



2020 SUSTAINABILITY REPORT



CONTENTS

Highlights	3-4
COO foreword & UNGC statement.....	5-6
RA International at a glance.....	7-8
Strategy update	9-11
Environment.....	12-16
Social.....	17-21
Governance	22-26
Data	27-29
UNGC CoP assessment.....	30

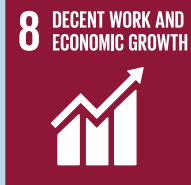


We deliver. Regardless.

HIGHLIGHTS



Local labour participation



2019: 61% local staff

2020: 55% local staff ↓

DEFINITION:

Average percentage of full-time workers employed in their country of origin over the course of a calendar year. Our aim is to maintain a high ratio of local to international staff. This aligns with our overall desire to be a responsible corporate citizen and, more specifically, with our ambition to support local communities. However, the diverse nature of our work does influence who we can hire and when, resulting in our local labour participation percentage fluctuating from year to year.

PERFORMANCE:

The reduction in average local labour participation in 2020 primarily resulted from the company successfully completing a number of construction projects during the year, while the commencement of new construction projects has been delayed as a result of the pandemic. We anticipate local labour participation to increase again in 2021.

 See page 19 for more information.



Local staff promotions



2019: 1% local staff promoted

2020: 2% local staff promoted ↑

DEFINITION:

Percentage of local staff that received a promotion within a calendar year as a result of upgraded skills following relevant training or improved skills assessment. As many of our local employees join us as unskilled, preparing them for higher positions is a commitment that involves significant effort on all sides.

PERFORMANCE:

Despite being prevented from rolling out large scale training and promotion programs due to COVID protocol restrictions, we reached our goal to promote 2% of local staff in 2020, largely as a result of reassessed skills.

 See page 19 for more information.

HIGHLIGHTS



Mogadishu carbon footprint



Scope 1* in CO2e

2019: 3,004 tonnes

2020: 3,402 tonnes ↑

Scope 3 in CO2e

2019: 7,790 tonnes

2020: 3,754 tonnes ↓



DEFINITION:

Total greenhouse gas emissions caused by our Mogadishu operations over the course of a calendar year, following the GHG Protocol. Our long-term ambition is to lower the emissions caused by our business in line with the Paris Agreement.

PERFORMANCE:

Our direct emissions (Scope 1) increased in 2020 due to the addition of a major new building and an increase in the number of residents. Our indirect emissions (Scope 3) more than halved in 2020, owing to a drop in travel and purchased construction materials. As one of our most established operational locations, Mogadishu is the first location for which we have set science-based targets to reduce our emissions.

*Our Mogadishu operations do not currently cause any Scope 2 emissions
CO2e = carbon dioxide equivalent

▶ See pages 13, 16, and 28 for more information.



Gender ratio



2019: 10% female staff

2020: 10% female staff ↔

DEFINITION:

Average percentage of full-time staff that is female, over the course of a calendar year. As an equal opportunities employer with a female CEO and a female Chair, one of our main sustainability goals is to increase the percentage of female employees within the company. Women are generally under-represented in formal employment in the countries in which we operate, especially within our industry.

PERFORMANCE:

While our 2020 annual average remains unchanged from the previous year, we have identified the actions needed to meet our target in the coming two years.

▶ See page 20 for more information.

COO FOREWORD

LARS NARFELDT

Growing the business sustainably



When RA International was founded in 2004, being a responsible company and employer was placed firmly at the heart of everything we do. In 2018, we turned these principles into a formal sustainability strategy centred around the UN Sustainable Development Goals (“UN SDGs”) to support us in delivering our objectives and measuring our progress.

Since then we have seen growing demand from our investors to publish more information on our approach and progress in environmental, social and governance (“ESG”) matters. Having always been committed to sustainable business practice, we have recognised “**growing the business sustainably**” as a key pillar of the Group’s growth strategy.

This year we have expanded our disclosure framework to highlight how our established focus areas within the UN SDGs align to the environment, social and governance structure. This report serves as our annual communication on progress, and additional background information can be found on our website. I would also encourage viewers to read this document alongside our Annual Report in order to understand our business more fully.

Although COVID has posed many challenges for us and our customers, we have continued to make investments to support our sustainability strategy and management. Among others, we have made changes to allow us to capture our sustainability data more effectively, allowing us to report on a wider range of metrics from 2021. We also took a deep dive into our carbon footprint, and set our first science-based reduction targets for our Mogadishu operations.

As formal training was significantly reduced in 2020, our efforts to develop local staff and suppliers was partially hampered. Our local labour participation, which is a key sustainability indicator for us, dropped in 2020 in part due to the Company successfully completing a number of construction projects in the year while at the same time experiencing delays on new construction starts resulting from the pandemic. Looking at our upcoming projects and their anticipated commencement dates, we expect a rise in local labour participation again in 2021.

As we take on more work with corporate clients, predominantly in the energy sector, we are often asked how we balance our sustainability goals when supporting industries that contribute to climate change.

Our position on this is clear. Until the global energy system is able to supply green energy for all, there will continue to be a demand for fossil fuels. In the meantime, we feel that it is important that our investment into countries such as Mozambique, where large natural gas reserves have been discovered, is managed in a way that benefits local communities and economies directly. For us, this means doing our part in providing opportunities for local people through fair and stable employment, while minimising our negative environmental impacts.

COO FOREWORD

Our track record of working in challenging and fast developing environments puts us in a unique position to lead by example, setting the blueprint for responsible investment going forward.

To add to this, as a matter of principle, we are committed to work with organisations whose values align with our own. Our own governance structures, and supplier and customer vetting systems ensure this, and we have on occasion declined to work with organisations that do not meet our own high standards.

In 2021, we will be reviewing our sustainability materiality assessment to ensure that our objectives continue to address our stakeholders' key concerns. The introduction of the Task Force on Climate Related Financial Disclosures reporting for larger companies from 2025, as well as reporting relating to the EU's Green Taxonomy, will only increase the focus on ESG reporting, and we welcome feedback from all our stakeholders to help us shape our thinking.

I would like to thank each and every one of my colleagues for their substantial efforts during 2020. Together, we look forward to creating more positive impact as we continue to extend our presence from the African continent to other parts of the globe.



LARS NARFELDT | COO



This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.

COMMUNICATION ON PROGRESS

STATEMENT OF CONTINUED SUPPORT FOR THE GLOBAL COMPACT

RA International became a signatory of the United Nations Global Compact in 2008. The Ten Principles closely reflect our own philosophy, standards, and values. In 2018, we deepened our commitment from the Signatory to the Participant level.

In 2020, we participated in Target Gender Equality through the UN Global Compact Kenya, a gender equality accelerator program that aims at deepening companies' implementation of the Women's Empowerment Principles, to which we are a signatory.

RA INTERNATIONAL AT A GLANCE

We are a leading remote site service provider, working for humanitarian, government, and commercial customers.

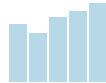
Our offer is broad. It stretches from the construction of infrastructure and remote site facilities to the management of those facilities and associated supply chain services.

2004



FOUNDED

2018



LISTED ON THE ALTERNATIVE INVESTMENT MARKET (AIM) OF THE LONDON STOCK EXCHANGE

1,658



STAFF (2020 AVERAGE)
45+ NATIONALITIES

LOCATIONS



GROUP HQ IN THE UK
OPERATIONAL HQ IN DUBAI
REGIONAL OFFICES ACROSS AFRICA

UN GLOBAL COMPACT



SIGNATORY SINCE 2008
PARTICIPANT SINCE 2018



3 MAIN SERVICE CHANNELS



INTEGRATED FACILITIES MANAGEMENT



CONSTRUCTION



SUPPLY CHAIN

RA INTERNATIONAL AT A GLANCE

SUSTAINABILITY OVER THE YEARS



“Since we formalised our approach in 2018, we have accelerated our activities and set ambitious environmental and social targets. We are making changes to our work practices and introducing innovative technologies and methodologies that enable sustainable growth. In short, we understand that sustainability is a journey – one that we are excited to have embarked upon.”

VERA KARMEBÄCK | SUSTAINABILITY MANAGER

RA International is founded in Afghanistan supporting projects across the country, creating a positive impact on local communities through employment, skills transfer and development – setting the foundation for RA's DNA

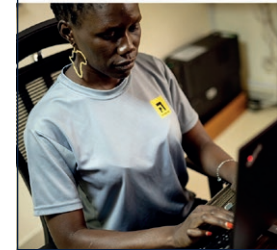
Sustainability strategy formalised
Started measuring our carbon footprint

RA's first science-based carbon reduction targets are set.
Read more on page 16 ▶

RA's first solar panels installed.
Read more on page 15 ▶



Goal to reach 15% women at RA and 6% of local staff promoted since 2019



Areas of operation become focused increasingly on the African continent

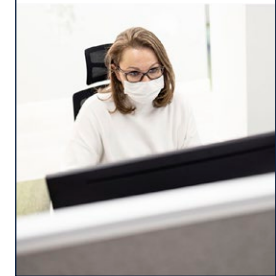
We carry out community engagement projects in all locations where we operate. For a full list of our past initiatives, visit our website ▶



Pilot projects, baselines and first target setting

Presence is extended beyond the African continent to other parts of the globe

Materiality assessment refresh



Goal to achieve Mogadishu carbon footprint reduction targets and align business with Paris Agreement

STRATEGY UPDATE

FRAMING OUR KEY RESPONSIBILITIES

The success of RA International comes from making the right decisions, and operating responsibly and sustainably. It is deeply embedded in our culture and our operating procedures to think about the environmental, social and financial impacts of the decisions we make.

Our approach is encapsulated in our purpose:

“To deliver immediate results and lasting change.”

Reporting to the Board, the COO leads the Company’s strategy on sustainability. In setting it, we identify what matters most to our stakeholders, and use their feedback to identify our material topics. We then link our material topics to the UN Sustainable Development Goals (“UN SDGs”) to provide a framework for the basis for our reporting, and to illustrate the part we are playing in the world’s shared plan to end extreme poverty, reduce inequality, and protect the planet by 2030.



STRATEGY UPDATE

MATERIAL TOPICS

ENVIRONMENT

RESOURCE MANAGEMENT

Why it matters

There is no escaping the serious supply and logistical challenges of operating in remote and underdeveloped parts of the world. By focusing on whole life project costs and showcasing our success stories, we want to demonstrate that companies in our industry can be competitive and profitable at the same time as operating sustainably.

Material topics:

Our Focus SDGs

ENERGY: By 2030, double the global rate of improvement in energy efficiency. (SDG 7.3)



Other Relevant SDGs

WATER: Increase water-use efficiency. (SDG 6.4)



WASTE: Reduce waste generation through prevention, reduction, recycling, and reuse. (SDG 12.5)



RESOURCES: Achieve the sustainable management and efficient use of natural resources. (SDG 12.2)

CLIMATE: Take urgent action to combat climate change. (SDG 13)



▶ Read more on pages 12-16

SOCIAL

PEOPLE & SKILLS DEVELOPMENT

Why it matters

We are acutely aware of the impact direct employment, skills transfer and the creation of opportunities can have on a community's wellbeing and the economy in general. By employing and upskilling local people, we leave a lasting impact on the communities and local economies in which we operate.

Material topics:

Our Focus SDGs

SKILLS: Increase the number of youth and adults who have relevant skills. (SDG 4.4)



Other Relevant SDGs

INCLUSION: Promote the social, economic, and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion, or economic status. (SDG 10.2)



COMMUNITY: Encourage the formalisation and growth of micro-, small-, and medium-sized enterprises. (SDG 8.3)



▶ Read more on pages 17-21

GOVERNANCE

LABOUR RIGHTS

Why it matters

We firmly believe that all our employees have the right to decent work, in a safe and secure environment. In order to carry out our work, it is essential that we comply with relevant laws and regulations, treat people with respect, and behave with integrity as well as sensitivity to local cultures.

Material topics:

Our Focus SDGs

FAIR LABOUR: Protect labour rights and promote safe and secure working environments for all workers. (SDG 8.8)



Other Relevant SDGs

FAIR LABOUR: Eradicate forced labour, end modern slavery and human trafficking. (SDG 8.7)



ETHICS: Reduce corruption and bribery in all their forms. (SDG 16.5)



▶ Read more on pages 22-26

STRATEGY UPDATE

MATERIAL TOPICS

REASSESSING OUR STRATEGY IN 2021

Our sustainability strategy is reviewed annually and has withstood the test of time since it was formalised in 2018. We have set key targets that we aim to achieve over the coming years and have evolved our reporting structure to reflect the recent developments in environmental, social and governance reporting, whilst maintaining our three established focus areas.

In 2021, we plan a comprehensive materiality assessment review involving our stakeholders, where we will also identify the potential risk impact of each material topic before and after mitigating actions are taken.

The Governance section of this report provides an overview of our risk management system and identified sustainability risks, as well as how we engage with our stakeholders, see pages 24-26 [▶](#). Further details can also be found in our Annual Report [▶](#).

CAPTURING METRICS

As of 2021, we are beginning to track an expanded set of metrics across the company. While these metrics have previously been tracked by individual teams in each location, we have throughout 2020 worked on implementing a company-wide approach that will enable us to track the metrics in a uniform manner across our operations. These insights will assist us in governing and managing our material issues internally, as well as in setting ambitious and impactful targets in the years to come.

This new set of metrics was inspired by the World Economic Forum's white paper on 'Measuring Stakeholder Capitalism', an attempt to define a set of common metrics based on the existing reporting frameworks. The metrics have further been cross-referenced with the GRI standards.



“At RA, we have the opportunity to enhance the wellbeing of thousands of people while delivering the highest level of service to our customers.

Our approach to sustainability is led by a clear understanding of our material issues, robust data gathering processes, ambitious target-setting and, most importantly, a vision to create long-term value for our business, our clients, our employees and the local communities in which we operate.”

A handwritten signature in black ink, appearing to read 'Soraya Narfeldt', enclosed in a simple oval shape.

SORAYA NARFELDT | CEO

ENVIRONMENT

MINIMISING ENVIRONMENTAL IMPACT

Our overarching ambition is to carry out our projects in the most sustainable manner possible, through holistic operating procedures designed to improve our operational efficiency while reducing both environmental impacts and costs.

Managing resources

RA's environmental management system is certified to ISO 14001:2015 international framework.



ENVIRONMENT



CARBON FOOTPRINT

At RA we are learning first-hand that reducing our carbon footprint affects our bottom line positively. Managing our resources efficiently goes hand-in-hand with reducing costs and our environmental impact.

Since 2018, we have measured the carbon footprint of selected locations with the help of UK-based environmental consulting firm Green Element, following the GHG Protocol - the world's most widely used greenhouse gas accounting standards. Due to the rapid development of our company and the dynamic environments in which we operate, our strategy is to look at a cross section of representative locations from which we can gauge our overall carbon footprint.

RESULTS

Most of our greenhouse gas emissions continue to be Scope 3 (indirect emissions) that occur in our value chain, such as food and drink, air travel, and metal, concrete and cement used in construction. Our single heaviest carbon hotspot is fuel for electricity generation, Scope 1 (direct emissions). For more details on our 2019 and 2020 results, see pages 28 and 29 [▶](#).

REDUCING OUR CARBON FOOTPRINT

We are constantly looking at ways to reduce our carbon footprint. We continue to adapt the menus across our kitchens to have a reduced carbon impact, and are implementing innovative building techniques to reduce the use of concrete, cement and metal. We recycle construction materials wherever possible. A good illustration of this approach from 2020 is our completion of an extensive runway repair at a remote location in East Africa, where we applied an innovative method of re-using the old tarmac that resulted in a substantially lower carbon footprint as well as a more durable end result. The acceleration of remote working practises due to COVID has further shown how we can work effectively with less international travel, and therefore

we have halved our business travel budget for 2021.

CATEGORIES OF GREENHOUSE GAS EMISSIONS

	GHG Protocol corporate standard	RA examples
SCOPE 1	All direct emissions from owned or controlled sources	Fuel used for diesel generators
SCOPE 2	Indirect emissions from the generation of purchased energy	Electricity purchased for our Dubai office
SCOPE 3	All indirect emissions (not included in Scope 2) that occur in the value chain, including both upstream and downstream emissions	Food and drink, air travel, construction materials, electrical equipment

ENVIRONMENT



ENERGY EFFICIENCY

Given that we often work in locations with no reliable electricity supply, we frequently have to generate our own power for lighting, climate control, pumps and electrical equipment. For that, we largely rely on diesel generators and as such, it is no surprise that fuel for electricity generation continues to be our main carbon hotspot. Looking at how we produce power and how it is consumed, we have three main goals in the area of energy:

- to improve energy efficiency,
- to increase the percentage of energy generated from renewable sources, and
- to foster behaviour that reduces the use of energy in the first place.

This is being achieved through initiatives such as air conditioning upgrades, the expanded use of solar water heaters, continuous staff training in how to handle and maintain equipment, and investments into renewable energy, which involve a long-term strategic commitment.

Where diesel powered generators remain a necessity, RA's policy is to use multiple smaller generators that synchronise automatically with power demand, supplying only what is needed and thereby reducing diesel consumption.



WATER MANAGEMENT

As many of the areas we work in are arid or semi-arid, water-use efficiency is a material issue to our business.

Where we have no reliable mains water supply, we need to draw water from boreholes. We use water for kitchens, laundry, showers and toilets, for our staff as well as our clients. We also use water for construction purposes as well as for irrigation, but here we try to use treated grey water as much as possible. We follow strict operating procedures and only use WHO approved chemicals across our operations. All our sewage water is treated and whatever is not being recycled is drained into soakaways at no risk to the environment.

Our goals in the area of water management are:

- to improve water-use efficiency,
- to increase the percentage of water recycled, and
- to foster behaviour that reduces the use of water in the first place.

This is being achieved through upgrades of our water and sanitation facilities as well as initiatives to increase awareness and change behaviours around water usage among staff, clients and guests.



WASTE MANAGEMENT

There are often no straightforward waste disposal systems when operating in remote locations. We carry out extensive research on how to safely dispose of waste, while addressing the factors that generate waste in the first place. By minimising the amount of waste we produce we also reduce costs and our carbon footprint.

Our goals are:

- to reduce waste generation, and
- to increase the amount of waste composted and recycled.

Main initiatives in the area of waste include the reduction of single-use plastics across our operations, the building of composting systems alongside larger kitchens, as well as investments into a new system that allows for a close to paperless interaction with our suppliers, which has led to a drastic cut in the amount of paper waste generated company-wide.

OUR ENVIRONMENT STRATEGY IN ACTION

Pilot projects in Mogadishu

Before adopting a sustainable innovation, we first model the financial and operational investment any new initiative would require against the potential benefits it may bring. If it passes these initial tests, we will then conduct a pilot project to verify our modelling in the field, before deciding to deploy the initiative to other locations, or across the whole company. Many of our pilot projects are conducted in Mogadishu, our most established camp, where around 40% of our staff are based, and where we have strong data sets against which we can measure improvements.

With so many new sustainable options available, this methodical approach ensures that we adopt only the most efficient and effective sustainable technologies and innovations for our operating environments. It also reduces the risk of potential costly mistakes of rolling out initiatives that, on balance, do not deliver fully on the perceived benefits they might bring.



ENERGY

In November 2020, we successfully commissioned our first set of solar panels on one of our new buildings.

10 tonnes

of CO2e emissions avoided monthly



WATER

In September 2020, we completed our comprehensive water and sanitation (“WATSAN”) facilities upgrades. The upgrades were started in 2018 and have enabled us to create a reliable and sustainable water management system across our two Mogadishu camps. Thanks to these upgrades, we now recycle on average 16% of our treated wastewater. For more details, see page 29 [▶](#).

16% wastewater recycled



WASTE

As part of our WATSAN upgrades, our staff and clients in Mogadishu have been able to drink water straight from the tap since February 2020.

15,000 plastic bottles
= 5 tonnes CO2e
emissions saved monthly



Throughout 2020, we began replacing single-use plastics with reusable or biodegradable alternatives at our Mogadishu restaurant Nibble & Nosh. We compost all kitchen waste from Nibble & Nosh as well as our staff and client canteens, and use the resulting compost for landscaping purposes throughout our compounds.



OUR ENVIRONMENT STRATEGY IN ACTION

Setting science-based targets for Mogadishu

We have set science-based targets to reduce the carbon emissions caused by our Mogadishu operations. Using 2020 as a baseline year, our goal is to reduce our Scope 1 emissions by 21% by 2025 and our Scope 3 emissions by 2% per resident per year. Our Scope 1 target is compliant with the Science Based Targets initiative (“SBTi”) absolute contraction approach and our Scope 3 target is aligned with the SBTi approach for intensity reduction targets.

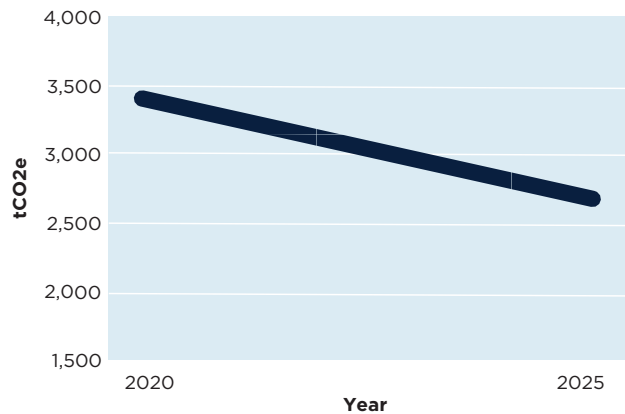
We are putting in place robust strategies to achieve these targets, which include choosing more energy efficient alternatives when equipment needs replacing, reviewing our menus and improving monitoring of electrical consumption to identify areas with potential for saving energy.

This is our first science-based target setting. As strong baselines become available for other locations, our goal is to continue aligning our business with a 1.5°C future.

What are science-based targets?

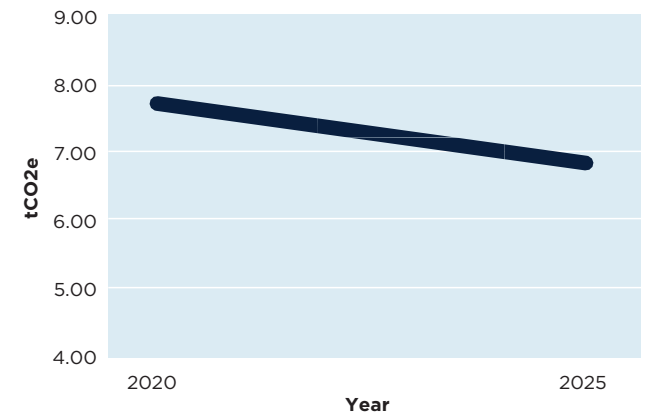
Science-based targets are transparent emission targets that are informed by independent climate science. They ensure that a company’s emissions are in line with the goals of the Paris Agreement - to limit global warming to 1.5°C above pre-industrial levels.

SCOPE 1 - ABSOLUTE EMISSIONS*



	Base year (2020)	Target year (2025)	Reduction
Scope 1 emissions tCO2e	3,402	2,688	21%

SCOPE 3 - EMISSIONS PER RESIDENT**



	Base year (2020)	Target year (2025)	Reduction
Scope 3 tCO2e per resident	7.72	6.95	10%

tCO2e = tonnes of carbon dioxide equivalent

* Our Mogadishu operations do not currently cause any Scope 2 emissions

** Our Scope 3 intensity metric includes the indirect emissions from goods purchased in order to carry out the activities within our compounds, most notably emissions from food and drink and construction materials. For more details on what is included in our Scope 3 intensity metric, see page 28

“While a huge amount of planning and investment is going into identifying and realising potential carbon savings, we see science-based targets as a framework for driving innovation and competitiveness, and are confident of the positive impacts this will bring to our bottom line.”

VERA KARMEBÄCK | SUSTAINABILITY MANAGER

SOCIAL

SUPPORTING OUR PEOPLE AND LOCAL COMMUNITIES

We are acutely aware that we rely on the local communities in and around the sites where we operate. Fostering strong relationships with local communities based on goodwill and trust is not only the right thing to do, it also provides us with our license to operate and makes business sense.

People first



SOCIAL

EMPLOYING LOCAL PEOPLE

We look to recruit as many local people as we can, providing job and skills development opportunities in locations where unemployment rates are often high. Combined with large household sizes, this results in high economic dependency ratios. Our recent research shows that for every person we employ, their salary will support on average four dependants. As such, the salaries we pay and the local suppliers we support make a significant contribution to the local economies and the communities as a whole.

OUR RESPONSE TO COVID

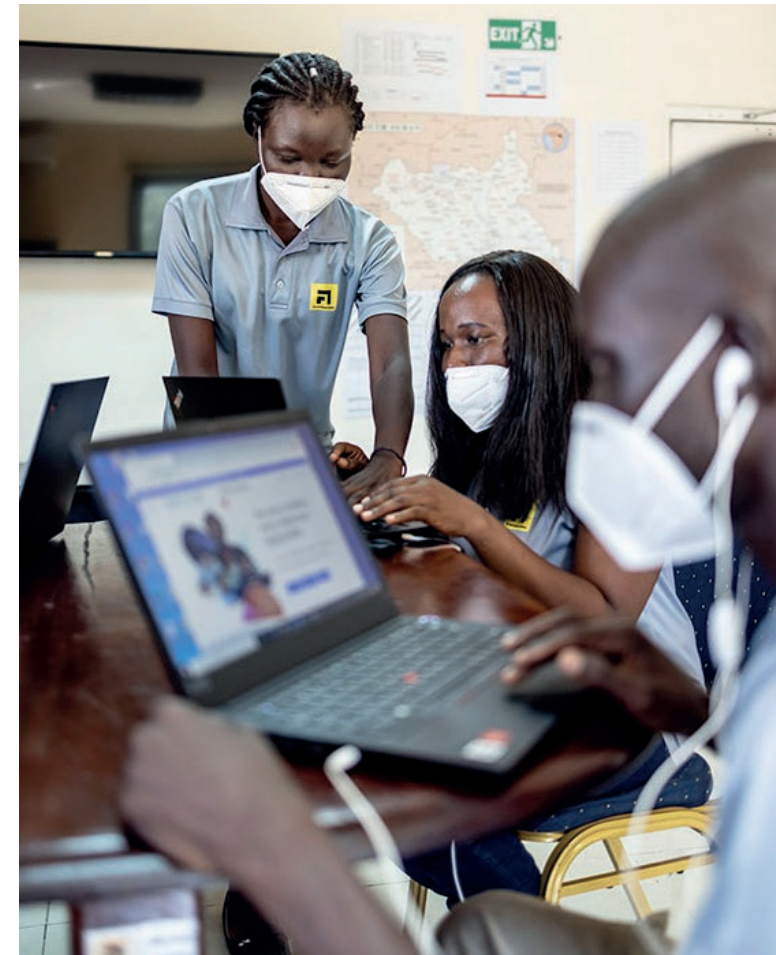
2020 was an unusual year for all. At RA, we are proud of our 'People First' approach to the pandemic, which meant that we made the health, safety and continuous employment of our staff a priority, and continued paying salaries to staff unable to return to work due to travel restrictions or compound lockdowns.

WE ARE AN EQUAL OPPORTUNITIES EMPLOYER

At RA, we foster a culture of employee empowerment, invest in the skills and development of our staff, and are committed to equality of opportunity irrespective of gender, disability, age, race, colour, nationality, sexual orientation, religion or personal beliefs.

Our staff come from all over the world. We currently employ people with more than 45 nationalities. Many of our staff have been with us for years, building valuable knowledge and experience within the company. Their loyalty is a huge asset and we do not take it for granted.

In 2019, we carried out a large-scale employee survey that helped us identify the direction of our labour strategy for 2020. Our intention was to carry out another employee survey in 2020 to ensure that the actions we were taking were addressing our staff's feedback, and to identify any new areas where we could make improvements. Due to the disruptions caused by COVID, this survey is now due to take place in 2021 or Q1 2022.



SOCIAL

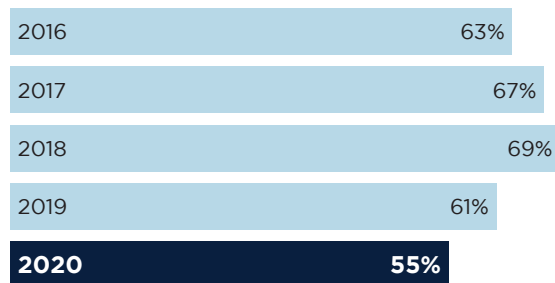


PEOPLE & SKILLS DEVELOPMENT

Our aim is to maintain a high ratio of local to international staff. This aligns with our overall desire to be a responsible corporate citizen and, more specifically, with our ambition to support local communities.

From the outset, we recognised the value of hiring and developing local talent. Over the past 16 years, we have steadily built up the necessary structures to implement this approach, from country to country and project to project.

However, the diverse nature of our work does influence who we can hire and when, resulting in our local labour participation fluctuating from year to year.



There are many factors that contributed to the reduction in our average local labour participation in 2020, however the primary reason is that we successfully concluded several contracts in East and Central Africa which hosted large local workforces. We also experienced customer driven delays in commencing new contracts as a result of the pandemic. Looking at our upcoming projects, we expect a rise in local labour participation again in 2021.

In parallel to local labour participation, how we treat our staff and what growth opportunities we can offer is equally as important. In 2019, we set a goal to promote 2% of our local workforce each year over a 3-year period. Since many of our local employees join RA as unskilled or semi-skilled workers, preparing them for higher positions is a big commitment involving significant time and effort on all sides.

Despite being prevented from rolling out many of the formal training and promotion programs for our local staff due to COVID protocol restrictions, we reached our goal to promote 2% of local staff in 2020, largely as a result of reassessed skills and representing 37% of total promotions across the company. We further identified the actions needed in order to continue meeting our target in the coming two years, in which we expect our local labour participation to rise again:

- develop skills assessment programmes,
- develop local staff training programs that will add value to current and future projects,
- introduce mentoring programs where applicable to transfer skills, and
- cultivate links and partnerships with local and international universities and training centres to set up recruitment options and/or training activities for local staff.

	2019 BASELINE	2020	GOAL
Promotions of local staff as a result of upgraded and/or reassessed skills	1%	2%	6% of local workforce promoted over three years in 2020, 2021, and 2022 (= 2% per year)

SOCIAL



GENDER

As an equal opportunities employer with a **female CEO and a female Chair**, one of our main sustainability goals is to increase the percentage of female employees within the Company.

We accept that RA is unlikely to achieve gender parity given the cultures and industries we work in. However, our growth in existing markets and expansion into new territories provide us with an exciting opportunity to improve on our gender ratio. Further details of our gender ratio by country can be found on page 27 [▶](#). This highlights how cultural differences can affect the percentage of women we are able to recruit in each country.

Our three-year target is to increase the percentage of women in RA's workforce to 15% in 2022, up from 10% in 2019.

While our 2020 annual average still stands at 10% women, we have made some important strides this year:

- We proactively seek and hire female applicants, especially for roles traditionally held by men.
- We ran a workshop involving all key personnel where we identified perceived and cultural barriers that prevent more women from joining

our workforce. These barriers vary from country to country, so each country team has initiated their own action plan to overcome the challenges.

- We recognised the need to encourage the proportion of female applicants for professional roles within our organisation. To address this, we increased our female follower base on LinkedIn to 25% in 2020, up from 16% in 2019.
- We participated in Target Gender Equality, a gender equality accelerator program by the UN Global Compact that aims at deepening companies' implementation of the Women's Empowerment Principles, to which we are a signatory.

With this strong foundation, we continue to be confident that we will be able to achieve our ambitious target of 15% women by the end of 2022. Beyond 2022, our intention is to analyse and set targets for gender on seniority levels within the company as well.

	2019 BASELINE	2020	GOAL
Percentage of female employees	10%	10%	15% by 2022



In 2020, we sought to hire local women to senior roles traditionally held by men, where there were vacancies. This included the appointment of female new hires as Camp Supervisors, Logistics Supervisors, Site Engineers and Assistant Site Supervisors in South Sudan and Mozambique.

“My favourite thing about RA is the multicultural and dynamic environment, and the trust we have in each other. We are a united team.”

DEISY PINTO | SITE ENGINEER, MOZAMBIQUE

SOCIAL



HEALTH AND SAFETY

As a company that operates in remote, challenging and often conflict-prone locations, ensuring the health and safety of our staff is of paramount importance. COVID has brought this into even greater focus, and our operational approach to managing the pandemic has been centred around the physical wellbeing of our people, and their morale and mental wellbeing.

RA's health and safety management system is certified to ISO 45001:2018 international framework and our food safety management system to ISO 22000:2018. For more details on how we manage health and safety at RA, see our Annual Report [▶](#)

DEVELOPING LOCAL SUPPLIERS

One of the ways in which we help support local communities and economies is by purchasing goods and services from local suppliers whenever possible. Local sourcing often helps us to lower our costs and reduce our carbon footprint. Due to lockdowns and other uncertainties caused by COVID, we did not have the opportunity to make as much progress as set out for in 2020, however working with local suppliers remains a key priority for us for 2021 and beyond.



COMMUNITY

What we can. Where we are.

In addition to offering job opportunities to local people, we provide support to meet the needs of the communities where we work. Our approach is determined by local considerations and events, hence the nature of our support can vary widely between locations. Here are a few examples from 2020:

Flood relief

In November 2020, large areas of South Sudan were submerged in floods. We provided financial relief to affected staff to help them relocate their families to camps for internally displaced people.

Orphanage

Since early 2017, we have supported an orphanage in Bangui which is home to more than 40 children with monthly food donations, settling of utility bills and manpower to upgrade the facilities.

Eid al-Fitr donations

We made substantial food donations to our Somali staff and their families to celebrate Eid al-Fitr.

Elisabeth Mandaba

We continued to support our team member and Olympic athlete Elisabeth Mandaba, to act as a role model for young women in Central African Republic and help her put her country on the sporting map.

HAART Kenya

In 2020, we supported our long term partners HAART Kenya with design drawings for a proposed shelter for victims of human trafficking in Nairobi.

GOVERNANCE

Reporting to the Board, Lars Narfeldt, the COO, leads the Company's strategy on sustainability, specifically relating to environmental and social issues. The Executive Management Team ("EMT") and the Board collectively have overall responsibility and accountability for sustainability. The EMT is charged with reviewing progress on sustainability matters with reports forming part of Board discussions, where progress on strategy and any issues or concerns are raised.

In addition, the EMT has a weekly call and quarterly formal meetings in which sustainability is incorporated as a key part of the agenda.

The Company has a dedicated sustainability manager based in Kenya, reporting to the EMT and supported by field staff.

In 2018, the Company established its sustainability strategy with the help of sustainability experts One Stone Advisors.

This strategy has provided the foundation for setting the Company's sustainability goals, establishing processes for collecting data to measure outcomes, and managing sustainability risks as part of the corporate risk management process. The sustainability strategy is reviewed annually. In 2021, a comprehensive materiality assessment review will be undertaken involving the Company's stakeholders. The exercise will also be used to review key sustainability risks.

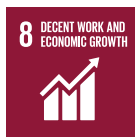
The Governance framework for the Company's activities is set by the Board, adhering to the Quoted Companies Alliance Corporate Governance Code 2018 (QCA Code). In addition, the Company complies with internationally recognised management systems for quality (ISO 9001:2015), environment (ISO 14001:2015), food safety (ISO 22000:2018) and occupational health and safety (ISO 45001:2018).

These systems help us improve our performance by specifying repeatable steps to create a culture of self-evaluation, correction and improvement of operations and processes through heightened employee awareness, and management leadership and commitment. Our ISO certification body, RIR Certifications, is accredited by International Accreditation Service (IAS).

Our framework



GOVERNANCE



HOW WE MANAGE SUSTAINABILITY AT RA

- Dedicated sustainability manager
- Virtual sustainability workshops involving key personnel (min. once annually)
- Annual review of sustainability strategy, with a substantial review of materiality assessment involving stakeholders every three years
- Sustainability update in each EMT and Board meeting
- Regular internal communication on sustainability progress distributed via internal e-newsletters and notice boards

POLICIES

We are committed to work with organisations whose values align with our own. The Group has a set of widely available policies covering different aspects of its approach to sustainability and responsibility. These policies apply to the Company's employees, service providers and suppliers, as well as clients and visitors to the Company's sites.

To ensure that all our employees are clear about the behavioural standards we expect of them, we run a mandatory induction program for new hires as well as regular, company-wide awareness-raising workshops to explain our company policies. These are held in both English and local languages, to ensure everyone is included and has an opportunity to ask questions.

We carefully select our suppliers and clients, and look to work with organisations that align with our own ethical values. All suppliers are required to adhere to our Supplier Code of Conduct which includes compliance with local and international laws, and a zero tolerance on slavery, human trafficking, child labour, and bribery and corruption both upstream and downstream.

In 2020 we began to require potential suppliers to disclose information relating to their own policies and sustainability practices as part of any tender processes. Consideration is given to suppliers' own environmental, social and governance policies and practices when awarding contracts, and we encourage suppliers to put more resources into measuring and reporting progress.



“We always consider the impact our decisions can make on the environment, our communities and financial performance. Our corporate culture is based on sound ethical values and behaviours, and is embedded deeply throughout RA International.”

SANGITA SHAH | CHAIR

CULTURE AND COMPLIANCE

The Company works respectfully and with integrity, building trust and goodwill with its employees, clients, suppliers, partners, and local governments and communities. In order to ensure compliance to its policies and work practises, the Company has in place important control procedures, including training, regular on-site visits, inspections by senior management and frequent communication with local management.

Any incident of non-compliance with our Codes of Conduct or ethical values, by employees, suppliers or clients is investigated with appropriate responses and sanctions taken, including termination of employment and/or contract.

GOVERNANCE

RISK MANAGEMENT

RA's risk register is maintained by the inhouse Legal Officer and changes in risk and mitigating actions are discussed regularly at Executive Management Team meetings. The Audit Committee considers the Group's risks at scheduled meetings (minimum three times per year), and ensures the Group's risks are properly understood, quantified and appropriately managed by the Board.

Risks relating to RA's sustainability activities, their potential impact on the Company's operations, strategy, and reputation are integrated within the Group's Corporate Risk Management System.

The most significant sustainability risk to RA relates to human activity, such as human rights and labour rights, culture diversity challenges and environmental impact within the organisation, as well as upstream and downstream. Any incident could lead to penalties and fines, reduction of team work efficiency and ability to conduct business in its areas of operations, which could have significant consequences to the reputation of the business.

More detail on the Group's Risk Management System along with principal identified risks and mitigating actions can be found in the Annual Report [▶](#).

EMPLOYMENT AND REMUNERATION

The Company provides stable employment and work opportunities to local unskilled or semi-skilled labourers. Pay packages are competitive and typically well above the local average. Employment is offered within a framework of legal, health, and safety provisions that aligns with international best practice.

Remuneration packages for skilled workers and management level are partly weighted towards performance, with pay linked to the delivery of the Company's strategic targets. They are designed to ensure decisions are made in the Company's best long-term interests, including operating sustainably. Full details of the Group's Remuneration Report can be found in the Annual Report [▶](#).

ETHICAL CONDUCT, LEGAL AND HUMAN RIGHTS

At RA, we firmly believe that all our employees have the right to decent work in a safe and secure environment. This belief is enshrined in our Code of Conduct and company policies, which reflect our stand against harassment, discrimination, human trafficking, and our zero tolerance of bribery and corruption. All policy documents relating to employees and their rights are made available to staff in their primary working languages.



WHISTLE BLOWER CHANNEL

Regular communications and posters displayed around our sites serve to encourage people to raise concerns or report any malpractice they observe using our anonymous whistle blower channel. The channel is operated by a third party and provides the opportunity for employees to raise concerns 24 hours a day. Investigation of the allegations is overseen by the acting Compliance Manager, along with the support of HR, the Executive Management Team as well as relevant Line Management. In 2020, we received five cases through the system. We review all reports received, and take appropriate action in line with our Group policies. In addition, our employee surveys also give employees an opportunity to raise concerns independently and anonymously. See page 18 for more details [▶](#).

Further information can be found on our website [▶](#).

GOVERNANCE

Engaging with our stakeholders

We engage regularly and actively with our stakeholders so that we make the right decisions to ensure the continuing success of the Company.

In setting our sustainability strategy in 2018, we undertook a stakeholder analysis to identify the material sustainability topics that matter to them. Once identified we assessed the potential risk and impact that these material topics might have on our business, and put in place mitigating actions to reduce, limit or manage the risk.

More detail on how we engage with our stakeholders and how we respond to their key concerns can be found in the Annual Report under our Section 172 statement.



CUSTOMERS

Our customers are made up of UN organisations, NGOs, western Governments and large commercial businesses predominantly working in the natural resource sectors.

KEY CONCERNS:

- Delivery of projects on time and within budget
- Rapid mobilisation
- Working with organisations whose goals and values are aligned to their own
- Upholding ABC, labour and human rights
- Close working relationships based on trust and quality of delivery
- Health and safety



EMPLOYEES

In 2020, we employed on average 1,658 staff with more than 45 nationalities.

KEY CONCERNS:

- Stable and long-term employment
- Competitive pay and employee benefits
- Training, development and career prospects
- Working conditions
- Labour rights
- Human rights
- Health and safety
- Diversity and inclusion

GOVERNANCE

Engaging with our stakeholders



LOCAL GOVERNMENTS AND COMMUNITIES

We operate side by side with local communities, often being a main source of employment and support to local services and institutions.

KEY CONCERNS:

- Regulatory compliance
- Employment opportunities
- Human rights
- Community investment and support, including educational opportunities, sanitation and health care
- Health and safety
- Protection and enhancement of the environment
- Commitment towards net-zero carbon



INVESTORS

Our major shareholders are listed in our Annual Report [▶](#) and on our website [▶](#).

KEY CONCERNS:

- Financial performance and investor returns through capital gain and/or dividend
- High standards of corporate governance
- Ethical behaviour, including commitment to work with organisations whose values align with our own
- Awareness of strategy and potential risks
- Strong management of material ESG risks and opportunities



SUPPLIERS AND PARTNERS

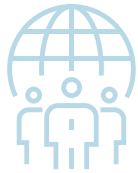
Our suppliers and partnerships consist of international organisations as well as local suppliers and organisations, meeting our needs on the ground and supporting us in delivering our objectives.

KEY CONCERNS:

- Prompt payment of invoices
- Working conditions
- Regular day to day communication by the management team
- Health and safety
- Working towards shared sustainability goals

DATA

Staff



1,658

TOTAL STAFF

the average number of full-time workers employed in the company over the course of 2020.

909 (55%)

LOCAL STAFF

the average number of full-time workers employed in their country of origin over the course of 2020.

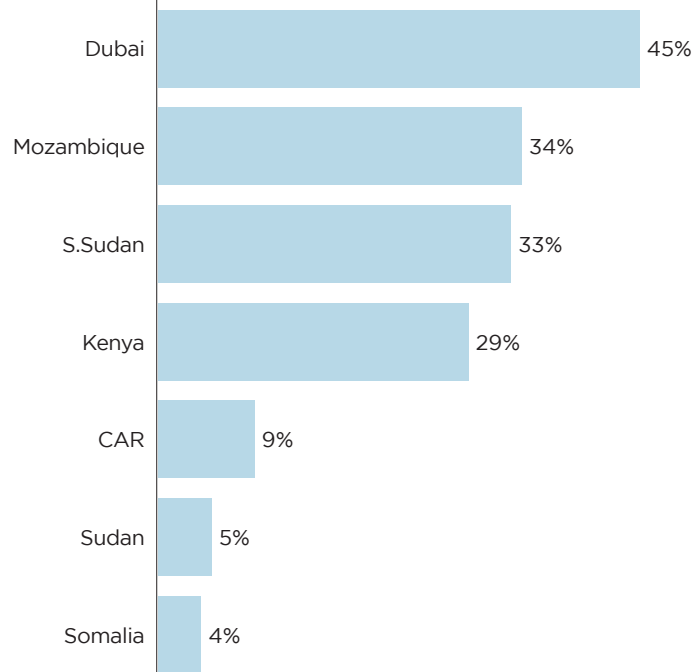
166 (10%)

FEMALE STAFF

the average number of full-time female workers employed in the company over the course of 2020.

FEMALE STAFF BY TERRITORY 2020 AVERAGES

The following table shows the average percentage of full-time female staff in 2020 for countries where we have more than 10 employees.



Carbon footprint



RESULTS PER LOCATION

In this report, we are presenting 2019 and 2020 results. In both years, we focused on a small number of representative and permanent locations. In 2021, we are planning to calculate the carbon footprint of an increased number of sites.



MOGADISHU

From 2019, we changed the scope to only include the activities that happen within our own compounds. Previously, we had also included work carried out on client compounds. This change in boundary largely accounts for the drop in emissions from 2018 to 2019. The increase in Scope 1 emissions from 2019 to 2020 can be explained by an increase in the number of residents and the addition of a large building. This building was constructed throughout 2019 (its construction materials making up a large part of 2019 Scope 3 emissions) and completed in 2020.

The decrease in Scope 3 emissions in 2020 can be explained by several factors:

- a reduction in travel due to the pandemic,
- a reduction in purchased construction materials (concrete, cement and metal), and
- the switch from bottled water to treated tap water in February 2020 directly led to a reduction of 56 tonnes emissions from bottled water in 2020 compared to 2019.

SCOPE 3 TARGET SETTING:

Our Scope 3 intensity metric includes the indirect emissions from goods purchased in order to maintain our Mogadishu compounds and carry out activities within them, including but not exclusive to:

- Food and drink
- Construction materials
- Chemicals and chemical products
- Textiles
- Electrical equipment
- Paper and stationery

While included within our overall Scope 3 calculations, we have excluded air travel for leave from our Scope 3 target as it is important to us that we maintain current leave travel arrangements for international staff. Air travel for business is included in the target.

MOGADISHU COMPOUND EMISSIONS IN TCO2E

	Scope 1	Scope 2	Scope 3	Total	Average number of residents	Intensity (tCO ₂ e/resident)
2018	2,913	-	13,703	16,616	370	44.9
2019	3,004	-	7,790	10,794	377	28.6
2020	3,402	-	3,754	7,156	454	15.8

DATA

Carbon footprint



DUBAI OFFICE EMISSIONS IN TCO2E

	Scope 1	Scope 2	Scope 3	Total	Average number of staff	Intensity (tCO ₂ e/ staff)
2018	-	91	430	521	46	11.3
2019	7	64	404	475	51	9.3
2020	5	54	164	223	53	4.2

The decrease in Scope 3 emissions in 2020 is largely a result of a drop in business travel due to the pandemic.

Water



TOTAL WATER CONSUMED AND WATER RECYCLED - MOGADISHU*

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Total water withdrawn and consumed (M3)	3,781	3,784	3,800	3,547	3,501	3,511	3,428	3,482	3,501	3,503	3,504	3,510	42,852
Total water recycled (M3)									290**	566	542	560	1,958
% of water recycled									8%**	16%	15%	16%	

*All our wastewater is treated and drained to soakaway at no risk to the environment

**Meters to track recycled water were installed mid-September

UN Global Compact CoP assessment

This report serves as our annual Communication on Progress (CoP) and describes our actions to continually improve the integration of the compact and its principles into our business strategy, culture, and day to day operations.

HUMAN RIGHTS	ACTIONS IN 2020
<p>Principle 1 Businesses should support and respect the protection of internationally proclaimed human rights.</p>	<p>Our position on human rights is made clear through our company policies, on which we provide regular training.</p> <p>All our employees are made aware of their rights, and we have mechanisms in place to ensure any shortcomings can be reported anonymously and dealt with effectively.</p> <p>For more information, see pages 23 and 24 ▶</p>
<p>Principle 2 Make sure that they are not complicit in human rights abuses.</p>	
LABOUR	ACTIONS IN 2020
<p>Principle 3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.</p>	<p>During 2020, RA continued to offer employment within a framework of legal, health, and safety provisions that aligns with international best practice, as set out by the International Labour Organisation (“ILO”).</p> <p>We responded to the COVID pandemic with a ‘People First’ approach, which meant that we made the health, safety and continuous employment of our staff a priority, and continued paying salaries to local and international staff unable to return to work.</p> <p>Our stance against child and forced labour, as well as our zero-tolerance approach to discrimination, are made clear in our company policies on which we provide regular training. Our company policies also detail our commitment to equality of opportunity in employment irrespective of gender, disability, age, race, colour, nationality, sexual orientation, religion or personal beliefs. Our staff come from all over the world. We currently employ people with more than 45 nationalities.</p> <p>For more information, see pages 18 and 23 ▶</p>
<p>Principle 4 The elimination of all forms of forced and compulsory labour.</p>	
<p>Principle 5 The effective abolition of child labour.</p>	
<p>Principle 6 The elimination of discrimination in respect of employment and occupation.</p>	
ENVIRONMENT	ACTIONS IN 2020
<p>Principle 7 Businesses should support a precautionary approach to environmental challenges.</p>	<p>Our long-term ambition is to lower the carbon footprint caused by our business in line with the Paris Agreement. In 2020, we set our first science-based carbon reduction targets for our Mogadishu operations. We also commissioned our first majority solar-powered site, which will serve as a reference case for future projects. We continued to pilot innovative technologies to reduce water and power consumption.</p> <p>For more information, see pages 12-16 ▶</p>
<p>Principle 8 Undertake initiatives to promote greater environmental responsibility.</p>	
<p>Principle 9 Encourage the development and diffusion of environmentally friendly technologies.</p>	
ANTI-CORRUPTION	ACTIONS IN 2020
<p>Principle 10 Businesses should work against corruption in all its forms, including extortion and bribery.</p>	<p>We continued to reinforce our zero-tolerance stance on bribery and corruption through policy training and supply chain engagements, and by encouraging RA staff and suppliers to report any misconduct via our independent whistleblower channel.</p> <p>For more information, see pages 23 and 24 ▶</p>

We deliver. Regardless.

