes and systems:

In our own operations

- Human Rights Policy (as part of our overarching Corporate Responsibility Policy)

- Labour Standards Policy (as part of our overarching Corporate Responsibility Policy)

- Employee Handbook, which includes guidance on our non-complicity commitment to the Global Compact

In our products and services

- See Principle 1

Our actions over the last year

- See Principle 1

Our targets for next year

- See Principle 1

Viewpoints of employees

- See Principle 1

Measurable results or outcomes

No formal complaints regarding company performance in this respect.

James Rutherford, Associate Director

Case study: The Global Corporate Challenge worker health initiative

During the course of the last year, four teams made up of a total of 28 Maplecroft employees took part in the Global Corporate Challenge (GCC) health initiative. The GCC is aimed at promoting health and fitness within the workplace. In particular, it is aimed at tackling the health impacts of "longer workdays, sedentary occupations and little or no exercise". Maplecroft's participation in the 2011 GCC built on the successes of last year, when two teams of 14 employees took part in the initiative for the first time.

Through the GCC, participants (organised into teams of seven) are provided with pedometers with which they record their daily step count for a total of 16 weeks (as well as swimming and bicycling activity). Participants then enter this information into a website, which adds together each individual's step counts and converts this into a kilometre/mile distance. It then plots the team's progression on a virtual tour of the world. This year was the most successful GCC to date, with 130,000 individuals from 1,000 organisations in 83 countries participating.

During their participation in the challenge, the four teams walked 37 million steps – the equivalent of 15,821 miles. The average number of steps per day was 13,117 – the equivalent of 5.2 miles per day. This compares to the 3,500 steps that the GCC says is walked by the average worker, and the 10,000 steps a day recommended by the World Health Organisation.

Amongst the Maplecroft participants:

- 100% reported an increase in overall health

- 58% reported an increase in energy

- 58% reported an increase in their ability to handle stress

- 72% reported an increase in quality of sleep

- 29% reported a loss in weight (with an average weight loss of 5.9kg)

In addition, the challenge has had a positive impact on staff morale, with 84% of participants reporting an increase in morale in the office following completion of the GCC.

See: http://www.gettheworldmoving.com/

PRINCIPLE 3: Uphold freedom of association and collective bargaining

Our commitment or policy

Maplecroft is committed to ensuring that all of its employees have the right to:

- Freely join associations of their own choice (for the purposes of rule formation, administration and the election of representatives)

- Undertake collective bargaining

- Our commitment means that we will not only abide by all applicable laws in this respect, but will act in the spirit in which they were made. This commitment applies to our own operations, our field of influence and our work with our clients

A brief description of our processes and systems

We put our commitments into practice by ensuring that our employees are aware of their right to freely join associations of their own choice and to participate in collective bargaining. We do so using the following processes and systems:

In our own operations

- Implementation of our Labour Standards Policy (as part of our overarching Corporate Responsibility Policy)

- Provision of contact information for the Amicus trade union in the Employee Handbook

- Invitation of all employees to our monthly Employee Forum. The aim of these meetings is to establish a genuine dialogue between all of our employees, and to allow employees to raise issues of concern. Health and safety briefings have now been included as part of these meetings to keep employees informed of ongoing health, safety and wellbeing initiatives and incorporate their ideas and concerns into future plans

- Reducing the time period needed to qualify for 10 working days sick leave on full basic pay (per 12 month rolling period) from 12 months to 10 months continuous service

In our products and services

In addition to our general products and services (see 'Maplecroft products and services' above), Maplecroft delivers the following relevant products:

- **Business Partner, Sourcing and Supply Chain Complicity Risk Index:** This assesses the risk to responsible business of complicity with violations of four core labour standards committed by business partners abroad and along the supply chain

- **Civil and Political Rights Index:** This measures the risk of complicity for responsible business in violating any of these rights

- **Freedom of Association and Collective Bargaining Index:** This measures workers' abilities to establish and join unions, to negotiate collectively and to promote their interests, including through strikes

- **Labour Rights and Protection Index:** This measures the risk of association with, and involvement in, violations of labour rights within a given country. Comprised of seven indices (child labour; forced labour; trafficking; freedom of association and collective bargaining; discrimination, and working conditions)

- **Human Rights Risk Atlas 2011:** includes freedom of association and collective bargaining, and provides country rankings, country scorecards and interactive global maps enable the identification, evaluation and comparison of human rights risk, whilst sub-national maps provide insight into risk at a local i.e. site-specific level

- **Labour Standards Country Reports:** These include specific information on freedom of association and collective bargaining, including information on national law, legal enforcement, specific country risks, stakeholder viewpoints, key events and relevant risk-mapping

- **Global Risks country reports and briefings:** These cover the full range of Global Risks on a country-by-country basis, including societal and human rights risk

- **Policy Bank:** This includes a specific policy on freedom of association and collective bargaining

Our actions over the last year

- Continued to hold monthly Employee Forum meetings and to encourage genuine dialogue with and between all of our employees

- Continued to hold annual appraisals in which employees are given the chance to discuss openly and honestly any concerns regarding their working conditions

- Continued to address the issue of freedom of association and collective bargaining through our human rights reports, indices and briefings, as well as other Global Risks products

- Continued to apply our five-part framework for employment negotiations, whereby significant changes to company practice are likely to affect the rights and duties employees. In such circumstances:

  - Company directors shall consider and propose relevant changes

  - Company directors shall consult the external human resources manager on the implications of these changes

  - Company directors shall consult employees on a collective basis (for example through the company's monthly Employee Fora)

  - Where relevant, company directors will consult directly with individual employees who have either voiced serious concerns over such changes, or who are likely to be significantly affected by such changes

  - The proposed changes shall either be implemented whilst taking into account employee concerns or, where relevant, will be revised or abandoned

- Labour Standards Policy (as part of our overarching Corporate Responsibility Policy)

Business conditions, operational demands and ongoing expansion of the workforce meant that we were unable to implement an employee survey (as discussed in our last Communication on Progress).

Our targets for next year

- To continue the ongoing actions carried out last year and to build upon them through continuous improvement

- To implement earlier plans to put in place a formal mechanism to encourage more employees to provide feedback on their working lives. It is anticipated that this will be based on a simple and easy to use platform, such as an anonymous multiple choice survey. Likely questions include those addressing working conditions, job satisfaction, communication and other related subjects. Once in place, relevant results will be included in future Communications on Progress

Viewpoints of employees

"Maplecroft's horizontal management structure facilitates an open and transparent working environment where all employees are able to freely discuss any material issues with senior management."

Chris Dixon, Political Risk Analyst

Measurable results or outcomes

No formal complaints regarding company performance in this respect.

Jason McGeown, Communications Manager

PRINCIPLE 4: Support elimination of forced and compulsory labour

Our commitment or policy

Maplecroft is against all forms of forced and compulsory labour. Our commitment applies to our own operations, our field of influence and our work with our clients.

A brief description of our processes and systems

We implement this commitment by making sure Maplecroft is a fair and reasonable employer, whilst also helping our clients manage their responsibilities in this respect. We do so using the following processes and systems:

In our own operations

- Labour Standards Policy (as part of our overarching Corporate Responsibility Policy)

- All employees are issued with basic terms and conditions of contract when they join the organisation

- Employee Handbook, which includes guidance on our policies in relation to, and opposition to all forms of forced and compulsory labour

- Employment of an external human resources management expert to provide employment advice to all staff

- Annual performance reviews in which employees are encouraged to put forward any concerns

In our products and services

In addition to our general products and services (see 'Maplecroft products and services' above), Maplecroft delivers the following relevant products:

- **Business Partner, Sourcing and Supply Chain Complicity Risk Index:** This assesses the risk to responsible business of complicity with violations of four core labour standards committed by business partners abroad and along the supply chain

- **Forced or Involuntary Labour Index:** This measures the risk of complicity in the use of forced labour due to its prevalence and type, and its perpetrators. Government efforts to combat it are also taken into account

- **Labour Rights and Protection Index:** This measures the risk of association with, and involvement in, violations of labour rights within a given country. Comprised of seven indices (child labour; forced labour; trafficking; freedom of association and collective bargaining; discrimination, and working conditions)

- **Trafficking Index:** This measures the risk of exposure to trafficking based on the prevalence of trafficking, as well as government complicity and/or inaction

- **Human Rights Risk Atlas 2011:** This includes interactive maps and indices for 30 human rights categories and scorecards for 196 countries covering a range of issues including labour standards and protection. It also features sub-national mapping of human rights violations and human security incidents down to site-specific levels worldwide

- **Labour Standards Country Reports:** These include specific information on forced labour, including information on national law, legal enforcement, specific country risks, stakeholder viewpoints, key events and relevant risk-mapping

- **Global Risks country reports and briefings:** These cover the full range of Global Risks on a country-by-country basis, including societal and human rights risk

- **Policy Bank:** This includes a specific policy on forced and bonded labour

Our actions over the last year

- Continued to address the challenge of forced and compulsory labour through our human rights reports, indices and briefings, as well as other Global Risks Portfolio products

- Continued to provide employees access to a voluntary Stakeholder Pension Scheme based on employees' voluntary pension contributions, as well as contributions by Maplecroft

- Continued to provide access to a Health Care Plan that provides a set budget for certain health treatments based on employees' voluntary contributions

- Continued to expand and improve office space to ensure the provision of a safe, healthy and enjoyable working environment as employee numbers grow

- Continued to investigate options for relocating to a larger office space as employee numbers grow. This included conducting an online questionnaire which allowed all employees to voice their opinions on preferred office location and design, allowing all to play an active role in shaping their new working environment

- Continued to award share option bonuses to a significant number of employees in recognition of their commitment, ability and hard work

- Continued to award additional leave and financial bonuses to employees who have (due to short-term business demands) been required to work significantly beyond their contracted hours

- Continued to implement a company policy that no employee would be required to work on a project or with a client where they had serious ideological, philosophical or ethical objections

Our targets for next year

- To continue the ongoing actions carried out last year and to build upon them through continuous improvement

Viewpoints of employees

"For multinational companies, the risk of complicity in forced labour often appears at the sub-contracting level, rather than within their own operations, making it difficult for them to identify and mitigate these risks. Maplecroft's products and services help responsible companies identify and evaluate the risk of forced labour within their supply and distribution networks, informing their human rights due diligence procedures and helping them to take remedial action."

Chris Kip, Principal Analyst (Human Rights)

Measurable results or outcomes

No formal complaints regarding company performance in this respect.

Case study: Maplecroft speaking engagements on Business and Human Rights Dilemmas

The Human Rights and Business Dilemmas Forum is a multi-stakeholder online platform aimed at helping companies and other human rights stakeholders understand and share real-world challenges relating to the protection of human rights, particularly in emerging economies. It does so using innovative online feedback mechanisms to allow users to propose, explore and discuss a wide range of dilemmas and potential good practice. The Forum is implemented by Maplecroft in partnership with the United Nations Global Compact (UNGC), and is funded by the General Electric (GE) Foundation.

Over the course of the past year, Maplecroft human rights experts organised and delivered several speaking engagements on business and human rights dilemmas, as part of wider dissemination efforts around the Human Rights and Business Dilemmas Forum. This included hosting webinars and delivering in-depth, expert presentations for:

- International NGO Net Impact, on addressing human rights dilemmas in Emerging Economies, with particular focus on forced labour and corruption (29 July 2011)

- United Nations Principles for Responsible Management Education (PRME), introducing the Human Rights and Business Dilemmas Forum to a range of human rights stakeholders (7 April 2011)

- UNGC, with particular focus on business and human rights challenges around community relocation (21 July 2011)

- Presentation at the meeting of the UNGC Expert Group on Responsible Business and Investment in High Risk Areas (16-20 May 2011)

Additionally, Maplecroft was also invited to moderate two panels on business and human rights during the UNGC Nordic Network Meeting in Helsinki (12-13 May 2011), as part of its work on the Human Rights and Business Dilemmas Forum. These included:

- Panel moderation on business and human rights in high risk environments, including on privacy and gender equality

- Panel moderation on human rights and corruption

See: http://human-rights-forum.maplecroft.com/

Chris Dixon and Charlie Beldon, Risk Analysts
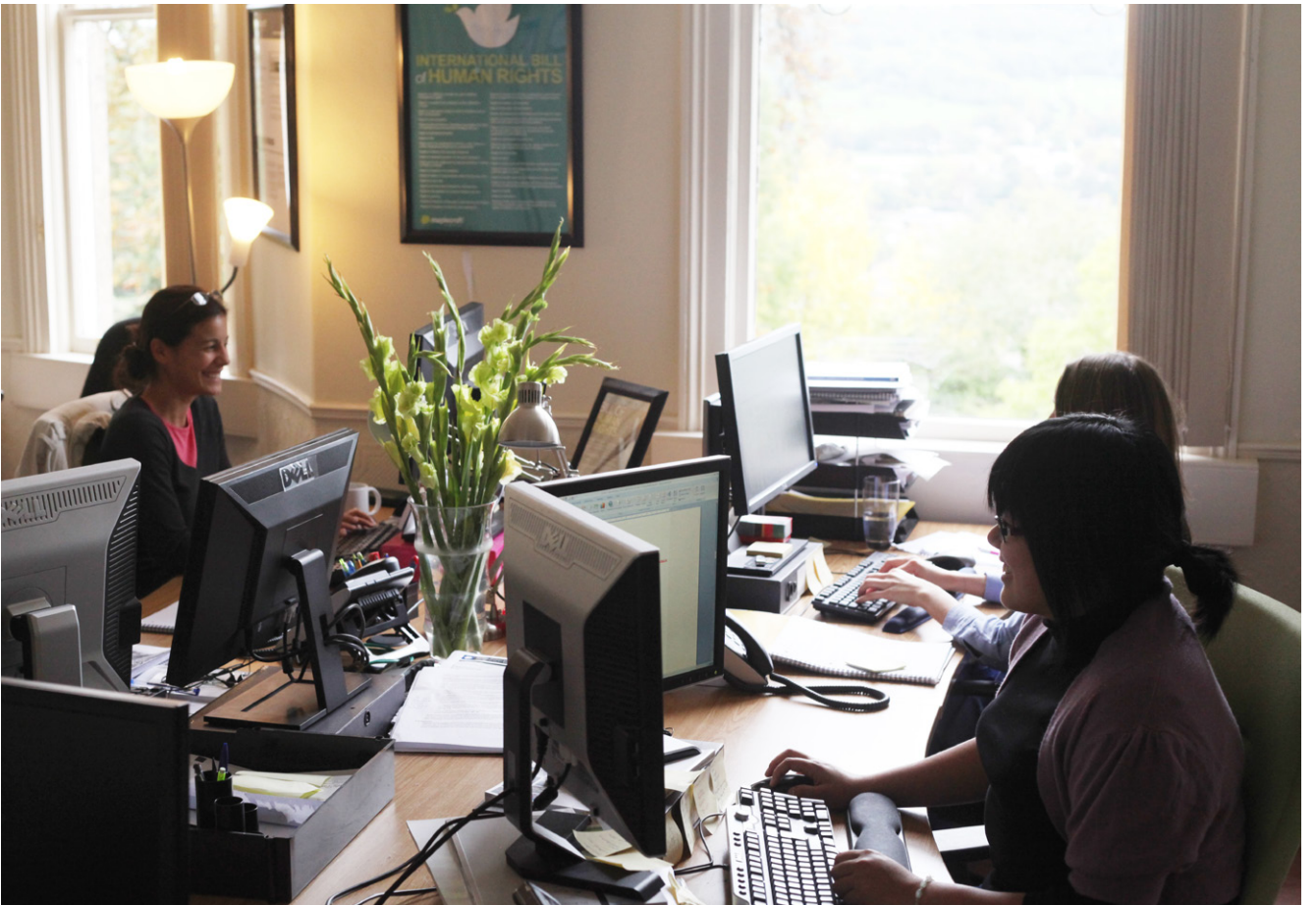
Human Rights Analysts

PRINCIPLE 5: Support abolition of child labour

Our commitment or policy

Maplecroft is committed to the effective abolition of child labour. Our commitment applies to our own operations, our field of influence and our work with our clients.

A brief description of our processes and systems

We honour our commitment by ensuring we support the effective abolition of child labour, and by helping our clients do so. We do this using the following processes and systems:

In our own operations

- Labour Standards Policy (as part of our overarching Corporate Responsibility Policy)

- The dates of birth of all new employees, who are of a sufficiently young age, are checked to ensure that they are above minimum school leaver's age before employment

In our products and services

In addition to our general products and services (see 'Maplecroft products and services' above), Maplecroft delivers the following relevant products:

- **Business Partner, Sourcing and Supply Chain Complicity Risk Index:** This assesses the risk to responsible business of complicity with violations of four core labour standards committed by business partners abroad and along the supply chain

- **Child Labour Index:** This measures the prevalence and type of child labour as well as government efforts to combat child labour

- **Child Rights Index:** This assesses different aspects of the risks and dangers that children face in each country

Anthony Skinner, Director

- **Labour Rights and Protection Index:** This measures the risk of association with, and involvement in, violations of labour rights within a given country. Comprised of seven indices (child labour; forced labour; trafficking; freedom of association and collective bargaining; discrimination, and working conditions)

- **Human Rights Risk Atlas 2011**: This includes interactive maps and indices for 30 human rights categories and scorecards for 196 countries covering human security, labour standards and protection (including child labour), civil and political rights and access to remedy. It also features sub-national mapping of human rights violations and human security incidents down to site-specific levels worldwide

- **Labour Standards Country Reports:** These include specific information on child labour, including information on national law, legal enforcement, specific country risks, stakeholder viewpoints, key events and relevant risk-mapping

- **Global Risks country reports and briefings:** These cover the full range of Global Risks on a country-by-country basis, including societal and human rights risk

- **Policy Bank:** This includes a specific policy on child labour

Our actions over the last year

- Continued to address the challenge of child labour through our human rights reports, indices and briefings, as well as other Global Risks Portfolio products

Our targets for next year

- To continue the ongoing actions carried out last year and to build upon them through continuous improvement

Viewpoints of employees

"The ILO estimates that worldwide more than 200 million children are engaged in child labour, with half of them being exposed to hazardous work. Complex global operations make it increasingly difficult for multinational companies to monitor and audit their supply chains to avoid unwitting complicity in child labour. Our products and services, such as Maplecroft's Child Labour Index, help responsible companies identify and evaluate risks relating to child labour within their supply chains, operations and distribution networks"

Rasmiya Kazimova, Principal Analyst (Human Rights)

Measurable results or outcomes

No formal complaints regarding company performance in this respect.

PRINCIPLE 6: Support elimination of discrimination

Our commitment or policy

Maplecroft is committed to ensuring equal opportunities for all of its employees. In particular, we are committed to:

- Promoting equality, diversity, as well as an inclusive and supportive working environment

- Affirming the rights of the individual to be treated fairly and with respect

- Identifying, recognising and encouraging individual contributions to our success

- Our commitment applies to our own operations, our field of influence and our work with our clients

These are increasingly important commitments for our company, due to our expanding and increasingly diverse professional workforce.

A brief description of our processes and systems

We put our commitment into practice by ensuring Maplecroft supports the elimination of discrimination, and by helping our clients support this through their own policies and actions. We do so using the following processes and systems:

In our own operations

Equal opportunities:

- Equal Opportunities Policy (as part of our overarching Corporate Responsibility Policy)

- Employee Handbook, which includes the policy and gives detailed guidance as to how this policy is applied

Sexual and racial harassment:

- Sexual and Racial Harassment Policy (as part of our overarching Corporate Responsibility Policy)

- Employee Handbook, which includes the policy, gives detailed guidance as to how this policy is applied and suggests informal and formal remedies where harassment is alleged to have taken place

Employees with disabilities:

- Employment with Disabilities Policy (as part of our overarching Corporate Responsibility Policy)

- Employee Handbook, which includes the policy and gives detailed guidance as to how this policy is applied

In our products and services

In addition to our general products and services (see 'Maplecroft products and services' above), Maplecroft delivers the following relevant products:

- **Business Partner, Sourcing and Supply Chain Complicity Risk Index:** This assesses the risk to responsible business of complicity with violations of four core labour standards committed by business partners abroad and along the supply chain

- **Civil and Political Rights Index:** This measures the risk of complicity for responsible business in violating any of these rights

- **Labour Rights and Protection Index:** This measures the risk of association with, and involvement in, violations of labour rights within a given country. Comprised of seven indices (child labour; forced labour; trafficking; freedom of association and collective bargaining; discrimination, and working conditions)

- **Discrimination Index:** This assesses the risk of complicity of responsible business in discrimination, especially if active societal or governmental discrimination exists in a country

- **Female Rights Index:** This measures the severity and prevalence of violations against females, with particular attention paid to discrimination in the workplace

- **Minority Rights Index:** This measures the risk of complicity in violations committed against minority groups, including discrimination, violence, and barriers to enjoying full societal participation

- **Indigenous Peoples Rights Index:** This measures the risk of complicity in violations committed against indigenous peoples, including violations of land and cultural rights

- **Human Rights Risk Atlas 2011:** This includes interactive maps and indices for 30 human rights categories and scorecards for 196 countries covering human security, labour standards and protection (including anti-discrimination), civil and political rights and access to remedy. It also features sub-national mapping of human rights violations and human security incidents down to site-specific levels worldwide

- **Labour Standards Country Reports:** These include specific information on discrimination, including information on national law, legal enforcement, specific country risks, stakeholder viewpoints, key events and relevant risk-mapping

- **Global Risks country reports and briefings:** These cover the full range of Global Risks on a country-by-country basis, including societal and human rights risk

- **Policy Bank:** This includes a specific policy on discrimination and equal opportunity

Our actions over the last year

- We have continued to address the challenge of discrimination through our human rights reports, indices and briefings, as well as other Global Risks Portfolio products

- We continued the ongoing monitoring of employee salaries to ensure gender parity at equivalent levels of seniority and capability

Our targets for next year

- To continue the ongoing actions carried out last year and to build upon them through continuous improvement
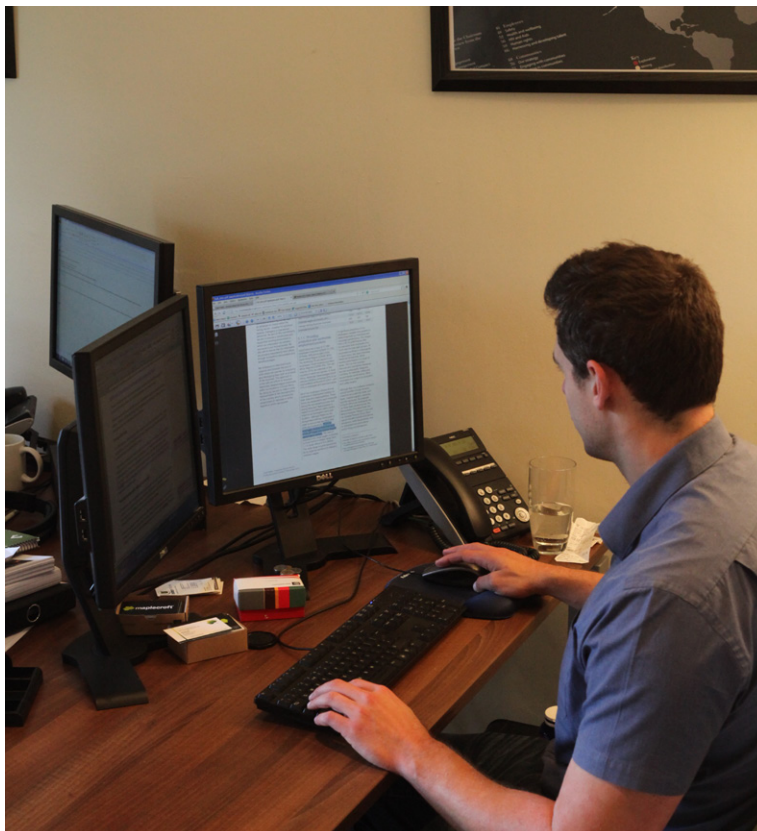
Sam Rogers, Principal Analyst

Viewpoints of employees

"The international nature of our work — as well as our diverse team of professionals from Europe, Africa, Asia and both North and South America — means that there is no place for discrimination of any form at Maplecroft."

Sam Rogers, Principal Analyst

Measurable results or outcomes

No formal complaints regarding company performance in this respect.

PRINCIPLES 7 & 8: Precautionary approach to environmental challenges & initiatives to promote environmental responsibility

Our commitment or policy

Maplecroft is committed to taking a precautionary approach with respect to environmental challenges, the undertaking of environmental initiatives and the use of environmentally friendly technologies. Our commitment to the environment includes continually improving our performance, preventing pollution wherever possible and complying with all applicable laws, regulations and industry standards.

In particular we:

- Manage our processes so as to avoid or minimise waste

- Work to minimise our use of energy

- Minimise unnecessary travelling to reduce the impact of aircraft and road vehicle emissions

- Include environmental considerations in investment decisions

- Ensure all employees have an awareness of this policy so that it is implemented effectively

Our commitment applies to our own operations, our field of influence and our work with our clients.

A brief description of our processes and systems

We translate our commitment into action by taking a precautionary approach to the environment, undertaking initiatives to promote greater environmental responsibility and by assisting clients to manage their own responsibilities in this respect. We do so using the following processes and systems:

In our own operations

- Environment Policy (as part of our overarching Corporate Responsibility Policy)

- Employee Handbook, which includes the policy

In our products and services

In addition to our general products and services (see 'Maplecroft products and services' above), Maplecroft delivers the following relevant products:

- **CO2 Emissions from Energy Use Index:** This assesses the risk to business operating in countries which may be subject to future international regulation of CO_2 emissions and/or pressure from public interest groups

- **CO2 Emissions from Land Use Index:** This provides insight into changes in forest biomass due to deforestation, reforestation as well as other land use change in a country

- **Climate Change Vulnerability Index:** This evaluates the risk relating to the lack of capacity of individuals, communities, economies and societies to mitigate the risks from changes in patterns of natural hazards and impacts on ecosystem services as a result of climate change

- **Resource Security Index:** This assesses the reliability, access and affordability of three key resources; energy, food and water; as well as resource diversity, consumption and production

- **Unsustainable Energy Use Index:** This evaluates the risk of being unable to source energy from low carbon sources and/or operating/investing/lending in an energy intensive economy

- **Climate Change Risk Atlas:** This evaluates the risks to business relating to CO_2 emissions, unsustainable energy use, regulation and climate change vulnerability

- **Climate Innovation Indexes:** These help investors and other interested parties identify companies that are leaders in areas of climate-related innovation and carbon management. They focus on companies that display strong climate change innovation, strong financial performance and represent a diversity of sectors – and also helps encourage capital inflows into companies that develop climate change solutions

- **Global Risks country reports and briefings:** These cover the full range of Global Risks on a country-by-country basis, including climate change and environment, as well as energy security

- **Policy Bank:** This includes specific policies on biodiversity, energy and climate, environment, nuisances (odour, noise and dust), and waste and recycling

Our actions over the last year

- Continued use of recycled paper only for office printing and achieved a 4.2% reduction in our paper use through continued implementation of a minimal printing policy and – unless there are good and pressing reasons – the printing of documents in black and white and on double-sided paper only

- Continued operation of a company-wide recycling system for paper waste, which is used for agricultural compost on a near by farm

- Continued provision of recycling facilities in our communal areas so that employees can recycle glass, cardboard and plastic

- Replaced both of the gas boilers in our two buildings with more energy efficient condensing boilers

- Continued use of environmentally friendly printing, IT and lighting technology on a replacement basis

- Continued emphasis on the use of teleconferencing and remote presentation technologies (e.g. WebEx and webinar techniques) to help reduce business travel

- Continued selection (in collaboration with our IT supplier) of additional desktop PC's (and other relevant equipment) on the basis of their performance/energy efficiency in order to accommodate growing employee numbers

- Development of the IPC's Postal Sector Sustainability Report 2010. This builds on a previous report that was completed in 2009, which focused on carbon emissions and climate change and was launched by leading CEOs at the UN Climate Change Conference 2009 in Copenhagen (COP15) in December 2009

- Current business conditions have continued to precluded the planned development of a company-wide Environmental Management System. Progress will continue on this project once circumstances allow for it

Our targets for next year

- To continue the ongoing actions carried out last year and to build upon them through continuous improvement

- Implementation of the of the 'cycle to work' scheme, pending the normalisation of economic conditions and evidence of stronger demand

Viewpoints of employees

"Managing the environmental impacts of our business is not only a moral obligation, but also helps manage costs and improve efficiency through such initiatives as reducing our paper use. The fact that a significant proportion of our work involves advising clients on managing their environmental impact means that environmental responsibility remains at the forefront of everything we do."

Ed Cole, Chief Operating Officer

Measurable results or outcomes

Paper use

Maplecroft is continuing to record its paper use to assess future improvements in consumption. Over the last year, the company purchased 125,500 pages of paper. Of this, 100% was recycled paper. This reflects a 4.2% decrease compared to the previous year when we used 131,000 pages, 100% of which were made from recycled paper.

This reduced use of paper was achieved despite the ongoing expansion of our business activity, demonstrating that our minimal printing policy is beginning to pay dividends.

Figure 1: Total paper use

125,500 pages purchased over the last year
100% recycled

PRINCIPLE 9: Encourage environmentally-friendly technology

Our commitment or policy

See Principle 7.

A brief description of our processes and systems

Our role as an advisory business means we have the ability to influence the environmental performance of global organisations by increasing their awareness, understanding and ability to manage environmental impacts. We aim to assist businesses in their move towards triple bottom line accounting and performance review/measurement to maximise value, profit and responsibility.

Maplecroft has developed a wide range of products and services that help improve our clients' environmental performance and contribution to development. A summary of these services can be found in the section entitled 'Maplecroft products and services', and under Principles 7&8 above.

Our actions over the last year

See Principles 7&8 above

Our targets for next year

See Principles 7&8 above

Measurable results or outcomes

Not applicable

Ed Cole, Chief Operating Officer

PRINCIPLE 10: Work against corruption in all of its forms

Our commitment or policy

Maplecroft is committed to working transparently and is against corruption in all its forms, including extortion and bribery. No employee or associate will take or receive bribes of any form, or involve themselves in situations that may give rise to any potential conflicts of interest. Our commitment means that we will not only abide by all applicable laws in this respect, but will act in the spirit in which they were made.

Our commitment applies to our own operations, our field of influence and our work with our clients.

A brief description of our processes and systems

We put our commitment into practice by taking a transparent approach towards doing business, by opposing corruption in all its forms and by helping clients manage their own responsibilities in this respect. We do so using the following processes and systems:

In our own operations

- Transparency Policy (as part of our overarching Corporate Responsibility Policy)

- Maplecroft Anti-Corruption Officer, providing a suitable and secure reporting and communication channel for employees to disclose any inappropriate or unlawful conduct, suspicions or concerns relating to bribery and corruption

- Anti-bribery policy:

  - Ensuring compliance with anti-bribery laws, rules and regulations, not just within the UK, but also in any other country within which the Company may carry out its business or in relation to which its business may be connected

  - Enabling employees and persons associated with the Company to understand risks associated with unlawful conduct and to enable and encourage them to be vigilant and to effectively recognise, prevent, avoid and report any wrongdoing, whether by themselves or others.

  - Providing suitable and secure reporting and communication channels and ensuring that any information that is reported is properly and effectively dealt with

  - Creating and maintaining a rigorous and effective framework for dealing with any suspected instances of bribery or other unethical conduct

In our products and services

In addition to our general products and services (see 'Maplecroft products and services' above), Maplecroft delivers the following relevant products:

- **Business Integrity and Corruption Index:** This examines the prevalence and persistence of corruption in the public and private sectors, as well as the efficacy of the efforts of governments to combat corruption

- **Corruption and Transparency Index:** This is based on the Corruption Perceptions Index (CPI 2010) compiled by Transparency International (TI), a leading NGO committed to combating corruption worldwide. The Corruption Perceptions Index (CPI) 2010 charts corruption in the public sector and politics as perceived by business people, academics and risk analysts

- **Governance Framework Index:** This assesses the risk of relative stability of institutions as well as the extent of corruption, due process and effectiveness of legal and regulatory mechanisms

- **Legal and Regulatory Environment Index:** This assesses the respect for the respect for the rule of law, the regulatory framework, corporate governance, incidence of corruption, respect for property rights and business partner and supply chain risk within a country. Deficiencies in each area highlight the risks to responsible businesses from non-adherence to international standards to complicity in human rights violations

- **Rule of Law Index:** This evaluates the risk relating to the ineffectiveness of legal and regulatory practices, and assesses judicial independence, judicial effectiveness, and the comprehensiveness, transparency and consistent application of business-relevant regulation in a country

- **Policy Bank:** This includes specific policies on anti-money laundering and the combat of terrorism financing, and bribery and corruption

- **Corruption Risk Briefings:** These analyse major corruption risks affecting countries at both national and provincial levels. The briefings focus on the effectiveness of the domestic legislative framework in tackling corruption, the prevalence of corruption in government and the public and private sectors, and the highest risk sectors of the economy. By so doing, the briefings assess the risk of complicity in corruption in countries where companies operate or have value chains

- **Political Risk Briefings and Reports:** These cover business integrity and corruption, and includes analysis, stakeholder views and key events on a country-by-country basis

Viewpoints of employees

"Recent tightening of corruption legislation in the US and the UK means that multinationals have to pay greater attention to business ethics. Risks around corruption will continue to increase as the future growth environment shifts towards more challenging locations. Maplecroft's portfolio of products and services helps our clients mitigate these risks effectively and responsibly."

Gus Macfarlane, Director

Our actions over the last year

- Implemented a new anti-bribery policy to ensure continued compliance with all national and international anti-bribery laws, rules and regulations

- Continued to address the challenge of corruption through our Global Risks products, including Corruption Risk Briefings, country reports, the Global Risks Forecast publication and relevant indices

- Continued public provision of a free and online global corruption map based on the Transparency International Corruption Perceptions Index

- Active participation by Professor Warhurst in Board meetings of Transparency International (UK), as well as the provision of supporting materials from Maplecroft's Global Risks product range

Our targets for next year

- To continue the ongoing actions carried out last year and to build upon them through continuous improvement

Measurable results or outcomes

No formal complaints regarding company performance in this respect.

Gus MacFarlane, Director

Bath

maplecroft