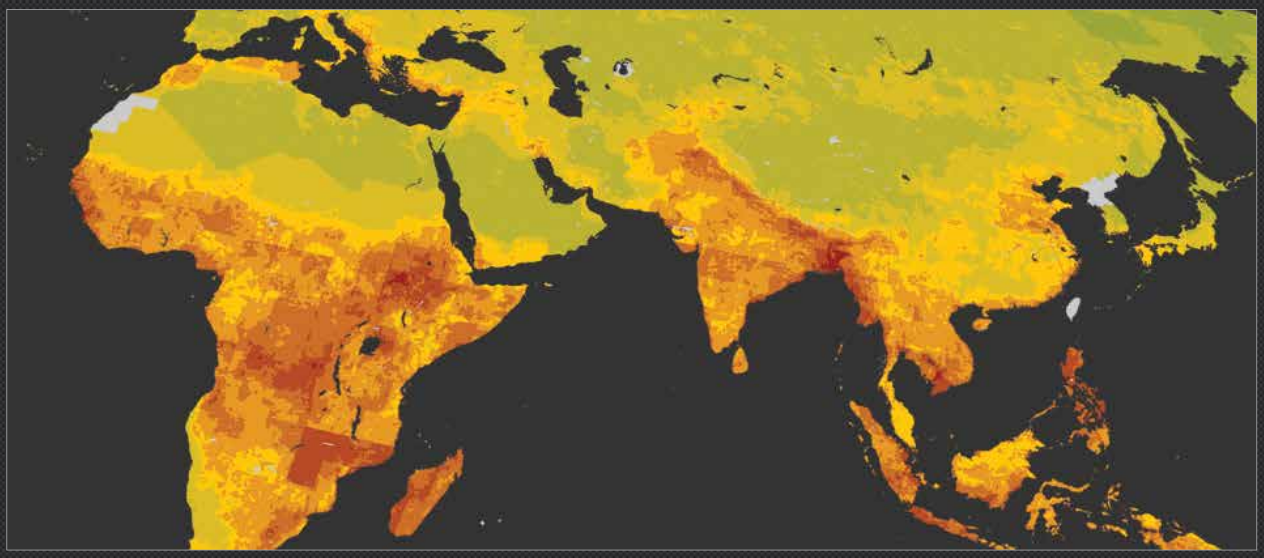
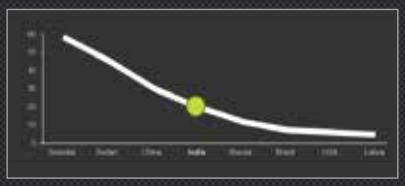
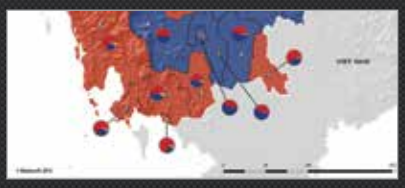
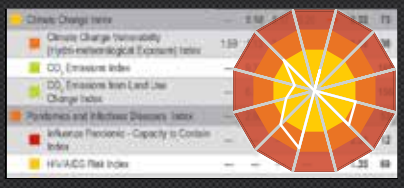
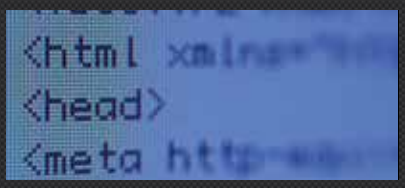
OUR COMMUNICATION ON PROGRESS TO
THE UNITED NATIONS GLOBAL COMPACT











OCTOBER 2013

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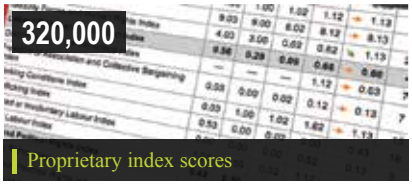
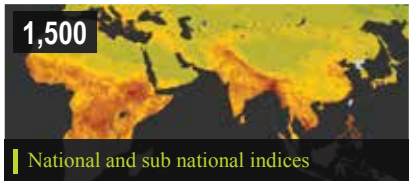
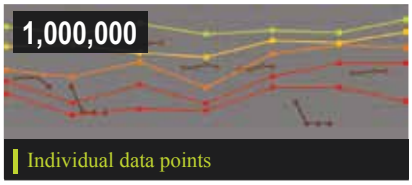
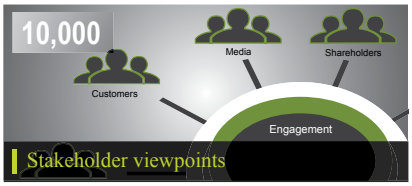
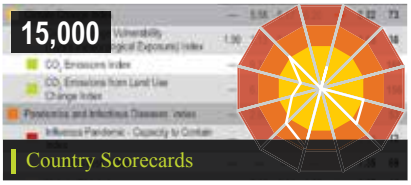
Global Risk Analytics

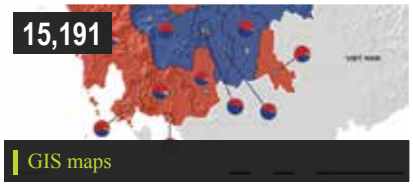


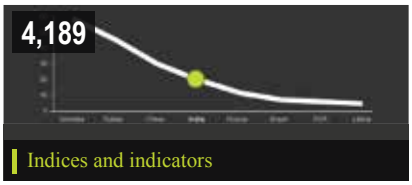












About Maplecroft

Who we are

Maplecroft is the leading global risk analytics, research and strategic forecasting company. We offer an unparalleled portfolio of risk indices, interactive maps, expert country risk analysis, risk calculators, scorecards and dashboards. These technological solutions identify emerging trends, business opportunities and risks to investments and supply chains worldwide.

Maplecroft's advisory team work with clients to deliver effective and sustainable extra-financial risk management solutions and performance. This includes the development of corporate strategy and planning, award-winning integrated and sustainability reporting, supply chain risk assessment, human rights due diligence, in-field research and engagement.

For full details of Maplecroft's production and services, *please see page 32*

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Background Information

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Maplecroft

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Fax no.
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Web address
www.maplecroft.com

Submission date
5 October 2013

Membership date
11 February 2005

Number of employees
102 employees

Sector
Professional, Scientific and Technical Services

Contact name
Gus MacFarlane

Contact position
Director

Statement of support

Maplecroft's support for the UN Global Compact continues to be most acutely demonstrated through the close alignment of our products and services with the 10 Principles. Our innovative tools and meticulous research enable multinational companies, financial institutions, governments and NGOs to manage risks in a responsible way.

Additionally, Maplecroft is committed to sharing its research and analysis widely, to raise awareness of human rights, environmental protection and good governance, and to educate people in addressing associated risks responsibly. Where both practical and beneficial, we therefore make certain products and services available to NGOs and international organisations on a subsidised basis.

Furthermore, we take our own commitment to the Principles seriously. As Maplecroft continues to rapidly expand and as we move into the next phase of growth, we look forward to providing many more benefits for employees, for example, through the support of professional development. Futhermore, Maplecroft is committed to taking increasing responsibility for our environmental impacts and we have therefore defined new environmental targets. Other ongoing examples of how we put the 10 Principles of the UN Global Compact into practice include:

- Our ongoing partnership with the UN Global Compact to design, build and manage the Human Rights and Business Dilemmas Forum, with funding from the GE Foundation. Maplecroft charges heavily discounted fees for this research. *http://human-rights.unglobalcompact.org/*
- Discounted development of the Girls Discovered website for the UN Foundation, Nike Foundation and the Coalition for Adolescent Girls *www.girlsdiscovered.org*
- Publication of a series of reports for the UN Children's Fund (UNICEF) on the responsibilities of business to protect children's rights and promote development across key sectors in key growth economies
- Membership of the Board of Transparency International (UK) (Professor Alyson Warhurst)
- Participation in the UN Global Compact working group on Responsible Business in Conflict-Affected and High-Risk Areas
- Publication of the Global Risks Forecast and daily analysis on the human rights landscape
- Provision of heavily subsidised access to selected Global Risks Portfolio products to a number of schools, universities, international organisations and NGOs. Examples include the UK's Department for International Development (DFID), UNICEF, the UN Office for the Coordination of Humanitarian Affairs (UNOCHA), Plan UK and World Vision
- Discounted provision of mapping materials and/or services to the World Economic Forum and the North Star Foundation
- Continued provision of free public access to a selection of Maplecroft maps and analysis
- Contribution to thought-leadership and research dissemination about business and human rights, as well as the status of children and girls in development, through non-chargeable speaking engagements. This includes conferences organised by the Dallas Committee on Foreign Relations (DCFR), Eurofinance, Poptech and the Federation of European Risk Management Associations (FERMA)

As we continue to build and expand our business over the next year, we will ensure ongoing support for the Principles, both within our own operations and through the products and services we provide to our clients. This document provides an overview of some of the initiatives we have been engaged in over the past year that we believe are actively contributing to the aims and interests of the UN Global Compact.

Professor Alyson Warhurst
Chief Executive and founder

Photograph source: New World Resources

Case study - Subsidised products and services for the not-for-profit community

Over the past year, Maplecroft has provided a range of products and services to NGOs and international organisations on a subsidised basis.

Examples include the following:

- **DFID:** Partially discounted rates for the development of the DFID Humanitarian Risk Register. The DFID Humanitarian Risk Register quantifies individual countries' relative exposure to natural and human-induced hazards, as well as their vulnerability and adaptive capacity. Stresses and shocks that may undermine humanitarian conditions can be identified through the monitoring of trends across country risk indices
- **Nike Foundation:** Subsidised mapping and data generation, and the provision of website maintenance and updates. The Girls Discovered website 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 *www.girlsdiscovered.org*
- **Plan UK:** Free bespoke GIS maps relating to female unemployment, female adolescent secondary school attendance and female adolescent educational achievement
- **UNICEF:** Subsidised 'bronze' subscription to all our atlases, indices and maps and development of children's reports for key countries
- **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
- **Quick Self-Assessment Learning Tool:** The tool was developed by the UN Global Compact, BSR and Maplecroft and includes use of the Maplecroft interactive and "live" company scorecard and benchmarking functionality. Aimed at assisting companies to check quickly and anonymously their supply chain sustainability strategy against suggested global guidance, and to identify both strengths and areas for improvement *http://supply-chain-self-assessment.unglobalcompact.org/*
- **UN Global Compact:** As mentioned above - development of a partnership with the UN Global Compact to design, build and manage the Human Rights and Business Dilemmas Forum - with funding from the GE Foundation. Maplecroft charges heavily discounted fees for this research *http://human-rights.unglobalcompact.org/*

In addition 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. The Directors have a general process of matching employee donations via sponsored activities including sponsered walks, swims and bike rides.

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). The policy outlines Maplecroft's commitment to supporting and protecting internationally proclaimed human rights and the company's commitment to ensuring that its organisation, employees, suppliers and customers are not complicit in human rights abuses
- Employee Handbook, which includes guidance on our commitment to the Global Compact with respect to the protection of human rights. Specific areas covered in the handbook include remuneration, health and safety, collective bargaining, formal performance reviews and career progression

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 help investors 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 and societal risk 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' on page 32), Maplecroft delivers the following relevant products:

- **Human Rights Risk Atlas:** 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, Human Rights Risk Reports, and Societal Risk Reports:** Human Rights Risk Briefings (3-10 pages), in-depth Human Rights Risk reports (25+ pages), and in-depth Societal Risk Reports (35+ pages) are available for all countries and include expert analysis, country scores, sector details, stakeholder viewpoints and key recent events, plus GIS-derived sub-national and regional maps. The Societal Risk reports evaluate, in addition to traditional political and human rights compliance risks, the key issues, trends and drivers that represent strategic societal risks and opportunities to companies investing in conflict –affected or high risk geographies. The reports provide a contextual assessment of political risks, legal and regulatory developments, conflict and security issues, environmental factors and societal risk through the lens of human rights and sustainable development
- **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 Due Diligence Dashboard:** Launched in March 2013, Maplecroft's Human Rights Due Diligence Dashboard is an interactive online tool, which provides company-specific analysis of global human rights risk exposure. The interactive tool builds on Maplecroft's extensive portfolio of human rights risk indices and country analysis with insight into different sectors, location in the value chain, nature of entity etc. to generate a custom risk assessment score and risk mitigation recommendation. This is supplemented by entity scorecards and interactive maps that facilitate horizon scanning, scenario planning and trend analysis
- **Human rights performance tracking:** Maplecroft provides a cost-effective first-layer of risk-based performance tracking that can efficiently filter and compare global operations. Electronic human rights surveys can also be applied at company operations to assess risk management proficiency

- **Human rights impact assessment:** These assessments – which are carried out in line with the UN Guiding Principles on Business and Human Rights – focus on assessing clients' actual and potential human rights impacts. By assessing the impacts of client's own activities, those of their business partners and the nature of their operating contexts, we directly support their broader human rights due diligence processes
- **Ethical Supply Chain Risk Calculators:** These evaluate and map the intrinsic risk exposure of each supplier (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)
- **Human rights policy development:** 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
- **Human rights management systems development:**
  Key elements include:
  - Development of integrated, risk-driven human rights management systems based on continuous improvement – including procedures, action plans and accountability frameworks
  - Development and/or delivery of scenario-based, interactive human rights training
  - Alignment with existing policy requirements, enterprise risk management systems, environmental and social impact assessment (ESIA) processes, etc.
  - Development of auditing processes, including internal audit triggers and the administration of third-party auditing
- **Remediating human rights breaches:** Maplecroft provides services in the design and implementation of grievance mechanisms – including appropriate verification, case-tracking and constructive response measures. This extends to consider the application of grievance mechanisms at both corporate-level (e.g. confidential 'whistle-blower' facilities) and site-level (e.g. safe and locally appropriate grievance channels), as well as effective measurement / communication of performance using coherent, robust and quantified methodologies
- **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 Recent Events:** Maplecroft holds a repository of stakeholder viewpoints and key events relating to human rights incidents around the world

Viewpoints of **employees**

"Maplecroft's Human Rights and Societal Risk team analyses the overarching human rights and societal issues that are of critical importance to responsible businesses. Maplecroft provides insight into the drivers and trends of societal issues to support companies in both understanding the complexity of relevant risks and in determining appropriate mitigation measures to ensure that human rights are respected and supported throughout operations and supply chains."

Lizabeth Campbell, Associate Director, Head of Human Rights and Societal Risk Team

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' *on page 32*). For example, in March 2013, we launched the Human Rights Due Diligence Dashboard, while five years of data is now available within our Human Rights Risk Atlas
- Continued to expand and mature our Human Resources (HR) policies and procedures under the oversight of our HR manager. This has included improvements to the recruitment process, the expansion of the new starters induction pack, the implementation of an access control system and associated updates to the fire and emergency procedure
- 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 regular 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 and child labour, as well as the provision of relevant mapping materials and dissemination of information about issues affecting adolescent girls
- Continued expansion and improvement of office space to ensure the provision of a safe, healthy and enjoyable working environment as employee numbers grow. This included the construction of additional office space
- Continued awarding of additional leave and financial rewards to employees who have (due to short-term business demands) worked on occasions beyond their contracted hours. Additionally, all employees were granted an additional day of leave in 2012 in recognition of their hard work as well as an end of financial year bonus
- Launching of an employee suggestions webpage via the Maplecroft intranet, providing a forum for employee feedback. Employees are also invited to attend a weekly informal afternoon tea to promote discussions and interactions between different teams. In addition, employees are invited to share their experiences of working at Maplecroft via our careers webpage to ensure prospective candidates receive good insight into working at Maplecroft *http://maplecroft.com/about/careers/*

- Weekly lunch time seminar series to cover training and awareness building (including lunch)
- Directors have provided ongoing support for employees engaged in charitable initiatives
- Maplecroft is active in the local community, providing (for example) work experience and internships for students from local universities. Maplecroft also ensures that areas surrounding our site are safe, benefitting both our employees and local communities. In January 2013, this involved the clearing of snow from surrounding roads
- Provided professional development opportunities for our employees, including a programme of lunchtime seminars where employees can share expertise

Our targets for next year

- To expand and enhance our human rights products and services and to make them available to a growing number of multinational companies as well as other relevant organisations, in support of the UN's "Protect, Respect and Remedy" policy framework.[1]
  http://www.reports-and-materials.org/Ruggie-report-7-Apr-2008.pdf
- To continue to ensure Maplecroft promotes the respect of human rights within its own workplace through ongoing monitoring of our human rights performance
- To continue in our attempts to strengthen our human rights relationships with international businesses and organisations

Measurable results or outcomes

- No formal complaints regarding company performance in this respect. All grievance procedures are fully up to date and are reviewed regularly. In 2013, Maplecroft established an employee suggestions webpage via the Maplecroft intranet. No grievance procedures have been needed. Any informal concerns have been sensitively and correctly addressed through appropriate human resources channels
- Increasing numbers of employees have shared their positive experiences of working at Maplecroft via our careers webpage

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

Case study - Human Rights Due Diligence Practice

Maplecroft's Human Rights Due Diligence Practice has been established to help companies navigate the UN's 'Protect, Respect and Remedy' Framework and integrate the associated Guiding Principles on Business and Human Rights into their operating processes. Maplecroft has developed a six-step process that enables clients to embed well-structured management systems based on continuous improvement. The steps cover:

- **Step 1:** Development and enhancement of human rights policies – key elements include dedicated human rights policies and codes of conduct and/or integration of key human rights provisions into existing documentation. Additionally, Maplecroft undertakes gap analysis of policies and procedures against leading international and sector best practices
- **Step 2:** Impact assessment – key elements include the identification, assessment and prioritisation of both potential and actual impacts and involves the use of our indices, reports, geo-tagged risk mapping, internal and external engagement and detailed fieldwork
- **Step 3:** Development and enhancement of management systems – this may involve the development and/or delivery of scenario-based, interactive human rights training, as well as the development of auditing processes such as internal audit triggers and the administration of third-party auditing
- **Step 4:** Tracking of human rights performance – Maplecroft's Human Rights Due Diligence Dashboard provides a tool for risk-based performance tracking that can efficiently filter and compare global operations, identifying specific sites that need more resource-intensive focus
- **Step 5:** Human rights reporting – Maplecroft provides guidance around the effective, sensitive and responsible reporting of human rights performance to every level of stakeholder, from investors through to affected individuals and communities
- **Step 6:** Remediation through grievance mechanisms and engagement – key elements include the design and implementation of grievance mechanisms, including appropriate verification, case-tracking and constructive response measures. Additionally, Maplecroft can engage with affected parties (and interested stakeholders) on verified human rights challenges to forge mutually-acceptable solutions and remediation measures

The delivery of these six steps is supported by products such as Maplecroft's Human Rights Risk Atlas, which includes 31 Human Rights Risk Indices, national and sub-national human rights risk mapping, Human and Labour Rights Country Risk Briefings and Reports, Human Rights Quarterly Monitors and the Human Rights Due Diligence Dashboard.

Launched in March 2013, the Human Rights Due Diligence Dashboard enables multinational companies to assess, prioritise, monitor and manage those areas of their value chain where the risk of human rights violations, or complicity in them, is highest. The interactive tool builds on Maplecroft's extensive portfolio of human rights risk indices and country analysis to generate a custom risk assessment score and risk mitigation recommendation, taking into account different sectors, locations of the value chain and the nature of entity.

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 complaints whatsoever regarding company performance in this respect.

Viewpoints of **employees**

"For multinational companies, the risk of complicity in human rights abuses is highly relevant to supply chain operations, which are often highly complex. Maplecroft's responsible sourcing services support companies in managing associated operational, regulatory and reputational risks by helping to identify high risk suppliers and develop a more targeted responsible sourcing strategy."

Charlotte Lawes, Responsible Supply Chain Analyst

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 UN Global Compact, and is funded by the General Electric (GE) Foundation.

Developments over the past year include:

- Increased the number of registered members to 12,850
- Enhanced the technical functionality of the Forum through the addition of an interactive map that enables users to search for dilemmas and case studies by geographical location and/or by theme
- Integration of an new online survey through which members can give their preferred response to dilemma scenarios, provide details as to why they gave such a response and to access the collective results
- Integration of additional corporate case studies
- Updating, editing and enhancement of existing content
- Facilitation of discussions on the related online forum

The human rights dilemmas hosted on the Forum cover a range of themes such as child labour, conflict minerals, indigenous people's rights, corruption and security forces. The dilemmas are supported by good practice case studies, which provide an insight into the specific challenges that multinational companies have faced and subsequent management responses.

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 Unite trade union on our intranet
- Invitation of all employees to our regular 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 are 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' *on page 32*), 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. It is comprised of six indices (child labour; forced labour; trafficking; freedom of association and collective bargaining; discrimination, and working conditions)
- **Human Rights Risk Atlas:** This includes freedom of association and collective bargaining, and provides country rankings, country scorecards and interactive global maps that 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
- **Country risk 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

Viewpoints of **employees**

"In developing new products and services we strive to make full use of the skills, experience and knowledge of all Maplecroft employees from junior to very senior levels. All employees are encouraged to develop innovative ideas and are supported in implementing them within the business. This approach both empowers and engages our workforce, while also providing greater value to our clients."

James Allan, Associate Director, Head of Environment and Climate Change Team

Our actions over the last year

- Continued to hold regular Employee Forum meetings and to encourage genuine dialogue with and between all of our employees, including directors. Additionally, Maplecroft hosts a weekly informal afternoon tea, providing a further opportunity for interaction between employees across the company
- 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 request employee feedback through the appraisal process on both the positive aspects of working form Maplecroft and areas that could be improved
- Established an employee suggestions webpage via the Maplecroft intranet, which provides a forum employee feedback

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 complaints whatsoever regarding company performance in this respect.

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' *on page 32*), 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. It is 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

Viewpoints of **employees**

"Increasingly, businesses are at extreme risk of complicity in forced labour. As supply chains become ever more globalised and complex, multiple tiers of suppliers expose companies to serious risks of complicity in human rights violations. Maplecroft's Forced Labour and Human Trafficking Indices and our extensive range of analytical reports allow companies to identify countries where the risk of such abuses is high, in turn facilitating the assessment and mitigation of risks within their operations and supply chains."

Liz Kebby-Jones,
Human Rights and Societal Risk Analyst

- **Human Rights Risk Atlas:** 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
- Demonstrated thought leadership through the broadcast of a webinar on human trafficking and forced labour

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 complaints whatsoever regarding company performance in this respect

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' *on page 32*), 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 and Business Country 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. It is comprised of six indices (child labour; forced labour; trafficking; freedom of association and collective bargaining; discrimination, and working conditions)

Viewpoints of **employees**

"Maplecroft's products enable companies to identify the risk of child labour in particular countries and sectors and also to gain an insight into the root causes of the problem. With this knowledge, companies are better placed to ensure that production and supply chains are free from child labour. Companies are also in a better position to engage with local stakeholders to develop programmes that address the social and economic factors that lead to child labour in the first place."

John Thompson,
Senior Human Rights
and Societal Risk Analyst

- **Human Rights Risk Atlas:** 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 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
- **Country risk 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
- Demonstrated thought leadership in this area through webinars on children's rights and business principles

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 complaints whatsoever regarding company performance in this respect.

Case study - Children's Rights and Business Country Reports

Building on the UN Global Compact, Save the Children and UNICEF's Children's Rights and Business Principles, Maplecroft has produced the 'Children's Rights and Business Country Reports'. The reports are designed to assist companies in developing long-term, effective and sustainable business strategies that take account of the rights of children, by providing analysis of their situation in the local country context.

The reports integrate a country's governance context and business environment with the ten Children's Rights and Business Principles, thus providing an overview of the risks and implications for business. The analysis highlights children's vulnerabilities across the spectrum of the business environment. Importantly, the analysis evaluates the business environment using a child-sensitive approach in line with the principles and, as such, identifies issues that may negatively affect the healthy survival, wellbeing and development of children.

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

Viewpoints of **employees**

"As experts in global risk mapping, we work in multiple sectors across the globe. Similarly, our workforce is made up of individuals from over 15 countries. This diversity has built us into the vibrant company we are today, and means we benefit from a multi-cultural society at Maplecroft."

Jacqueline Marsh, Human Resources Manager

In our products and services

In addition to our general products and services (see 'Maplecroft products and services' *on page 32*), 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. It is 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:** 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 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
- **Country risk 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 complaints whatsoever regarding company performance in this respect.

PRINCIPLE 7&8:

PRECAUTIONARY APPROACH TO ENVIRONMENTAL CHALLENGES AND 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). The policy outlines Maplecroft's commitment to continually improve our performance, for example, by managing processes to avoid or minimise waste, minimising our use of energy, and minimising unnecessary travel
- 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 2012, with a particular focus on carbon accounting and carbon management. This builds on our development of previous sustainability reports for IPC in 2010 and 2011. *http://sustainability.ipc.be/*

In addition to our general products and services (see 'Maplecroft products and services' *on page 32*), Maplecroft also delivers the following relevant products:

- **Country risk 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
- **Commodity analysis:** Commodity specific reports and briefings allow clients to understand environmental risks associated with sourcing commodities from different geographies
- **Natural Hazard Updates:** Maplecroft monitors natural hazard events on a weekly basis, enabling companies to identify risks to operations, investments and assets across the globe. Details of these events can be viewed through interactive maps, providing Maplecroft's clients with up-to-date information on natural hazard risks such as drought and flooding
- **Humanitarian Risk Briefings:** Each briefing provides analysis of a country's ability to cope with the stresses of disasters, including natural disasters such as floods, drought and major seismic events. Additionally, the briefings consider the extent of existing humanitarian aid intervention, and the scope of media coverage on humanitarian issues in each country. These briefings have covered some of the world's most disaster prone countries, including Chad, DR Congo, Myanmar, Nigeria, Pakistan, Somalia, South Sudan, Sudan and Yemen
- **Sub-national Natural Hazard Reports:** Maplecroft has released hazard reports that focus on risks to business operations and investments at the sub-national level, including by region or city. The reports identify differentiation of risk across a region or city, identifying patterns of hazard across multiple categories to support strategic business continuity decision-making. Natural hazard risks covered include flooding, seismic activity and landslides
- **CO_2 Emissions Index:** This evaluates the risk to business operating in countries which may be subject to future regulation of CO_2 emissions and/or pressure from public interest groups
- **CO_2 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
- **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

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 to reduce our paper use on a per capita basis
- To develop an understanding of baseline energy use with a view to implementing a strategy for reducing energy use
- To improve existing recycling systems

Measurable results or outcomes

Maplecroft is continuing to record its paper use to assess future improvements in consumption. Over the last year, the company purchased 146,000 pages of paper. Of this, 100% was recycled paper. This reflects a reduction in both absolute and per capita paper use over the past year. Over the next year we will continue to monitor paper use and have set a target to reduce our paper use on a per capita basis over the next reporting year.

Case study - Commodity analysis

During 2013, Maplecroft supported a multinational food and beverage company in identifying key risk areas within its supply chain through the delivery of a series of commodity risk briefings. The briefings evaluated environmental and social risks associated with the sourcing of agricultural commodities, covering key risk areas such as water stress, child labour and poor working conditions. By combining quantitative and qualitative analysis, the briefings provided a tool for identifying key risk commodities and geographies.

Maplecroft's country risk indices were weighted according to a commodity's unique risk profile, providing a quantitative score for the sourcing of a commodity from a particular country. The commodity risk briefings also provided an overview of the value chain, as well as an explanation of the country-specific commodity scores. Commodity risk briefings are supported by additional in-depth commodity and country risk reports.

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**

"As natural hazard threats evolve with the emerging implications of climate change, Maplecroft's extensive expertise in environmental and climate change risk analysis assists clients in identifying their exposure within wider operating and investments contexts. This enables multinational companies to integrate location-specific climate change adaptation and mitigation strategies, risk reduction approaches, and environmental responsibility measures into their operations to increase resilience whilst maintaining sustainable practices."

Olivia Dobson,
Principal Analyst

Case study - Supporting responsible sourcing through thought-leadership

On 12 and 13 December 2012, Maplecroft's Head of Environment and Climate Change attended a stakeholder meeting hosted by the University of California, Davis. The meeting formed part of the University's Sustainable Sourcing of Global Agricultural Raw Materials project. Participation in this stakeholder meeting demonstrates how Maplecroft is supporting the UN Global Compact principles through its commitment to thought-leadership.

Stakeholders from a wide range of backgrounds, including companies, government and NGOs, were brought together to discuss challenges relating to the sustainable production of food within agricultural supply chains and approaches to address these challenges. A key output of the meeting was the identification of six goals for agricultural sustainability. These included food, water and nutrition security and the preservation of biodiversity.

Attendance by Maplecroft was considered important as part of our active engagement in emerging developments within the responsible sourcing sector. For example, the meeting provided an opportunity to develop our understanding of different stakeholder perspectives and inform discussion in these areas. Such engagement is highly relevant to the ongoing development of Maplecroft's product and services, particularly our tools which enable companies to develop and implement responsible sourcing strategies. *http://asi.ucdavis.edu/research/ss*

PRINCIPLE 10:

ENCOURAGE 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:
  - Ensure 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
  - Enable 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
  - Provide suitable and secure reporting and communication channels and ensuring that any information that is reported is properly and effectively dealt with
  - Create and maintain 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' *on page 32*), 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
- **Corruption Risk Dashboard:** Maplecroft launched a new, interactive Corruption Risk Dashboard in June 2013. The Corruption Risk Dashboard utilises Maplecroft's risk calculator technology to deliver a cost-effective programme for managing third party corruption risk. The Corruption Risk Dashboard enables clients to:
  - Map the inherent corruption risk exposure of each third party based on country, sector and brand proximity
  - Prioritise mitigation strategies for more effective compliance with local and transnational laws
  - Track self-assessment, audit and other risk management processes and upload supporting information
  - Overlay third party locations on global maps of corruption risk for geospatial analysis of risk exposure
  - Track risk management steps and findings
- **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

- Launched the Corruption Risk Dashboard, an interactive online tool, allowing companies to manage anti-bribery compliance
- 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
- 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 complaints whatsoever regarding company performance in this respect.

Viewpoints of **employees**

"Maplecroft works with leading organisations to develop and implement effective approaches to managing anti-corruption compliance. In June 2013, we launched our Corruption Risk Dashboard, an interactive online tool which enables users to map corruption risk, prioritise mitigation strategies and monitor management responses."

Gus Macfarlane, Director

Case study - Provision of complementary corruption risk webinars

Maplecroft's complementary online webinar series aims to build awareness of the political, governance, social, humanitarian and environmental risks impacting the global business environment. During 2013, the series included four webinars on corruption, focusing on the identification of high risk operating environments and the management of third party risks. Maplecroft analysts provided an overview of research findings relating to corruption risk, discussed the implications for business and recommended actions for multinational companies to address these risks. Specifically, the webinars:

- Evaluated findings of the Corruption Risk Index 2013, a ranking of 197 countries according to the relative risk to business from bribery and corruption
- Presented an in-depth analysis of how corruption manifests itself in selected countries. Promising economic performance in China and India, for example, is attracting increasing investment; however, long-term growth potential is tempered by widespread corruption
- Outlined some of the practices companies can put in place to mitigate against the risk of corruption when operating in these locations
- Identified high risk activities and sectors, as well as 'red flags' for identifying corrupt activity
- Considered corruption as a human rights dilemma, for example, through the potential for corruption to constrain the social benefits of development

Products and services

A key element of our support for the 10 Principles of the UN Global Compact is the provision of products and services that aim to help global organisations understand, map, analyse and manage global risks and take responsible decisions. For example, our resources provide horizon scanning solutions, enabling the identification, monitoring, forecast and mitigation of extra-financial risks. 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, including climate change, water, biodiversity and natural hazards
- Governance risks, including corruption, corporate governance and rule of law
- Our quantitative indices and qualitative analysis cover every country in the world, taking the form of:
  - Off-the-shelf and tailored reports - these focus on countries, sectors, issues, commodities, stakeholders and companies
  - A portfolio of 200 risk indices (including 1500 sub-indices) and scorecards
  - GIS maps - these help clients visualise risk and present detail at a regional, national and sub-national level
  - Interactive tools, including risk dashboards, sector and sovereign risk calculators and interactive maps
  - Best-practice policies
  - Award-winning sustainability and social responsibility reports

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, food and beverage 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. Our products provide an insight into environmental, social and political risks within clients' direct operations, global supply chains and distribution networks. Here are a few examples:
  - Country focus: Our in-depth country risk reports allow multinational companies to understand the risks associated with investing in new markets and to monitor risks in existing markets
  - Commodity focus: We provide commodity specific reports, allowing clients to understand the operational and reputational risks associated with sourcing commodities from different geographies
  - Issue focus: Our Labour Standards Reports and Social Risk Reports enable companies to identify and subsequently manage human rights risks at the country-level
- To inform their corporate strategies and plans. For instance, we are regularly commissioned by one 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
- To automate risk management processes. We have developed an award-winning range of interactive tools. These can be customised and include risk dashboards (covering human rights, responsible sourcing and terrorism), national and sub-national maps (which enable clients to visualise the impact or risks onto GIS maps), and sector and country risk calculators. This provides companies with a consistent and efficient framework for risk management
- To develop and enhance risk management strategies

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, societal risk 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 200 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. The indices and associated maps are updated annually, allowing for the identification and trends and informing horizon scanning forecasts
- **Global Risks Atlas:** The Global Risks Atlas 2013 analyses 36 different risk indices, across seven aggregate clusters in 179 countries and identifies areas of high risk exposure for organisations with global footprints. These are risks such as 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 2013 includes 50 risk indices (expanded from 45 in 2012) 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
- **Legal and Regulatory Environment Atlas:** Maplecroft has created the Legal and Regulatory Environment Atlas 2013 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

Maps and indices

Global Risk Atlas 2013

Political Risk Atlas 2013

Human Risk Atlas 2013

Labour Standard Reports

Corruption Risk Briefing

Human Rights Quarterly Monitor

- **Human Rights Risk Atlas:** Maplecroft's Human Rights Risk Atlas 2013 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 2013 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. 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 2013 Atlas revealed that company operations in the Asian growth economies will be particularly exposed to environmental risks over the coming decades
- **Natural Hazards Risk Atlas:** Maplecroft's Natural Hazards Risk Atlas 2013 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 the 2013 update of the Atlas, Maplecroft recognised that 2012 was the least deadly year for natural disasters in the 10 years, potentially resulting in complacency in relation to disaster risk preparedness with implications for global supply chains
- **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 can be off the shelf or commissioned with a tailored focus

- **Natural hazard and humanitarian risk briefings:** Maplecroft's new range of Humanitarian Risk Briefings have been developed to enable international organisations to analyse the vulnerability and response capacities of countries around the world that face a high risk of natural or human-induced disasters. Maplecroft has also released hazard reports that focus on risks to business operations and investments at the sub-national level, including by region or city. The reports identify differentiation of risk across a region or city, identifying patterns of hazard across multiple categories to support strategic business continuity decision-making. Issues covered include: crime, civil unrest, natural perils, transport infrastructure and public service provision amongst others.

- **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

- **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

Political Risk Quarterly Outlook

Country Risk Report

Election Monitor

Corruption Risk Dashboard

Terrorism Dashboard

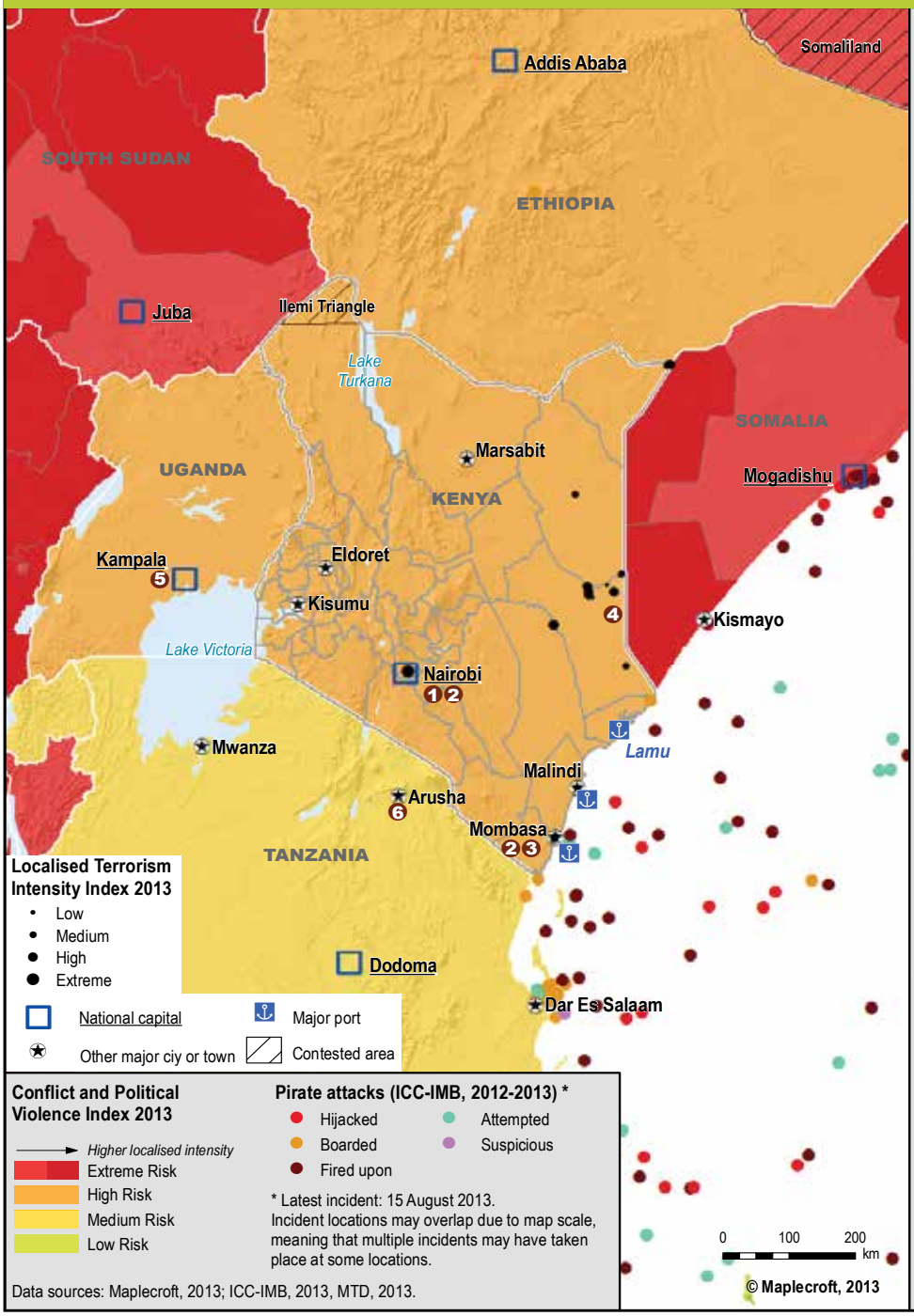
- **Human Rights Benchmark:** The Human Rights Benchmark (HRB) measures human rights risk exposure and management for companies across different sectors by comparing their operational footprints against our proprietary human rights risk indices. It provides vital intelligence for shareholders and stakeholders 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 NGOs 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
- **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

Our products allow users to drill-down and explore the components of over 200 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 oil and gas, mining, agriculture, financial services 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.

Interactive tools 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
- **ESG+POLITICAL Risk Calculator:** By incorporating political risks into the ESG Risk Calculator, it is possible to attain an understanding of factors affecting a country's broader ESG performance. Maplecroft's ESG+POLITICAL Atlas and Risk Calculator has been developed to allow investors to undertake their own evaluation of country-level ESG and political risks to suit respective risk appetites, investment screening and other criteria. It allows users to generate an ESG and political Sovereign Risk Rating by choosing from 59 risk indices across 15 ESG and political issues
- **Country/Sovereign Risk Calculator:** The calculator draws on our vault of more than 1500 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 stakeholder viewpoints
- **Maplecroft Terrorism Dashboard:** In December 2012, Maplecroft launched the Maplecroft Terrorism Dashboard (MTD). The interactive dashboard provides comprehensive data , which identifies the precise location of each attack, the type of attack, the number and type of victims, the type of facility attacked, the extent of damage caused and the nationality and characteristic of perpetrator. The MTD will aim to fill the terrorism data vacuum left by the closure of the US government's public service, the Worldwide Incidents Tracking System (WITS)
- **Corruption Risk Dashboard:** Maplecroft's Corruption Risk Dashboard utilises Maplecroft's risk calculator technology to deliver a cost-effective programme for managing third party corruption risk. The Corruption Risk Dashboard™ enables clients to:
  - Map the inherent corruption risk exposure of each third party based on country, sector and brand proximity
  - Prioritise mitigation strategies for more effective compliance with local and transnational laws
  - Track self-assessment, audit and other risk management processes and upload supporting information
  - Overlay third party locations on global maps of corruption risk for geospatial analysis of risk exposure

Kenya - Conflict and Political Violence 2013



Incident locations

1. At least 72 people were killed in an al-Shabaab attack on a Nairobi shopping mall on 21 September 2013. The attack marked a significant escalation in the tactics of the Somali militant group.

2. A coordinated twin attack hit targets in both Nairobi and Mombasa on 9 June 2013. An improvised bomb was thrown into a church in Likoni, Mombasa, injuring at least seven people. A grenade attack in the majority Somali area of Eastleigh, Nairobi injured at least three people.

3. At least 13 people were killed in election-related violence in Mombasa during polling day in March 2013. Members of a separatist group, who were armed with guns and machetes, reportedly lay in wait for police officers, launching two separate attacks in the port city.

4. Four police officers were killed in an attack near the Somali border in Garissa county on 17 August 2013. The officers died in a raid thought to have been carried out by al-Shabaab militants. Another attack on civilians at the Holiday Inn in Garissa in April 2013 left ten at least ten people dead, and more injured.

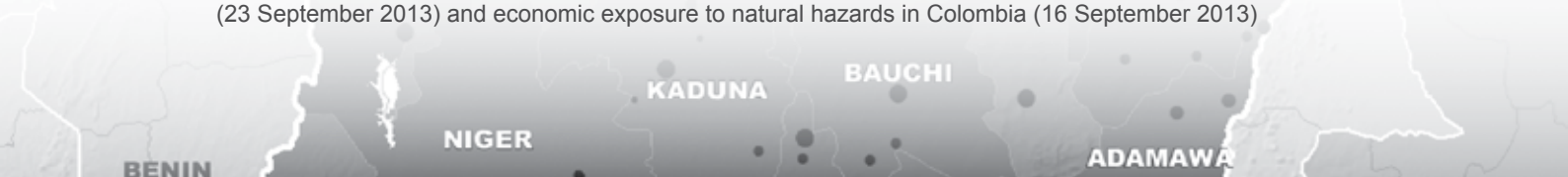
5. A twin bomb attack in Kampala on 11 July 2010 killed 74 people. The blasts hit a popular Ethiopian restaurant and a rugby club, targeting civilians watching a World Cup football match. Al-Shabaab claimed responsibility for the attack and stated that it was in retaliation for Uganda's participation in African Union military operations in Somalia.

6. A bomb attack on a Roman Catholic church in Arusha on 5 May 2013 killed at least three people and wounded around 60 others. No group claimed responsibility but the Tanzanian authorities arrested four Tanzanians and four Saudi Arabian nationals over the attack. Tensions between Christians and Muslims are rising in Tanzania, with an upsurge in the number of small-scale religiously-motivated attacks in the past 12 months.

Publications include the following:

- **Global Risks Forecast:** This daily publication provides analysis and forecasts of emerging trends and issues across the global risks spectrum. Examples of the most recent articles as of October 2013 include an analysis of Kenya's growth following the Nairobi mall attack on 21 September 2013 and analysis of the 22 September 2013 German election results. Maplecroft's subscribers have access to an archive of over 2,830 articles

- **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. Examples of maps include conflict and political violence in Kenya (30 September 2013), oil exploration in the Norwegian sea (23 September 2013) and economic exposure to natural hazards in Colombia (16 September 2013)



Advisory Services:

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

- **Development of policies and management systems:** 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

- **Benchmarking and gap analysis:** We conduct benchmarking surveys, audits and gap analyses that compare an organisation's sustainability and risk management approach against 'best practice', as reflected in both the performance of peer organisations and conformance to international guidelines and standards. Our assessments cover all aspects of sustainable business management and are based on international standards such as ISO 14001, SA 8000, OHSAS 18001, IFC Performance Standards, as well as the Principles of the UN Global Compact. These studies conclude with the provision of expert recommendations for enhanced adherence, and a roadmap toward 'best-in-class' status

- **Opportunity and risk assessment:** We facilitate the development of comprehensive risk and opportunity evaluation strategies for a range of clients across different sectors. This is based on an in-depth understanding of the full range of political, governance, societal and environmental threats and advantages facing each organisation (including those specific issues linked to their geographical footprint, sector, lifecycle stage, business relationships and other relevant factors)

- **Analytics, forecasting and scenario-planning:** Maplecroft's unparalleled global risk analytics means we can draw on six years of data across more than 200 indices to chart the trajectories of key political, economic, environmental, human rights, societal, natural hazard and climate risks in 197 countries. Multinational corporations, governments and international organisations use these analytics in their risk management processes to monitor risks to current investments, inform strategic decisions on market entry and assess supply chain vulnerabilities

- **Stakeholder engagement and problem-solving:** We work with companies at every stage of the stakeholder engagement process, including diagnostic investigation and mitigation / remediation in situations where there is potential for damage to relationships, reputation and/or business performance. Examples of our work in this area include stakeholder identification and analysis to understand key issues, influencers and opinions

- **Training and capacity-building:** We support the continuous development of our clients' in-house capabilities by running customised training workshops and designing interactive web-based e-learning materials. These focus on the full range of political, governance, social and environmental issues facing global business, and best-practice approaches to maximising opportunity and minimising risk in each context. Programmes can be designed to focus on specific regions of interest or specific issues, such as human rights, climate change, or political risk management

- **Human Rights Due Diligence Practice:** Maplecroft's Human Rights Due Diligence Practice is fully informed by and aligned with:

  - The UN Protect, Respect and Remedy framework

  - The Guiding Principles on Business and Human Rights: Implementing the United Nations "Protect, Respect and Remedy' Framework"

    Maplecroft works with clients to support the management of human rights risks, for example, though human rights policy development, human rights impact assessment (actual and potential), the development of management systems, human rights performance tracking and human rights reporting. The Human Rights Due Diligence Dashboard, launched in March 2013, is an interactive online tool, providing additional company-specific analysis of global human rights risk exposure

- **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 2012). 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, covering the development, writing, design and delivery of 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
- **Responsible sourcing management services and tools:** Maplecroft works with some of the world's leading organisations to structure and inform their approaches to responsible sourcing. We advise on all stages of the process, from pre-screening and conducting risk based due-diligence on new suppliers, understanding the risks and opportunities associated with doing business in different locations, and mitigating, managing and monitoring risks across the supply chain. Specific services include customised supply chain or commodity risk indices, risk calculators, auditing of high risk suppliers and the provision of training resources

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