

Our Communication on Progress to the United Nations Global Compact

October 2012



maplecroft

risk responsibility reputation

About Maplecroft

Who we are

MAPLECROFT PRODUCTS AND SERVICES are used by multinational organisations to manage risk and reputation across their operations, investments and supply chains. We analyse global risks and issues, covering political, security, legal and regulatory, social, human rights, natural hazards, climate change and environmental issues. Our research takes the form of off-the-shelf and tailored reports, focusing on countries, sectors, issues, commodities and stakeholders, alongside a portfolio of 160 risk indices (including over 500 sub-indices) and scorecards for 197 countries. Risks are quantified and visualised using GIS mapping technology, presenting detail at a regional, national and sub-national level. These interactive maps, together with risk dashboards, calculators and best-practice policies give clients the tools to manage risks, while our professional services team can advise on effective risk management strategies, reporting and stakeholder engagement.

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Background information

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Statement of support

Our strong support for the UN Global Compact is reflected in the alignment of our business model with the 10 Principles: The core purpose of our products and services is to enable our clients to manage risks and conduct business in a responsible way.

Maplecroft is also committed to sharing its research and analysis as widely as possible to build awareness of responsible decision making solutions and to educate as many people as possible about human rights, environmental protection and good governance.

We also support the Principles by providing certain products and services on a subsidised or pro bono basis to NGOs and international organisations. We do this to build awareness of approaches to responsible decision-making as well as helping to inform a wide range of stakeholders about human rights, environmental protection and good governance. We aim to 'practice what we preach' in the way we manage and develop our own business. Our activities include:

- Membership of the Board of [Transparency International \(UK\)](#) (Alyson Warhurst)
- Active participation in the UN Global Compact working group on Responsible Business in [Conflict-Affected and High-Risk Areas](#)
- 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 of the [Girls Discovered](#) website for the [UN Foundation](#), [Nike Foundation](#) and the [Coalition for Adolescent Girls](#)
- Development of and free of charge support for 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 and analysis

As we build and expand our business over the next year, we will continue to support the Principles – within our own operations and through the services we provide our clients. This document provides an overview of just some of the initiatives that we believe are actively contributing to the success of the UN Global Compact.



Professor Alyson Warhurst, Chief Executive and Founder



Professor Alyson Warhurst, Chief Executive

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'. During the reporting period, the equivalent value of these donations and subsidies has amounted to a total of £90,500.

Examples include the following:

- Africa Progress Panel: Free GIS maps relating to food security, respect for property rights, and water security
- Girl Hub: Subsidised mapping and data generation exercise
- Islamic Relief Fund: Free GIS map relating to climate change vulnerability
- Nike Foundation: Subsidised mapping and data generation exercise, and provision of website maintenance and updating
- Plan UK: Free bespoke GIS maps relating to female unemployment, female adolescent secondary school attendance and female adolescent educational achievement
- Rio+20: Free Supply Chain Assessment Tool
- Save the Children: Subsidised GIS maps relating to food security in Sierra Leone, Kenya and Mozambique
- UNICEF: Free access to our ESG Risk and Sovereign Risk calculators
- UNOCHA: Subsidised 'bronze' subscription to all our atlases, indices and maps and discounted development of the Global Focus Model for natural disaster preparedness
- World Vision: Subsidised 'bronze' subscription to all our atlases, indices and maps

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.

Charitable donations and community initiatives

Maplecroft has made various donations and investments in community and charitable initiatives over the year, as well as adopting a positive approach to employee initiatives that are always encouraged and supported on a personal level by the Directors and staff. Noteworthy examples include:

- Investment of £1,372 in support of our participation in the Global Corporate Challenge (GCC) – the profits from which are used to support a range of community health initiatives across the world
- Investment in an Olympic bronze sculpture for the reception hall at Maplecroft and business membership to the 'Art at the Edge' project – the profits from which are used to support disadvantaged and disabled young people through the Youth Sport Trust and the British Paralympic Association
- Corporate membership to Transparency International – including a donation of £250
- Donation of £100 to Children's Hospice South West

Maplecroft products and services

The very nature of our work – helping global organisations understand, map, analyse and manage global risks in order to take responsible decisions – supports the 10 Principles of the UN Global Compact. Our focus is on:

- Political risks, including legal and regulatory frameworks, security, terrorism and corruption
- Social risks, including human rights, labour standards, food and water security and broader humanitarian and development issues
- Environmental risks, climate change to water and food security, and natural hazards
- Our research covers every country in the world. It takes the form of:
 - Off-the-shelf and tailored reports. These focus on countries, sectors, issues, commodities and stakeholders
 - A portfolio of 160 risk indices (including over 500 sub-indices) and scorecards
 - GIS maps. These help clients visualise risks and presenting detail at a regional, national and sub-national level
 - Interactive tools – risk dashboards, calculators – sector and sovereign, interactive maps
 - Best-practice policies

Who we help:

Our clients include some of the world's largest organisations across all sectors. Alongside working with various UN agencies, non-governmental and inter-governmental agencies, our clients include major oil and gas, mining, engineering, ICT and agro commodities and retail companies, as well as investment banks, asset managers, and insurance brokers.

How we help:

Companies use our products and professional services in a number of different ways:

- **To identify, manage and monitor risk across operations.** Clients are particularly interested in information that will help them manage risks across their global supply chains and distribution networks. Here are a few examples:
 - Country focus: We have just helped a major investment bank understand the risks associated with investing in a range of countries across Europe, Asia, Africa and the Middle East
 - Commodity focus: We have just helped a major retail outlet understand the risks involved with sourcing Tuna from the South Pacific – including the political, environmental, and social risks
 - Issue focus: We are in the process of helping one of the world's leading engineering companies understand the human rights issues associated with doing business in 12 countries across Latin America, Africa and Asia.
- **To inform their corporate strategies and plans.** For instance, we are regularly commissioned by an oil and gas major to review the logistics and infrastructure framework in new markets. This helps them decide whether it's feasible to move into the territory, and informs operational planning.



Maplecroft Human Rights Risk Index 2012

- **To automate risk management processes.** We have developed an award-winning range of interactive tools. These can be customised and include interactive risk dashboards (which enable clients to weight risks), interactive maps (which enable clients to visualise the impact of risks onto GIS maps), and interactive risk calculators. This provides companies with a consistent and efficient framework for risk management.
- **To set up or improve and embed risk management strategies.** We have a professional services team who regularly advise our clients on the following:
 - Ethical supply chain management
 - Strategy, including auditing and gap analysis
 - Reporting – research, writing, designing CSR reports
 - Stakeholder engagement – mapping, prioritisation and communications plans.
- **Global Risks Atlas:** The Global Risks Atlas 2012 analyses 33 different risk indices, across seven aggregate clusters in 178 countries and identifies areas of high risk exposure for organisations with global footprints. These are risks like terrorism, climate change, global financial crises and pandemics that are somewhat external to business and sometimes external to the countries where they are operating but that nonetheless can have significant impacts on the operating environment and supply chains
- **Political Risk Atlas:** The Political Risk Atlas 2012 includes 45 risk indices (expanded from 41 in 2011) measuring political risks relating to two distinct areas. Dynamic risks are those which change rapidly over a relatively short period (e.g. the next few quarters) and include political violence, business and macroeconomic risks and the degree of good governance. Structural risks, by contrast, are those that evolve incrementally over time and which are ingrained features of a country or society

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 enable the easy identification, measurement, comparison and monitoring of risks – whilst also delivering country rankings, highlighting risk hotspots and providing analysis of relevant and material issues
- **Legal and Regulatory Environment Atlas:** Maplecroft has created the Legal and Regulatory Environment Atlas 2012 as a practical resource to help businesses, investors and international organisations to assess, quantify, compare and monitor legal and regulatory risks and develop strategies to mitigate them. Country-by-country scorecards analyse six risk areas for each country and assess the implementation of 10 international legal instruments, including UN, ILO and World Bank instruments
- **Human Rights Risk Atlas:** Maplecroft's Human Rights Risk Atlas 2012 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 31 human rights categories and scorecards for 197 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
- **Climate Change and Environmental Risk Atlas:** Maplecroft's Climate Change Risk Atlas 2012 provides analysis of the key risks to business in the areas of climate change vulnerability and adaptation; emissions and energy use; environmental regulation; and ecosystem services. The Atlas includes interactive maps and indices to enable the identification, evaluation and comparison of climate change and environmental risks, whilst subnational indices focusing on exposure, sensitivity, forests, top soil degradation and water stress pinpoint risk vulnerability down to a 25km² scale. The 2012 Atlas revealed that some of the world's fastest growing populations are increasingly at risk from the impacts of climate related natural hazards, including sea level rise

- **Natural Hazards Risk Atlas:** Maplecroft's Natural Hazards Risk Atlas 2012 features expert quantitative analysis and sub-national mapping to help organisations identify and monitor the risks posed to their operations, investments and assets, across 197 countries. In this second release of the Atlas, Maplecroft identified that some of the most important growth economies have the highest financial risk from the threat of natural hazards, due to the high exposure of their cities and trading hubs to events such as flooding, earthquakes and tropical cyclones
 - **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 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 a business operates or that feature in its value chain
 - **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
 - **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. Each scorecard also offers quantitative country risk scores and trends of increasing, stable or decreasing risk for 24 separate categories of human rights violations
 - **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. Each scorecard also offers quantitative country risk scores and trends of increasing, stable or decreasing risk across 11 risk areas
 - **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. These include detailed summaries of the key risks affecting a country or sector; country scores; stakeholder viewpoints; recent events; trend analysis and forecasts; and visually compelling GIS-derived sub-national maps, illustrating pertinent risks to a business location. Country reports are available for all countries and are updated quarterly. Many are off the shelf and others are commissioned with a tailored focus.
 - **Election monitor:** Maplecroft's Election Monitor has been developed to identify the key risks and benefits to business and the overall stability of the investment climate presented by potential changes in regime in countries worldwide
- 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. Cycle 3 of the CIIs, launched in 2012, includes an assessment of the climate change risk management proficiency of 360 US-based companies
 - The Maplecroft CIIs are developed from an initial universe of all US stocks with a free-float market capitalisation of over US\$1billion. They include:
 - The Maplecroft CII Benchmark (Bloomberg ticker: CICOMP) – c.300 of the largest US companies screened from c.1,300 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. 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 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.
 - **Company risk reports:** Maplecroft's in-depth company reports are a vital tool for investors and corporate users needing insight into a company's ESG and political risk exposures and management proficiency. Our reports deliver insight into risk, opportunity and sustainability for companies and sectors. They provide intelligence for those conducting due diligence and audits of entities in their supply chain, joint venture partners or possible acquisition targets. They can also be used as an internal tool for organisations to assess how their own exposures and performance are perceived by external stakeholders and ratings organisations

Risk calculators include the following:

- **ESG Atlas and Risk Calculator:** The Maplecroft ESG Atlas and Risk Calculator simplifies the evaluation of country-level ESG risks. It allows users to choose from 49 risk indices to create country scorecards and a bespoke ESG dashboard for their countries of interest. A central feature of the tool is that it enables investors and sustainability professionals to apply their own weightings to risk indices according to investment or stakeholder priorities. Identifying these risks enables users to monitor exposures and opportunities throughout their investment portfolios or global supply chains
- **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:** Advanced custom versions of the risk calculators are available. Features for such users include the ability to overlay multiple layers of company and supplier risk management information, sector risk scores, product risk scores, spend or revenue information and even stakeholder viewpoints

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 2,750 articles
- **Ethical Insight:** This free publication provides a fortnightly review of corporate responsibility news and analysis, including a global natural hazards update
- **Maplecroft Blog:** This free online resource provides regular opinion pieces and analysis on key risks and opportunities across multiple sectors, issues and countries
- **Map of the week:** This free online resource utilises GIS mapping technology to visually represent a range of ESG-risks at the sub-national level. This enables users to extract risk values for specific locations and sectors, explore the inter-relationships between different risks and see the implications for specific operational areas

Professional services:

Maplecroft delivers tailored professional 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 emissions across a company's own operations as well as its value chain i.e. Scope 1, Scope 2 and Scope 3
- **Company rating tools:** 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.)
- **Ethical supply chains:** Our approach to ethical supply chain management is to determine and map the intrinsic risk exposure of each supplier (i.e. 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 suppliers). The latter is determined through either a questionnaire or audit approach, both of which build on relevant ethical supply chain initiatives (e.g. Sedex (the Supplier Ethical Data Exchange), Ethical Trade Initiative, Forest Stewardship Council (FCS) etc.)
- **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

- **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. The Interactive Dashboard can also contribute to reputational leadership, as well as ensuring a long-term social licence to operate, especially in high risk environments such as those found in many emerging economies
- **Investment decision-making:** Intelligence includes more than 110 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
- **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

- **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 integrated reporting for leading global brands, NGOs and even sectors (e.g. the recent IPC Postal Sector Sustainability Report 2011). 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 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: Building links between Artisanal- and Large-Scale Mining through the Gold Dialogues

On 17 October 2011, the Alliance for Responsible Mining (ARM) and Maplecroft held the first in a series of 'Gold Dialogues' at the London offices of Norton Rose Group. The aim of the Dialogues is to bring together a range of stakeholders to engage on issues around the development of ethical and traceable gold supply chains – with a particular focus on strengthening collaboration between Small-scale Mining (ASM) and Large-Scale Mining (LSM).

Over 35 participants from across business, civil society and government attended the first Dialogue. Discussions focused on:

- The risks and opportunities relating to the formalisation of ASM
- How can ASM ensure its concerns are reflected in global initiatives developed by or for large global companies?
- How can the LSM sector work with responsible ASM operators to bring ethically produced gold to market?

Through exploring ways to strengthen collaboration between ASM and LSM, the Dialogues aim to contribute to the formalisation of responsible ASM operators. Informality and the negative impacts arising from ASM are often closely related.

Such impacts can include, for example:

- Poor health and safety
- Exploitative working conditions, including incidents of child labour
- Poor environmental management
- Land degradation
- Illegal mining without relevant permissions from government

These issues, as well as limited participation in national fiscal frameworks, are furthermore linked to the political and economic exclusion of ASM communities. As a result, formalisation – including through the application of ethical value chain initiatives – can be a critical means of promoting more responsible ASM, as well as the development and socio-economic integration of responsible ASM communities.

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.

Relevant processes, systems, products and services

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

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.

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

- **Human Rights Risk Atlas 2012:** This includes interactive maps and indices for 31 human rights categories and scorecards for 197 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:** These analyse and compare major labour issues affecting countries at both national and provincial levels. The reports (25+ pages) include in-depth analysis, risk indices and trends, stakeholder viewpoints, recent events and sub-national maps of labour rights violations
- **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. 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'). Our Human Rights Risk Atlas is now in its 6th year of publication
- Continued to expand and mature our Human Resources (HR) policies and procedures under the oversight of our HR manager (recruited during the previous reporting year). During the reporting year, this included the refining of a Cyberbullying Policy
- 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. This includes our Employee Forum – a quarterly meeting to which all staff are invited in order to discuss company business and employee concerns. Health and safety briefings are 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. Health and safety is an ongoing concern and the company is up to date with its inspections and continues to be responsive to any employee issue that is raised
- Ongoing recruitment of human rights specialists, reflecting our growing body of human rights work for a range of multinational corporations and other organisations
- Continued facilitation by Professor Warhurst of working groups and meetings / webinars on human rights including trafficking, as well as the provision of relevant mapping materials and dissemination of information about sexual violence against women in public forum



- Continued to expand and improve office space to ensure the provision of a safe, healthy and enjoyable working environment as employee numbers grow. This included the provision of a covered outdoor meeting space for all employees
- Continued to award additional leave and financial rewards to employees who have (due to short-term business demands) worked significantly beyond their contracted hours

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 multi-national companies as well as other relevant organisations, in support of the 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

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>

Measurable results or outcomes

No formal complaints regarding company performance in this respect. All grievance processes are fully up to date and are reviewed regularly. The appraisal system and a system of alternate appraisers are in place to facilitate informal rising of concerns. No grievance procedures have been needed. Any informal concerns have been sensitively and correctly addressed through appropriate human resources channels.

Viewpoints of employees

"By proactively and continually reviewing and updating our human resource policies, we maintain working conditions of the highest standard as our business continues to grow. Our employees' wellbeing is of paramount importance to us."

Jacqueline Marsh, Human Resources Manage

Case study: Provision of complimentary human rights webinars

Over the course of 2012, Maplecroft provided companies and investors with the opportunity to attend a series of complimentary online webinar presentations detailing the key extra-financial risks affecting the global business environment. A number of these sessions focused on specific risk issues relating to business and human rights. This included, for example:

- Children's Rights and Business Principles – suggested approaches for responsible business: Maplecroft mapped the global growth landscape to understand the context for children and the associated due diligence implications for business. The results of this analysis were presented during the Children's Rights and Business Principles webinar. The webinar also focused in-depth on children's rights within the local context of Thailand and China, recognising key risks relating to poverty, health, education and discrimination
- Girls Discovered – introducing maps and research about the development status of girls: During the Girls Discovered webinar, Maplecroft introduced research and maps relating to the development status of girls. It was recognised that investment in girls improves society as a whole. For example, investment in primary-level schooling has been linked to increased future earnings. Key issues relating to girls, such as poverty, discrimination, access to health care and education were examined in greater depth through a 'deep-dive' case study of India. Maplecroft also provided insight into its online resource 'Girls Discovered', which provides data and maps on the development status of adolescent girls worldwide. This includes data on health and wellbeing, education, economic opportunities, chore burden and legal support
- Human Rights and Business Dilemmas Forum – Conflict Minerals: Based on a dilemma discussed through the Human Rights and Business Dilemma Forum, Maplecroft presented the question: "How do companies assure stakeholders that their products do not contain any primary commodities that are linked to the funding of conflict?" The webinar recognised that for certain 'high' risk sectors – such as electronics, vehicle manufacture and tool manufacturing – conflict minerals present a significant risk within international supply chains. Specific legal risks include non-compliance with the Dodd-Frank Act as well as UN sanctions. In addition, commercial risks include threats to reputation following NGO campaigns aimed at end-consumers. During the webinar, Maplecroft identified key resources and guidelines that provide best-practice tools to mitigate the risk of companies having conflict minerals in their value chains. In addition, a series of specific recommendations for business were proposed, including the implementation of relevant due diligence and chain of custody systems; value chain risk mapping; risk mitigation action plans; third-party auditing; reporting; and participation in relevant certification schemes

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.

Relevant processes, systems, products and services

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

Measurable results or outcomes

No formal complaints regarding company performance in this respect.

Viewpoints of employees

“Maplecroft has a unique database of indices, maps and trend analyses that assist companies in assessing their human rights risks and responsibilities across 198 countries. Our products and services enable companies to identify the risk of potential complicity in human rights abuses at an early stage, helping them to adopt appropriate mitigation strategies and fulfil their responsibilities under the UN Guiding Principles on Business and Human Rights.”

Chris Kip, Principle Analyst (Human Rights)

Case study: Exploring real-world challenges through the Human Rights and Business Dilemmas Forum

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.

During the past year, two new dilemmas have been added to the forum:

- **Working with state-owned enterprises (SOEs):** This dilemma explores the question, “How can companies successfully pursue business operations and/or joint ventures with state-owned enterprises (SOEs) in countries with poor human rights records without compromising their own human rights commitments?” In certain circumstances, working with SOEs can present foreign companies with higher risks of complicity in human rights abuses – particularly if the ‘parent’ state of that SOE itself demonstrates weak human rights performance. Through the forum, Maplecroft discusses specific actions that responsible business might take to mitigate the risk of SOE partners engaging in human rights violations – as well as the risk of association with such violations
- **Doing business in conflict-affected countries:** This dilemma explores the question, “How should a responsible company operate in conflict-affected, fragile countries and weak governance zones to ensure that its operations contribute to peace-building rather than aggravate tensions and instigate conflicts?” Through the Forum, Maplecroft discusses the role of business in conflict-affected countries and outlines suggestions for responsible businesses to mitigate complex risks posed by these operating environments. It is recognised that businesses can have either a positive or negative impact on a conflict-affected environment and (despite all intentions) are rarely able to remain neutral

These add to a range of existing human rights dilemmas already hosted on the Forum. These include, for example, dilemmas relating to child labour and forced labour, indigenous peoples, and security forces.

See: http://maplecroft.com/about/gr_presentations/

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.

Relevant processes, systems, products and services

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

- Ongoing implementation of our Labour Standards Policy (as part of our overarching Corporate Responsibility Policy)
- Ongoing provision of contact information for the Amicus trade union on our intranet
- Invitation of all employees to our quarterly 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 to incorporate their ideas and concerns into future plans

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:

- **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 the level of risk posed to business by allegations of complicity or direct involvement in violations of the rights to freedom of association and collective bargaining
- **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 six indices (child labour; forced labour; trafficking; freedom of association and collective bargaining; discrimination, and working conditions)
- **Human Rights Risk Atlas 2012:** This 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 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 quarterly 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 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
- 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 human resources manager on the implications of these changes
 - Company directors shall consult employees on a collective basis (for example through the company's quarterly 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

Business conditions, operational demands and ongoing expansion of the workforce meant that we have not had the opportunity yet to implement an anonymous broadcast employee survey. However, all employees are surveyed individually through the appraisal process now. Our appraisal forms have been modified so that all employees are given the opportunity to raise areas and issues which they believe merit improvement.

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.

Viewpoints of employees

"Senior management operate an 'open door' policy so all Maplecroft employees can always raise any potential concerns."

Anthony Skinner, Director



Ed Cole, Chief Operating Officer

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.

Relevant processes, systems, products and services

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 a Head of Human Resources (HR) to oversee the implementation of our HR policies and procedures, and 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:

- **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 six 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 2012:** This includes interactive maps and indices for 31 human rights categories and scorecards for 197 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

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

Viewpoints of employees

“The ILO estimates that 20.9 million people are victims of forced labour worldwide in 2012. Businesses found to be complicit in or associated with forced labour may experience severe reputational damage, and potentially an associated decrease in brand and shareholder value. To mitigate such risks, Maplecroft’s uses advanced mapping and research methods to help businesses identify and manage areas within their supply and distribution networks where the risk of forced labour is greatest.”

Laura Bernal, Senior Human Rights Analyst

Case study: Partnering with the UNGC to promote supply chain sustainability

During 2012, Maplecroft helped develop the Quick Self-Assessment and Learning Tool through a partnership with the United Nations Global Compact (UNGC) and the not-for-profit organisation BSR (Business for Social Responsibility). It was launched by the three organisations in June 2012 at the Rio+20 Corporate Sustainability Forum.

The Quick Self-Assessment and Learning Tool is an online platform that allows companies to evaluate their approach to supply chain sustainability and compare their practices against those of their peers. It incorporates Maplecroft's proprietary company scorecard and benchmarking tools and enables companies to:

- Identify areas of strength in relation to sustainability risk management within the supply chain
- Identify areas for improvement
- Benchmark performance against criteria developed by the UNGC Advisory Group on Supply Chain Sustainability
- Discover additional learning resources and potential partner organisations that can help mitigate supply chain risks

Maplecroft has a long history of advising leading global companies on ethical supply chain and ethical value chain management. This includes, for example, the development of human rights, child labour and other policies, supplier assessment questionnaires, country-specific risk intelligence and extra-financial risk reports, monitoring programmes and compliance systems. Maplecroft's approach to ethical supply chain management is to determine and map the intrinsic risk exposure of each supplier, taking into account factors such as sector, product type and geography. This approach provides for:

- Screening of both new and existing suppliers
- More efficient vendor selection and evaluation processes
- More robust and defensible business processes that link to stakeholder, shareholder and investor concerns
- Enhanced ability to focus on risk mitigation in high risk areas
- Enhanced understanding of supply chain risks in new markets

See: <http://supply-chain-self-assessment.unglobalcompact.org>

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.

Relevant processes, systems, products and services

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:

- **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
- **Children's Rights Reports:** These offer in-depth analysis of the risks that companies face of adversely impacting the rights and wellbeing of children. By providing an in-depth review of a country's progress towards realising children's rights, the reports also assess opportunities for the private sector to promote children's rights throughout their operations and commercial relations
- **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 six indices (child labour; forced labour; trafficking; freedom of association and collective bargaining; discrimination, and working conditions)
- **Human Rights Risk Atlas 2012:** This includes interactive maps and indices for 31 human rights categories and scorecards for 197 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

Measurable results or outcomes

No formal complaints regarding company performance in this respect.

Viewpoints of employees

“Maplecroft affirms the UNICEF principle that ‘children are everyone’s business’. The issue of child labour is complex and pervasive: ILO estimates suggest that 215 million children are engaged in child labour around the world. Our products and services assist companies in understanding their impact on children’s rights, and in identifying the risks of child labour in countries of operation and throughout supply chains. Country and sector specific reports provide in-depth analysis empowering businesses to develop appropriate risk-mitigation procedures which support the effective abolition of child labour.”

Amber Larsen, Human Rights Analyst

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
- Maintaining an environment in which individual contribution to the company's growth and success will be identified, recognised and encouraged
- 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 workforce.

Relevant processes, systems, products and services

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:

- **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 six 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
- **Women's and Girls' 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 2012:** This includes interactive maps and indices for 31 human rights categories and scorecards for 197 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

- Continued to address the challenge of discrimination through our human rights reports, indices and briefings, as well as other Global Risks Portfolio products
- Continued the ongoing monitoring of employee salaries to ensure gender parity at equivalent levels of seniority, experience and capability

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.



Alyson Warnurst, Chief Executive & James Rutherford, Associate Director

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.

Relevant processes, systems, products and services

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

During the reporting year, Maplecroft helped to develop the IPC's Postal Sector Sustainability Report 2011, with a particular focus on carbon accounting and carbon management. This builds on our development of the IPC's Postal Sector Sustainability Report 2010.

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

- **CO2 Emissions from Energy Index:** This evaluates the risk to business operating in countries which may be subject to future regulation of CO2 emissions and/or pressure from public interest groups
- **CO2 Emissions from Land Use Change 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 vulnerability of populations to extreme climate related events and changes in environmental parameters. It combines the risk of exposure with the degree of human sensitivity and the ability of the country to adapt to 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
- **Sustainable Energy Index:** The Sustainable Energy Index (SEI) can be interpreted as representing the risk of being unable to access energy from low carbon sources and/or operating, investing and lending in an energy intensive economy
- **Climate Change Risk Atlas:** This provides analysis of the key risks to business in the areas of climate change vulnerability and adaption; emissions and energy use; environmental regulation; and ecosystem services
- **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 implementation of a company policy requiring minimal printing 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
- Continued provision of recycling facilities in our communal areas so that employees can recycle glass, cardboard and plastic
- 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
- Continued planting, gardening and environmental improvement in the immediate environs of Maplecroft's offices, to the benefit of the both the company and local communities

Following careful consideration of financial and administrative factors, we have taken the decision not to implement the 'cycle to work' scheme. However, the company has invested considerably in providing facilities to house bikes safely on site and to provide showers for cyclists in order to promote a healthy and environmentally sound workplace.

Our targets for next year

- To continue the ongoing actions carried out last year and to build upon them through continuous improvement
- To reduce our paper use on a per capita basis

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 183,000 pages of paper. Of this, 100% was recycled paper. This reflects an increase compared to the previous year, which was largely as a result of our expanding business and increasing employee numbers. We have set a target to reduce our paper use on a per capita basis over the next reporting year.

Viewpoints of employees

"Maplecroft has been extremely accommodating to those like me who have taken to cycling to work every day due to the many benefits that green commuting provides. Access to a secure cycle shed provides peace of mind, and there are excellent showering facilities available."

Alex Rowntree, Risk Analyst

Case study: The Global Corporate Challenge worker health initiative

During the past year, four teams made up of a total of 28 Maplecroft employees took part in the Global Corporate Challenge (GCC) health initiative – the world's largest corporate health initiative of its kind. This built on Maplecroft's participation in the 2011 and 2010 GCC's, when four teams of seven and two teams of 14 took part respectively.

The GCC is aimed at promoting health, fitness and wellbeing – particularly within the workplace. Through the GCC, each participating employee (organised into teams of seven) is provided with a pedometer 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. To date, over 950,000 people from 3,400 organisations across 105 countries have taken part in the GCC since it was founded in 2003.

During their participation in the challenge, the four Maplecroft teams walked 41 million steps – the equivalent of 16,494 miles. This compares to 37 million steps – or 15,821 miles – achieved by Maplecroft employees last year.

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

PRINCIPLE 9: Encourage environmentally-friendly technology

Our commitment or policy

See Principle 7.

Relevant processes, systems, products and services

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

Viewpoints of employees

"Maplecroft's products and services help responsible companies assess how current and emerging environmental risks relate to their operations, whilst also informing environmental due diligence procedures and strategic decision making. These are critical deliverables for our clients, many of whom operate in challenging geographies."

James Allan, Principal Analyst (Environment)



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.

Relevant processes, systems, products and services

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 (named in the handbook), 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:

- **Corruption Risk 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
- **Governance Framework Index:** This assesses the structure for good governance based on the relative stability of institutions, respect for the rule of law, the extent of corruption, and standards of corporate governance
- **Legal and Regulatory Environment Index:** The Legal and Regulatory Environment Index (LREI) identifies and monitors for business the strategic and operational risks presented by an uneven playing field in terms of regulation and government policy, the costs associated with corruption and lack of respect for the rule of law
- **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 include analysis, stakeholder views and key events on a country-by-country basis



Our actions over the last year

- 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
- Updated our anti-bribery policy to ensure continued compliance with anti-bribery laws, rules and regulations – not just within the UK, but also in any other country within which we may carry out our business or in relation to which our business may be connected
- 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
- To further develop an Anti-Corruption practice , providing in-depth insight and analysis into country- and sector-specific corruption risks in support of clients' compliance programmes

Measurable results or outcomes

No formal complaints regarding company performance in this respect.

Viewpoints of employees

"Maplecroft's products and services help leading global companies mitigate corruption risk effectively and responsibly. This is a critical business outcome, particularly in the context of increasing investment in 'higher risk' emerging economies and potential legal penalties in companies' home jurisdictions."

Chris Dixon, Senior Risk Analyst



Jason McGeown, Head of Communications



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