

THE UN GLOBAL COMPACT

Communication on progress

The Risk Advisory Group

From 27 March 2020 to 22 March 2021



CONTENTS

CEO's statement of continued support for the UN Global Compact.....	4
Human Rights.....	5
Commitment.....	5
Policies and processes.....	5
Activities.....	6
Plans for 2021-2022.....	7
Labour.....	8
Commitment.....	8
Policies and processes.....	8
People Strategy.....	8
Other policies and undertakings.....	9
Activities.....	9
Internal.....	9
Plans for 2021-2022.....	10
Environment.....	11
Commitment.....	11
Policies and processes.....	11
Activities.....	12
Plans for 2021-2022.....	13
Anti-corruption.....	14
Commitment.....	14
Policies and processes.....	14

CONTENTS

Activities.....	15
Engagement with our clients.....	15
Thought leadership.....	15
Corruption Challenges Index.....	15
Women in Compliance.....	15
Plans for 2021-2022.....	16

CEO'S STATEMENT OF CONTINUED SUPPORT FOR THE UN GLOBAL COMPACT AND ITS TEN PRINCIPLES

I am pleased to reaffirm The Risk Advisory Group's continued support of the Ten Principles of the UN Global Compact.

Like so many organisations, we were presented with a multitude of challenges in 2020 as a result of the Covid-19 pandemic. We were forced to adapt our ways of working and business processes to take account of national lockdowns and office closures across our international network. We also had to adjust to severe curtailment of business travel, which we normally consider essential and take for granted.

In some respects these extraordinary events made it easier for us to outperform our sustainability goals, in particular as a consequence of a substantial reduction to our environmental impact. But we also found that by having a clear sustainability framework and a set of principles provided by the UN Global Compact helped us to make necessary adjustments across our business to accommodate new ways of communicating with our clients and each other. We do not yet know what business practice will look like in 2021, but our efforts to adapt and improve will continue.

This is our fourth annual Communication on Progress, in which we describe our actions to continually improve the integration of the UN Global Compact and its principles into our business strategy, culture and daily operations.

We are committed to sharing information about our activities and progress with our stakeholders using our website, social media presence and direct communications. We are delighted to take queries and suggestions from anyone associated with the business.

Yours,



Dr David Stewart Claridge

Group CEO

The Risk Advisory Group

HUMAN RIGHTS

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights.

Principle 2: Businesses should make sure that they are not complicit in human rights abuses.

Commitment

Risk Advisory is committed to protecting and promoting human rights. Our Human Rights Policy, which was introduced in 2019, is based on the principles found within the UN Global Compact. The policy refers to the principle of ‘Do no harm’ and stakeholder engagement; freedom of association; health and safety; labour; working hours, salary and benefits; diversity; and security. It also informs employees and subcontractors on implementation and investigations.

Our Ethical & Code of Conduct Policy demonstrates this commitment to ensuring safe and healthy working conditions, non-discrimination in employment practices, guarding against use of forced or child labour, providing access to basic health, education, housing for workers when needed, and accommodating employees’ religious observance and practices.

Our Supplier Code of Conduct demands similar standards from our suppliers and sets out our aim to provide decent work, and to produce decent goods and services that improve lives. It also considers forced displacement, the protection of economic livelihoods of local communities, contribution to public debate, enabling girls education and ensuring a diverse workforce. This is reviewed at regular agreed intervals throughout a project cycle. Our Supplier Code of Conduct can be found on our website:

www.riskadvisory.com.

Policies and processes

Our induction programme for all staff includes ethical and code of conduct training, which ensures that staff are familiar with our Ethical and Code of Conduct Policy. This is supported by our Whistleblowing Policy which provides staff with a process to raise or report any ethical or legal issues to senior management for investigation.

Our Ethical & Code of Conduct Policy states:

*Employees must also respect the rights of other employees and third parties.
Their actions must be free from discrimination, libel, slander or harassment.
Each person must be accorded equal opportunity, regardless of age, race, sex,
sexual preference, gender identity, colour, creed, religion, national origin,
marital status, handicap or disability.*

This is supported by our Human Rights Policy which states:

Respect for human rights is fundamental to the sustainability of the communities in which we operate. We are committed to ensuring that all individuals are treated equally, with respect and dignity.

Activities

Our Human Rights Policy seeks to protect human rights within and outside of the organisation, while also informing our employees on tools for investigations and reporting in the case of any human rights violations.

For the various security sector development projects we deliver, we have fully incorporated the UK government's Overseas Security and Justice Assistance (OSJA) Human Rights Guidance¹ into our approach to risk management. This means that we have a designated OSJA lead who advises our personnel on the process. We clearly identify, manage, and mitigate risks of doing harm in the delivery of our services. This is underpinned by, firstly, continuous monitoring of human rights risks identified for any project intervention, and, secondly, regular controls of our wider supply chain.

As part of our commitment to ensuring that we fully respect human rights, we have developed a number of mechanisms for our staff and contractors to raise any issues or concerns they may have. These include:

- The appointment of three members of staff as independent advisors. These provide staff with an avenue to get advice outside their line management structure and formal channels.
- Our Grievance Procedure, which provides clear instructions on how to formalise any complaints and sets out our commitment to investigating any matters raised.
- Our Disciplinary Procedure, which sets out clearly the process for investigating any complaints raised involving issues including harassment, bullying, bribery, corruption, dishonesty, and acts of violence and aggression.

Over the past year, we have worked to raise awareness of our employee assistance programme, which provides impartial, confidential advice 24 hours a day, 7 days a week. As a result of the pandemic, the majority of our staff have been working remotely and the employee assistance programme provides an alternative route for staff to get advice and support where necessary.

¹ *Overseas Security and Justice Assistance (OSJA): Human Rights Guidance, HMG, 2017.*



We also run online training, on an annual basis, for all staff covering dignity and respect in the workplace. Diversity, inclusion, respect and teamwork are all pillars of the culture that we strive to create to attract, promote and retain employees across the business. This tailored training programme, coupled with our global anti harassment policy, is designed to educate us and remind us about acceptable behaviour in our office environment.

No complaint in terms of a violation of human rights has been reported to date. We believe that this is due in part to our continued dedication to ensure an inclusive work environment for all.

Plans for 2021-2022

This year, we have decided to focus on education and awareness raising across all four pillars of the UN Global Compact. By raising awareness of human rights issues with our staff, we hope that our staff will increase awareness of human rights while also increasing respect and tolerance of differences.

LABOUR

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: The elimination of all forms of forced and compulsory labour;

Principle 5: The effective abolition of child labour; and

Principle 6: The elimination of discrimination in respect of employment and occupation.

Commitment

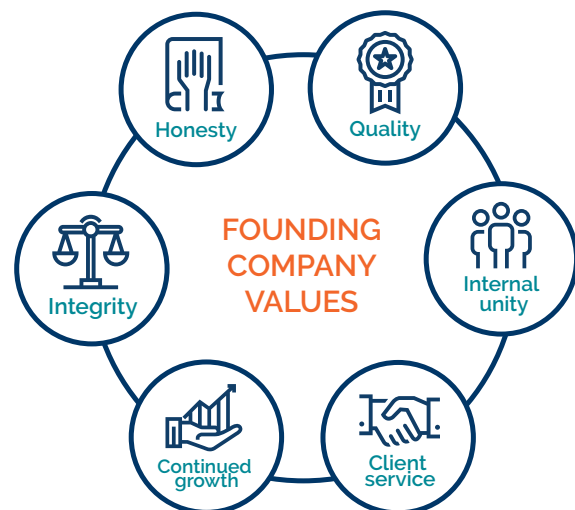
Risk Advisory is committed to the UN Global Compact's labour principles. We are proud of our diverse and inclusive staff and we are fully committed to a culture of equal opportunities and employment rights across our global workforce. We value all of our people for their skills, experience and potential and our inclusive environment is such that everyone's contribution is recognised, valued and respected and it is our policy not to discriminate against any of our workers, as detailed in our Diversity & Equal Opportunities policy.

Policies and processes

People Strategy

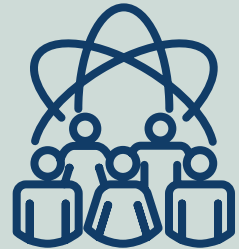
Evidence of our commitment to the rights of our staff is clear from our global People Strategy. We continue to invest in our people through development, recognition, promotion and retention. As a result of the work that we did in 2020, a key theme for this year is to develop an in-house leadership programme for our most talented high performers in the business who are ready for the next step in their journey with the company. This will aid retention and succession planning for our most senior roles.

Our vision for our people aligns to the strategy and creates a clear path of professional and personal development, allowing our staff to thrive in the role that they are employed to do. We have a training committee in place to review, approve and action a variety of training requests to ensure that our people are able to achieve their development goals and grow within their role to be the best they can be.



People vision

We are a people business. We aim to be candidates' number one choice of employer within the medium sized Risk Consultancy recruitment market. Striving to attract, develop and retain a talented workforce, growing an inclusive culture with a sense of belonging and job satisfaction for our people.



Other policies and undertakings

Our People Strategy continues to flow into other policies and processes, demonstrating the care and attention we have for the rights of our people. We recognise that everyone is different and we encourage people to be themselves, promoting this through our policies to our staff, contractors, clients and suppliers.

Activities

Internal

Living through the Covid-19 pandemic, we have broadened the scope of working from home and our people have adapted very well to the situation. We have always invested in first class technology and IT kit and this has made a very positive and smooth transition for all staff to work from home seamlessly. All staff now have a sophisticated IT set up, provided by the company. This will pave the way for the wider flexible working policy that we are planning to develop, ensuring that our people are confident with the equipment that they have to continue to do their jobs to a very high standard.

We launched a shadow board in January 2021, affording staff the opportunity to inform and influence the company's strategy and business practices. Its members are selected from outside the senior management team and are asked to raise and consider matters of business improvement. The shadow board exists to illuminate the blind spots that may exist within the thinking of the board and senior management. It develops achievable, actionable and fully justified proposals for the senior board to consider, either at the request of the board or at its own instigation. The shadow board also serves as a forum for our future leaders to develop their understanding of the business and influencing skills.

We continue to focus our efforts on developing our people through our performance and talent management processes. Working with the senior management team to understand the full complement of our internal and external training offering and how we can enhance the development of our people to reach their full potential.

We have increased our intake of apprentices by 50% and we contribute to the UK government apprenticeship levy to fund new apprenticeships. We have promoted two finance apprentices to full time accounts payable assistants, on the successful completion of their apprenticeship qualifications. We are training apprentices in all back office functions ie: Marketing, IT, Finance and Human Resources.



Plans for 2021-2022

As we noted at the outset of this Communication on Progress, we have decided to focus our efforts this year on education and awareness raising across all four pillars of the UN Global Compact. In relation to Labour, our plans are that:

- Throughout 2021, we will continue our work on developing a wider flexible working policy that suits the individual needs of our people.
- Our ongoing work on performance and talent will result in the launch of a leadership and development programme, taking advantage of internal mentoring from our most senior people and building in an external element centred around targeted and tailored coaching and a 360 feedback tool. Some of the current and recently appointed shadow board members are likely to be part of the first cohort, which we will run as a pilot.
- We will do our utmost to support our staff while they work from home. Ensuring that we are mindful of their health and wellbeing, sharing globally recognised mental and physical health on line tools, ideas on exercising and relaxing and full access to an Employee Assistance Programme where all staff can speak anonymously of any personal or professional issue that they are facing.
- Embed and encourage a supportive and consistent working from home culture which is inclusive, positive, fair and safe; and
- Introduce mental health first aiders for each location, ensuring that we promote our commitment to caring about each other and being the very best that we can be.

ENVIRONMENT

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: Undertake initiatives to promote greater environmental responsibility; and

Principle 9: Encourage the development and diffusion of environmentally friendly technologies.

Commitment

Risk Advisory is committed to the UN Global Compact's principles on the environment. As set out in our Environmental Policy, Risk Advisory undertakes to 'conduct its business operations in an environmentally friendly manner at all times'. Our Environmental Policy describes how we:



- Strive to continuously improve our environmental performance and integrate recognised applicable best practice into our business operations.
- Reduce our consumption of resources and improve efficiency in the use of these resources.
- Manage waste generated from our business operations according to the principles of reduction, reuse and recycling.
- Ensure environmental criteria are taken into account in the procurement of goods and services, wherever possible.

Policies and processes

Risk Advisory is predominantly an office-based consultancy and as such our greatest impact on the environment is generated through the running of our offices and staff travel.

Over 50% of Risk Advisory's staff are based in our London office. Historically therefore, our Environmental Policy has focused on mitigating our office waste there. Four areas on which we particularly focus our efforts are recycling, energy saving, purchasing and paper usage (see below).

Recycling



No waste from our London head office is sent to landfill. All recyclable waste is removed from site to be separated and recycled. General waste is removed from site and transported to a waste-to-energy plant to produce electricity and food waste is separated and recycled into biogas to produce renewable electricity and biofertiliser for farmland.

Where facilities are available, we operate the same recycling principles in all offices.

Energy saving



Risk Advisory insists that IT equipment is switched off at the end of each day to conserve energy where this is not done automatically. In some of our offices, our lights are controlled by motion sensors and therefore are only using energy when the office is staffed. Where motion sensors are not available, staff are required to turn off the lights at the end of the day. Wherever light fittings permit, energy saving light bulbs are used.

Purchasing



Where possible, Risk Advisory purchases recycled and environmentally friendly goods including stationery, water and cleaning materials.

Paper usage



We strive to operate paperless offices to minimise the use of paper.

Activities

Over the past 12 months, as a result of the Covid-19 pandemic, there have been significant changes to our working practices and some of the activities we had planned have been postponed.

We had planned to try to reduce our CO₂ emissions by reducing overseas travel and by supporting staff to work from home on a more regular basis. The pandemic has accelerated our progress on both fronts: there has been a significant reduction in travel - not just overseas travel, but also to local travel, with the majority of our staff subject to stay-at-home orders for a large proportion of the year; and the majority of our staff are now equipped to work from home. This means our CO₂ emissions have markedly reduced over the past year. Although some travel will take place in 2021-22, it is unlikely to rise to 2019-20 levels. In part this is because travel restrictions will likely remain in place for large parts of the year, but also because everyone has become more comfortable with using technology such as video conferencing to hold meetings, including with clients there will be reduced demand.

We have always used technology such as video conferencing to hold meetings with teams which are split across various offices and with clients and use of this technology has increased throughout the pandemic.

While offices have been moth-balled and buildings have been largely unused we have worked closely with the building management team to limit plant run times and reduce consumption wherever possible.

Plans for 2021-2022

We have made good progress over the years to make our operations as environmentally friendly as possible. There is always more that can be done and we will continue to make improvements where we can. This year, as we are doing with all of the four pillars of the UN Global Compact, we are going to focus our efforts this year on education, aiming to raise awareness among our staff of the impact they have on the environment more widely.

ANTI-CORRUPTION

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Commitment

Risk Advisory is a global risk management consultancy which works with clients to manage a range of different risks, including those related to integrity. A core component of our work centres on supporting clients which are investigating allegations of corruption or bribery or conducting due diligence work to try to minimise those risks in new ventures and with new business partners.

Risk Advisory is actively committed to the fight against bribery and corruption. This commitment to do business with honesty and integrity is enshrined in our core values and is a theme that runs throughout the fabric of the business. Our specific commitment to work against corruption is expressed in our Ethical & Code of Conduct Policy which explicitly states that:

The Risk Advisory Group runs its business with integrity. Everyone must work together to ensure that they remain untainted by bribery or corruption ... We take a zero-tolerance approach to bribery.

Our commitment to eradicating bribery is set out in more detail in the Ethical & Code of Conduct Policy, which requires staff to operate within full compliance of the regulatory and legal framework in whichever country we operate. This includes compliance with the Bribery Act and other similar legislation, which outlaws the payment of kickbacks. These requirements are also reflected in our contracts with both clients and suppliers.

Policies and processes

To be a credible provider of integrity due diligence services, Risk Advisory has made sure that - like its clients - it has the systems and controls to eradicate the risk of bribery and corruption from its business. Over the past year we have built on the structure that we had in place in 2018 and refined it to meet evolving requirements.

In 2019, we updated our Ethical & Code of Conduct Policy, which all staff sign when they join the company. The policy provides staff with clear guidance on the standards of behaviour that are required by Risk Advisory.

To reinforce Risk Advisory's position on bribery and corruption, the CEO talks about it during inductions with new staff. Individual practices also run specific training sessions which focus on understanding the relevant legislation and includes specific sessions on areas where we believe there is a particular vulnerability, like how to manage third parties.

The Chief Risk & Compliance Officer runs training sessions with all new staff and in 2020, this was extended to include a roll-out of training to consultants engaged on long-running projects.

Activities

Engagement with our clients

Risk Advisory is a global risk management consultancy committed to helping the world's most discerning organisations to manage their integrity, competitor and political and security risks.

Central to helping clients manage their integrity risk is the provision of our due diligence services. We work with clients across the globe to support their pre-transactional and periodic reviews of their business partners in support of their anti-bribery and -corruption compliance programmes. We also work closely with clients investigating allegations of wrongdoing made by whistleblowers or which emerge as a result of regulatory investigations.



Thought leadership

In the course of delivering our core services we regularly produce material that aims to highlight the potential risk of bribery and corruption for our clients, keep them up-to-date on regulatory developments and enforcement activity, and discuss best-practice. Over the past year, this has included articles dealing with Corruption in the time of Coronavirus (www.riskadvisory.com/news/corruption-in-the-time-of-coronavirus/).

Corruption Challenges Index

Every year, Risk Advisory's due diligence, political and security experts compile our Corruption Challenges Index (www.riskadvisory.com/campaigns/corruption-challenges-index-2020/). The index assesses corruption threat, regime instability and accessibility of information in 187 countries to arrive at a 'Corruption Challenge' score, and resulting in a 'Most Challenging Jurisdiction' ranking to highlight the awareness of global corruption, mitigants against it and what activities are going on to counter it.

In creating the index we draw on our direct experience of working in the world's most challenging countries, revealing the markets that pose the most – and the fewest – corruption challenges for foreign investors. We evaluate various factors – local corruption threat, foreign investors' exposure, the level of

anti-bribery enforcement action – and refract them through the prism of accessibility and availability of information when carrying out investigative research.

Women in Compliance

Risk Advisory founded the Women in Compliance (WIC) group (www.riskadvisory.com/about-us/women-in-compliance/) in London in 2009 to give women in the compliance and risk management fields the opportunity to network and build relationships with each other. WIC's LinkedIn group, where members are encouraged to share ideas and issues, as well as invites for a wide range of virtual networking events grew in 2020, with its membership passing 4,500.



Prior to the Covid-19 pandemic, the group hosted quarterly in-person events ranging from breakfast briefings, to International Women's Day panels and has hosted a number of successful women in the legal and compliance fields as guest speakers. In 2020, the group's events moved online as a result of restrictions on large gatherings, and therefore attracted a wider audience, including attendees from the US and Asia. The events in 2020 included a series of webinars, one of which focused on providing practical tips to maintain an effective 'Speak Up' culture under Covid-19 working conditions.

Plans for 2021-2022

Our policies, procedures and training programmes are now well-established. We will keep them under review and seek to improve them over time. For the next 12 months, though, we will be devoting our energy to improving the knowledge of our employees about corruption and the impact it has on society.

About The Risk Advisory Group

The Risk Advisory Group provides intelligence, investigation and security services to support organisations dealing with complex international threats. Our guidance, intelligence and analysis help many of the world's foremost businesses negotiate challenging and uncertain environments to choose the right opportunities, in the right markets, with the right partners.

The company was founded in 1997, employs over 125 people and has offices in Washington D.C., New York, London, Moscow, Dubai, Beirut and Hong Kong.

Contact us

The Risk Advisory Group
3 More London Riverside
London SE1 2AQ

+44 20 7578 0000

 @riskadvisory

 The Risk Advisory Group

www.riskadvisory.com

