



# Global Compact Communication on Progress

**Control Risks**  
Annual Report 2022



**United Nations**  
Global Compact









Each year, the Communication on Progress provides us with an opportunity to reflect on Control Risks' own commitment to sustainability as well as our client services in related areas. This report summarises our performance and key activities over the last year and sets clear goals for the year ahead.

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# ➤ CEO's Statement of Continued Support for the Global Compact

**In the coming year, we are putting a heightened emphasis on measuring and managing our wider environmental impact.**

We have already completed our Scopes 1 and 2 greenhouse gas (GHG) measurements in alignment with the GHG Protocol established by the World Business Council for Development and the World Resources Institute. With the support of an external consultancy, we have now initiated a Scope 3 GHG assessment. Scope 3 is an essential step to measure our environmental impact throughout our value chain. The findings will help us to identify new ways to manage our carbon risks and opportunities.

We have promoted new environment and climate awareness-raising activities across our international office network. These include a "plastic-free July" and other waste reduction initiatives, as well as promoting lower-carbon forms of travel. We have been pleased with the enthusiastic uptake of these activities, despite geographic differences in practices and expectations.

It of course does not make sense to look at our environmental impact in isolation and we appreciate the interconnections between each of the components of the UN Global Compact, including Human Rights and Labour as well as Anti-Bribery and Corruption. In our client projects we often see that a weakness in the governance of one element can undermine the effective management of another. Recognising the need to take a wide-lens view, we are planning to capture our broader corporate impact through a materiality assessment that examines the full spectrum of our activities and footprint. Together with our GHG Protocol report,

this review will lay the groundwork for more focused sustainability reporting in the year ahead.

In recent months a growing number of our client conversations have revolved around sustainable business as well as other aspects of corporate responsibility. In part, these respond to the widespread development of national and multinational legal and regulatory regimes related to sustainability, human rights and business integrity. Building on our existing strengths, our ESG Consulting practice is hiring and training additional subject matter experts on environment and climate, including GHG management, as well as on human rights.

In 2022 we launched Control Risks' ESG Country Monitor, a subscription-based service that helps organisations monitor their exposure to sector-specific socioeconomic, environmental and governance dynamics in the markets where they operate. At the same time, we are updating our supply chain transparency consultancy with particular reference to the challenges of managing links with suppliers in states with weak governance. We continue to advise a wide range of organisations on how to implement effective anti-bribery and corruption programmes in the most challenging geographies, as well as providing labour welfare monitoring across some of the largest construction developments in the Middle East.

Taking all these activities into account, we look forward to meeting multiple

challenges in the coming year. The ten principles of the UN Global Compact continue to represent a valuable benchmark for us and our clients across the whole field of corporate responsibility.

“

**I am happy to reaffirm Control Risks' continued support for the objectives of the UN Global Compact.**



**Nick Allan**  
CEO, Control Risks







# About Control Risks

**Control Risks is a global specialist risk consultancy that helps to create secure, compliant and resilient organisations in an age of ever-changing risk. Our headquarters is in London, and we have a network of international offices in every region and every time zone. In this Communication on Progress (COP), we report on behalf of the entire Control Risks Group.**

Control Risks exists to make its clients succeed – commercially and as corporate citizens. Working across disciplines, technologies and geographies, everything we do is based on our belief that taking calculated and informed risks is essential to our clients' success. We provide them with the insight to focus resources and ensure they are prepared to resolve the issues and crises that occur in any ambitious global organisation. We go beyond problem solving and give clients the insight and intelligence they need to realise opportunities and grow.

## **Control Risks and the Global Compact**

Control Risks formally signed up to the UN Global Compact in September 2007, and is committed to embracing, supporting and implementing its ten principles. We believe that these are fully compatible with our own values and aspirations. At the same time, we are conscious that we can always go further in our pursuit of excellence. We therefore value our association with – and the opportunities to learn from – the UN Global Compact network of companies across the world. Working with our clients, we believe that we can make a substantial contribution to the promotion of good governance.

## **Structure of report**

The structure of our COP reflects our understanding of the nature of our contribution to the UN Global Compact's objectives. The four main sections address the Compact's key themes: human rights, labour, the environment and anti-corruption. Each of these contains four sub-sections:

- ▶ 'Our policy commitment' presents a summary of our policies in these core areas.
- ▶ 'People and processes' focuses on the practical implementation of these policies within our company, for example through training and internal procedures, and includes a summary of the latest developments.
- ▶ 'External engagement' reviews our role in promoting higher standards through our work with clients, as well as participation in civil society initiatives and other forms of thought leadership.
- ▶ 'Plans for 2022-23' summarises our objectives for the year ahead.



# Human Rights

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

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

## Our policy commitment

Control Risks' commitment to the UN Global Compact's principles on human rights is expressed in our [Code of Ethics](#), which states:

- ▶ Control Risks respects the full range of human rights:
- ▶ The company and all its employees have an accountability to ensure an inclusive working environment in which everyone can feel comfortable and where everyone is treated with respect and dignity.
- ▶ The company supports the Universal Declaration of Human Rights, and our employees are never to be complicit in human rights abuses. Control Risks is guided by the UN Guiding Principles on Business and Human Rights and the Voluntary Principles on Security and Human Rights. It is a Signatory of the UN Global Compact.

We elaborate on this commitment in a further policy document, our Human Rights Policy. The most recent amendment to the policy came in May 2022 with the incorporation of additional material to reinforce Control Risks' zero tolerance of sexual exploitation and gender-based violence. Both the Code of Ethics and the Human Rights Policy are available in the [corporate responsibility section](#) of our website (see Ethics).

Our Human Rights Policy makes specific reference to the Universal Declaration of Human Rights, the Voluntary Principles on Security and Human Rights (VPSHR), the UN Global Compact, the Montreux Document, the International Code of Conduct for Private Security Providers (ICoC), the UN Guiding Principles on Business and Human Rights, and the UK Modern Slavery Act.

Where appropriate, we develop country-level policy and guidance documents to reinforce the Group Human Rights policy with a focus on matters of particular local concern.

In accordance with our commitments under the UK Modern Slavery Act, we publish an annual statement summarising the steps that we have taken to ensure that slavery and human trafficking are not taking place either in our business or in our supply chains. Our annual statement is easily located in the footer of [www.controlrisks.com](http://www.controlrisks.com). Further details are included in the Labour section of this report.

## People and processes

**Human rights risk and impact assessment**  
Our Client and Project Risk Management Policy states that senior management must assess both ethical and operational risks before submitting a proposal for a new assignment. The policy states that "We will not take on an assignment that leads us to cause or contribute to human rights abuses." Our In-House Guide to Human Rights Due Diligence and Human Rights Impact Assessments offers supplementary guidance based on the UN Guiding Principles on Business and Human Rights.

We maintain country-level risk registers as an established part of our broader risk management processes. Project-specific risk registers are mandatory for assignments where the pre-acceptance review process has identified significant risks, including human rights and other ethics-related risks. All project-specific risk registers include a column summarising our assessment of the human rights risks to external stakeholders. Management teams use the registers as a tool to monitor and update our risk assessments.

For a small number of particularly complex or high-risk projects, we set up an additional risk committee that is responsible for reviewing risks – including potential human rights concerns – at regular intervals. It does so in association with, but independently of, the project management team. These committees meet at least quarterly.





As described above, we do occasionally work on projects that require enhanced risk assessment and project management. Such an approach is founded on our experience that engagement can foster good practice and ultimately reduce the risk of human rights abuses. However, such engagement does not override the fundamental principle that we will not take on projects that represent a breach of our core values.

#### Ethics Committee

The Ethics Committee's tasks include considering and ruling on any proposed work that could pose an ethical or reputational risk to the company, as well as advising on ethical concerns that may arise in the course of an assignment, including with regard to human rights. The committee is chaired by our Government and International Relations Advisor, a senior retired diplomat. Its standing members include the CEO, the General Counsel and one other member appointed by the CEO.

In 2021 seven cases were referred formally to the Ethics Committee (compared with ten in 2020 and 16 in

2019). Cases ranged from the Middle East to South-East Asia and Latin America.

#### Training

Our online human rights training course is mandatory for all senior employees in internal corporate functions, as well as all members of the following teams: Crisis and Security Consulting; Compliance, Forensics and Intelligence; Global Risk Analysis; Response; and Cyber Security.

For the mandatory groups, we set a formal requirement to undertake this Human Rights training every two years and the latest cycle was in August 2022. Our online human rights training course, which was designed by a Control Risks in-house team, takes the form of eight videos followed by a short test. The first four videos explain our commitment to the Universal Declaration of Human Rights and the UN Guiding Principles on Business and Human Rights, and review the particular issues associated with security, human rights and labour. In accordance with the Client and Project Risk Management Policy, the fifth and sixth videos explain how our business teams should assess potential human

rights concerns when taking on new clients and projects. The final two videos emphasise the need for continuous risk assessment in the course of our assignments, and explain how and when to report problems.

We provide tailored face-to-face training on human rights to our international employees in Iraq at the outset of their deployment, and issue regular reminders of our human rights commitments. We also provide face-to-face Arabic-language human rights training for our local employees in Iraq, and update this regularly. We incorporate "dilemma scenarios" into this face-to-face training: the objective is to encourage participants to discuss practical solutions in response to the larger and smaller challenges that they face in their day-to-day operations.

Similarly, we include human rights principles and practices as a core ingredient in the security, risk and resilience training that we provide for external clients. Our 12-day Risk and Resilience Managers Course, which is accredited by the UK-based Business and Technology Education Council, covers the

VPSHR and the UN Guiding Principles on Business and Human Rights, along with other aspects of security management. Similarly, the security guard training that we provide for EU-based government organisations and institutes covers security and human rights issues, including with regard to Rules for the Use of Force.

### Internal whistleblowing procedures

As part of our regular cycle of policy reviews, we recently sought external legal advice on our Whistleblowing Policy to ensure it reflects best practice. Our policy has always reassured employees that they can raise any concerns without fear of reprisal. However, our revised policy now places even greater emphasis on this and clearly explains the type of behaviour that could result in disciplinary action – for instance, seeking to identify an individual who has made a whistleblowing report or acting in any way to threaten, harass or retaliate against such individuals.

We encourage employees who wish to raise concerns to talk to their managers in the first instance. If they feel uncomfortable doing so, they may make a confidential report using

our whistleblower hotline, which is managed by an independent external provider. We are keen to ensure that employees feel comfortable to use the hotline if necessary, and regularly publicise our Whistleblowing Policy to highlight the ways in which employees may do so anonymously.

### Third party complaints and grievance procedures

Control Risks is committed to handling grievances from third parties in a transparent and fair manner. Third parties who wish to register a grievance or complaint are invited to send an email to [ethicsenquiries@controlrisks.com](mailto:ethicsenquiries@controlrisks.com).

Our Third Party Grievance Policy states that we are always ready to listen to anyone outside the company who wishes to express a grievance relating to our ethical conduct. This grievance process is placed prominently on our external website in the footer of the home page. We undertake to acknowledge receipt of any concerns within five days and to appoint a member of Control Risks' management team as a point of contact for any ongoing enquiries. Special procedures apply to Iraq, where we have

established a channel of communication in Arabic. In the year under review, we received one external complaint via the international website and one in Iraq.

### External engagement

#### Engagement with clients

We regard human rights as a cross-cutting issue that applies to all our main service lines. For example, our security consultants apply VPSHR and the ICoC guidance, as well as the lessons learned from our own experience, in the recommendations that we make to our clients.

In the first half of 2022, we have been refining our methodology for on-the-ground security risk assessments for clients in high-risk environments. As part of our review we have been drawing on the guidance provided by the International Finance Corporation's [Good Practice Handbook: Use of Security Forces](#) as well as the lessons from our own experience. Our guidance takes account of the wider human rights impacts of our clients' projects and addresses whether those clients' security management limits or – in the worst case – exacerbates these impacts. The outcome is more focused





guidance for our clients on the combined security and human rights agenda in the form of specific recommendations and a clearly defined risk register. In recent months we have put our recommendations into practice in a series of assignments for clients in Nigeria and Angola.

Over the past 18 months, we have been working on a special assignment for a European development finance institution to address the challenges of security and human rights in high-risk environments. In the course of the assignment, we have developed a comprehensive framework that includes policy recommendations, and guidance on risk assessment and training, as well as a 'maturity matrix' that our clients' partner organisations can use to benchmark their own security and human rights arrangements.

Human rights continues to be a key theme in our external consultancy on supply chains. This includes conflict minerals risk assessments, as well as assessments of exposure to modern slavery risks (see Labour section below).

**Promotion of professional standards in the international security industry**  
Control Risks continues to be a major supporter of the Geneva-based [International Code of Conduct Association \(ICoCA\)](#), whose purpose is to promote, govern and oversee implementation of

the ICoC. At the ICoCA Annual General Assembly in December 2021, we contributed to a review of the ICoC text with particular reference to the scope of the Code's application.

Control Risks has provided expert input to the ten-year review of the "PSC-1" standard for private security management. PSC-1 is a joint initiative of the American Society for Industrial Security and the American National Standards Institute. One of its most important features is its emphasis on respect for human rights. The revised version will be published in the course of 2022.

Control Risks is also a leading participant in the [Security in Complex Environments Group \(SCEG\)](#), a special interest group within the UK industry body Aerospace, Defence, Security and Space (ADS). SCEG represents private sector security and risk management companies that are committed to the development and implementation of international standards in their industry, including the protection of human rights. The group's leadership works closely with ICoCA, including on human rights issues.

SCEG now has 40 member companies, including a number from outside the UK. Key themes in recent SCEG discussions include responsible security management in response to major geopolitical developments such as the conflict in

Ukraine. Richard Wylde, Control Risks' Director for Government and Defence, has been Chairman of SCEG's Executive Committee since January 2020.

#### Thought leadership

We regularly publish reports on human rights on our online subscription services as well as tailored assignments for clients. For example, human rights issues are an integral part of our analysis of the continuing political risks in Myanmar.

Our recent contributions for external audiences include a [podcast](#) on the challenges that organisations face when investigating breaches of human rights, such as workplace harassment and labour violations. The podcast offers insights on how organisations can better prepare for conduct and human rights investigations, including issues around evidence gathering, cultural sensitivities and stakeholders' rights. Our other contributions included an [online interview](#) on the private security industry's evolving approach to human rights on behalf of the Middle East Institute of the National University of Singapore.

#### Plans for 2022-23

In the year ahead, we plan to:

- Continue to develop our risk assessment procedures in relation to the human rights impacts of our international office network, including with regard to labour rights and modern slavery risks.
- Continue to review our guidance and develop training on Prevention of Sexual Exploitation and Abuse (PSEA), especially in complex and conflict-affected areas.
- Refresh our Human Rights e-learning course and release this as part of our ongoing programme of mandatory compliance training for employees.





# Labour

**Principle 3:** Business 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.

## Our policy commitment

Labour welfare and modern slavery

Our [Code of Ethics](#) states that:

- Control Risks is committed to building an inclusive workplace, which gives equal opportunities to all, regardless of a person's race, ethnicity, gender, gender identity and expression, sexual orientation, neurodiversity and disability.
- We recognise that policies demand actions and that there is more work to be done by us and society at large to tackle injustice and institutionalised barriers to advancement.

Our [Human Rights Policy](#) further states that:

Control Risks has zero tolerance for all forms of modern slavery, including child labour and human trafficking. It is committed to implementing effective systems and controls to ensure that none of these practices are occurring anywhere in its supply chains.

In compliance with the UK Modern Slavery Act 2015, Control Risks publishes an annual statement on the steps that we are taking to ensure that slavery and human trafficking do not take place in our business or supply chain. A link to the statement is published in the footer of [www.controlrisks.com](http://www.controlrisks.com), accessible from all pages including the home page.

Since its launch in 2021, we also upload our annual statements to the UK government's modern slavery statement registry. The registry is a public resource, available to anyone to search for a UK company's current and previous submissions.

## Commitment to people

Commitment to People is one of Control Risks' four core values. We are committed to providing opportunities for our people to develop, achieve their professional aspirations, and enjoy successful and rewarding careers within the company. This commitment is reflected in our human resources policies, systems and activities across our offices.

We respect the rights of our people to form and join trade unions for the protection of individual and collective interests.

Diversity, equity and inclusion are key elements of our company strategy. Control Risks aims to create an environment that welcomes and respects the different perspectives of all our people, as well as those of our clients and our suppliers. Control Risks' inclusive "One Firm" culture means that our people feel part of the company and valued.

We are committed to ensuring that our people are consulted about any changes to the business that will have an impact on their employment.

The following statements are reflected in our human resources policies:

- Control Risks is committed to providing a professional and inclusive working environment in which all employees have accountability to treat everyone with respect and dignity. To achieve this all employees are expected to demonstrate behaviours in line with our core values and behavioural indicators: Integrity and Ethics; Collaboration and Teamwork; Commitment to People; and Professionalism and Excellence.
- In accordance with our values and "One Firm" principle, the company aims to foster an inclusive culture, in which



employees are able to realise their full potential and contribute to the success of the business.

- Control Risks' approach to diversity, equity and inclusion is underpinned by our belief in the importance of treating each other fairly and with respect.
- Control Risks recognises that the best ideas come from a diverse pool of knowledge, and values the range of backgrounds and experiences that generate such ideas. We understand that open minds lead to mutual respect and ensure openness to change and innovation.
- Control Risks is committed to providing a working environment in which respect for people's dignity is at the core of our organisation. The company and all its employees have accountability to ensure a working environment in which everyone is treated with respect and dignity.
- Control Risks' employees have the right to work in an environment of mutual trust and respect, where everyone is fairly treated without discrimination. We emphasise the fact that any employee who has raised concerns about discrimination will not be victimised in any way.

Control Risks aims to ensure that individuals:

- Receive equal treatment in all aspects of engagement with the company.

- Are not subjected to any form of discrimination or victimisation regardless of sex, race (including colour, nationality, national or ethnic origin), marriage or civil partnership status, pregnancy or maternity, gender reassignment, sexual orientation, age, religion or belief, and disability.
- Are not disadvantaged or treated less favourably by a condition or requirement that cannot be reasonably justified.

### People and processes

#### Modern slavery risks and our relationship with subcontractors and suppliers

We train our employees on labour and modern slavery risk as part of our internal human rights course that emphasises our commitment to international labour standards. It is important that our employees can recognise any potential problems in relation to the vendors that they interact with; we encourage our employees to remain alert and to escalate any concerns.

As a risk consulting company, we employ trained professionals with specific skillsets and qualifications, meaning the issue of forced or child labour does not arise in our own operations. By extension, we believe that the likelihood of exposure to such practices in connection with our relationship with suppliers and subcontractors is minimal, and our internal procedures are designed to ensure that this remains the case.

We expect our vendors to abide by our Code of Ethics, Human Rights Policy, and Anti-Bribery and Anti-Corruption Policy when working on the company's behalf, including our principles on labour practices, diversity, equity and inclusion. Vendor management is governed by our subcontractor and supplier policies, which apply globally.

Drawing on our internal risk review of potential exposure to labour rights issues, we have placed a particular focus on our relationship with suppliers of personnel for tasks such as cleaning or driving services, noting that in many jurisdictions such services are provided by migrant workers who may be more vulnerable to exploitation. During the vetting stage, we look closely at each agency's recruitment and employment practices, for example with regard to the payment of overtime and the availability of grievance mechanisms. We organise internal meetings to raise awareness of those vetting tools and give employees an opportunity to ask questions and provide feedback on the process.

#### Promoting engagement with our policies

To encourage colleagues to see our policies in the context of a practical example, we periodically circulate dilemma scenarios by email. Colleagues are asked to consider the scenario and vote on suggested actions or responses. To accompany the release of mandatory Human Rights training in August 2022, we also launched a labour-related dilemma.



It focused on workers in our supply chain and how to respond if there are concerns about their welfare, encouraging an awareness of the need for sensitivity and to involve colleagues with expertise in this area. We had previously circulated a modern slavery-related dilemma in 2020, centred around the advice we give to clients and ensuring that any impact

on workers is factored into our analysis. Having found that these initiatives are well received, we were keen to use this tool to highlight such issues again.

#### Internal employment practices

Of the four labour principles in the Global Compact, Principle 6 on non-discrimination applies most directly to

Control Risks' operations. This emphasis is reflected in our systems and activities. We have systems in place to ensure that any issues relating to, for example, discrimination, bullying or harassment are dealt with fairly and objectively. These systems are set out in our Grievance Policy and Behaviours and Dignity at Work Policy and processes.

#### Activities



#### Responding to the ongoing COVID-19 pandemic

In 2021-22, as part of our duty of care we have continued to place particular focus on ensuring the wellbeing of our employees in relation to the ongoing impact of the pandemic. This has included:

- Conducting a further pulse survey to assess how employees are feeling about a range of factors, such as leadership through the pandemic, communication, personal mental wellbeing, productivity, collaboration, phased office return and hybrid working. The feedback we received has informed our approach to mental wellbeing support and how we support our employees as restrictions are lifted across locations.
- Continuing to operate global principles for dependent's leave, sickness absence and pay to remove uncertainty and to ensure a minimum level of cover has remained in place for all employees.
- Close supervision and bespoke support for employees in locations with continued strict lockdown measures.
- Continuing to adopt flexible working practices. As a company we provide flexibility regarding remote working and flexible hours to our employees

to support individual circumstances, balanced with the requirement to respond to client and business needs. During the pandemic we have continued to offer and support this flexibility and have ensured that we are compliant with government guidance/legislation on remote working/working from home where required.

- Providing physical and mental wellbeing guidance for employees and managers, including mental health in the workplace e-learning, a dedicated guide for managers, access to counselling and a range of activities such as webinars and virtual classes to support employees to cope with the challenges the pandemic has created. We have developed a dedicated training session for managers to help them create healthy team environments and hold effective 1:1 wellbeing conversations.
- Building on the launch of Mental Health Champions in EMEA, we have trained and launched Mental Health Champions in Asia Pacific and the Americas. Mental Health Champions are employees who provide an additional layer of support to employees who wish to have a

confidential conversation. Mental Health Champions are also able to signpost further support that is available and will play an active role in raising awareness of mental health in the workplace.

- Continued adherence to our established health and safety protocols when transitioning back to working in offices.
- A phased return to offices where pandemic restrictions have lifted that allows employees time to adapt to the changing environment.
- Adopting a hybrid approach to working that takes the best of how we have operated during the pandemic along with the value of in-person time together, in the office and with clients. To support this, we have established a hybrid approach to our working practices that supports remote working to ensure a continued focus on staying connected and informed, while balancing individual needs.
- Continuing to minimise travel, taking full account of the evolving health situation at the local level in the countries concerned.



### Delivering on our commitment to diversity, equity and inclusion

Our established diversity, equity and inclusion aims are:

- To be a meritocracy where all our people feel included and know that they can succeed based on their talent, behaviour, work ethic and commitment to the firm and our clients.
- To ensure that the make-up of our firm is representative of the societies where we are based and our global footprint. We aim to be a business that actively challenges institutionalised barriers to advancement.
- To increase the proportion of senior leaders in the firm from under-represented groups; we will ensure that bias has no place in our recruitment, attraction and promotion processes.
- To create an environment where all our people feel included and are able to bring their whole selves to work.

In line with these, in 2021-22 we have:

- Provided Inclusive Leadership training as part of a broader Leadership Development Programme for our Partner population.

- Continued to embed our diversity, equity and inclusion e-learning programme. The programme aims to build a foundation level of knowledge, set expectations of the behaviour expected of everyone in creating a supportive and inclusive work environment, and provide guidance on how to do this in daily interactions.
- Piloted gathering further diversity data, such as on ethnicity and disability, to inform our approach to how we broaden our data set to better understand the make-up of our workforce and potential barriers to progression.
- Implemented a global talent acquisition system through which all recruitment applications are managed. In line with the introduction of a new system, we have reviewed our recruitment process end to end, making changes to drive greater inclusivity and mitigate bias. Examples of system and process enhancements include anonymous candidate profiles at screening stage, neutral language guidance for job descriptions, and standard interview structures.

Our three People Networks (Mosaic, the Women's Network and Synergy) continue to run a range of educational events and champion important issues. Mosaic supports LGBT+ employees. The Women's Network is an inclusive group working to ensure that Control Risks is a compelling work environment; attracting, progressing and retaining talent regardless of gender. Synergy promotes and celebrates ethnic diversity. In 2021-22 initiatives have included the launch of a menopause information hub and a joint allyship campaign to build awareness of the role all employees can play in creating an inclusive environment. Our regional DE&I Committees, made up of employees, continue to drive their regional agendas aligned to our global aims. Example initiatives include community and school outreach and cultural awareness sessions. All our diversity, equity and inclusion groups feed in ideas and perspectives, support the implementation of global projects and work to raise awareness.



### Focusing on the development of our people

As part of this activity, we have:

- Run a Leadership Development Programme for our Partner population covering managing change, managing teams, inclusive leadership and coaching skills.
- Conducted a detailed review of the top three levels of our organisation.

This has included ensuring that succession plans and broader pipelines deliver on our diverse leadership commitments.

- Continued to focus on our new manager programme as an important component of our management and leadership curriculum.

- Developed training to help employees gain skills to support the commercial aspects of their roles.
- Continued to invest in compliance and technical skills training.





### Launching our Success Model

- In September 2021 we launched the first phase of our Career Toolkit, known as the Success Model. This model provides:
- Clarity and transparency by capturing and articulating the broad expectations that we have of our people at each of our career bands.
- A basis for consistency in recognising levels of experience and how individual performance is measured and rewarded.

We have started to embed the Success Model into our performance management process, including objective setting for this financial year. In addition, in support of our commitment to transparency and clarity, we have published a globally consistent promotion process accessible to our employees.

### External engagement

#### Engagement with our clients – managing supply chain risks

Our most important external engagement is with our clients. Since last year's report we have continued to develop our services and experience in helping our clients to manage social and human capital risks in their supply chains across the world. This activity complements our work on security and human rights (see Human Rights section above). Our work in this area has become a key pillar of our broader environment, social and governance ("ESG") services for clients and includes:

- **Risk assessment.** We help clients to identify and map the material social risks in their value chains, including those affecting human rights, labour rights, modern slavery and child labour, to identify the activities and drivers that could most expose operations, stakeholders and rights holders to risks.
- **Stakeholder mapping and engagement.** We work with companies to identify the stakeholders and rights

holders who have an interest and influence in their business or who may be affected by its activities.

- **Building controls.** We work with clients to review their existing controls, benchmarking them against international best practice and suggesting enhancements where needed. This includes providing roadmaps and guidance on implementing controls that address the root causes of human rights and social risks.
- **Capacity building and support.** We provide embedded teams and training to internal and external stakeholders to ensure that our clients can implement controls effectively. This includes providing awareness training on the root causes of human rights and social risk issues and how to manage these.
- **Monitoring and reporting.** We monitor compliance with international best practice and responsible sourcing standards, using first-hand resources in our clients' countries of operation. This includes site assessments to independently evaluate the effectiveness of controls and, where necessary, to identify potential grievances before they escalate.
- **Grievance reporting.** We work with technology partners to design and manage grievance reporting systems and platforms for vulnerable workers and rights holders, including app-based and call line platforms.
- **Problem solving.** We offer a combination of crisis management and investigations skills, including on-site visits, document analysis and stakeholder interviews to identify control failures and recommend mitigation strategies.

#### Recent highlights include:

- Delivering a programme of employment practices and worker accommodation audits for a developer based in the Middle East, including pre-engagement due diligence.
- The continued delivery of a worker welfare monitoring programme for an Abu Dhabi-based developer constructing a multi-billion-dollar entertainment venue. This has included supply chain due diligence, safety reviews, accommodation inspections, worker surveys and the management of a worker grievance mechanism.
- Extending the support of our embedded team of consultants to monitor the labour rights and working conditions for Expo 2020 Dubai, against industry-leading welfare requirements, beyond the successful delivery of the event into its legacy phase. This included onboarding contractors, monitoring employment practices, reviewing accommodation and training suppliers across the country.
- Ongoing support to the international audit quality programme of Sedex, a leading ethical trade membership

organisation. Our teams in Asia, Europe and Latin America have continued to review the performance of the audit affiliate companies that deliver Sedex's SMETA responsible sourcing audits to its members.

- An end-to-end recruitment supply chain review for an international soft services company for its African and South-East Asian migrant workers. Our work includes a living wage study, interviews with workers and recruiters, and a full review of employment practices to identify opportunities to align with international best practices.
- Mapped the global footprint and exposure of a major, international maritime company, providing country-level risk assessments of over 48 countries of operation and reviewing the client's human rights management system to determine responsibilities and activities for managing risk exposure. This included developing internal human rights training for all employees across the group.
- Due diligence on labour law and human rights compliance for an international technology company across Qatar, Lebanon, Dubai, Kenya and Nigeria.

- We continue to publish a regularly updated global and regional monitoring report, which analyses and summarises the latest developments in the COVID-19 pandemic. We provide these reports free of charge to 30 non-governmental organisations (NGOs).

### Engagement with our clients – supporting diversity, equity and inclusion (DE&I)

This year a variety of Control Risks' practice areas, across our global operations, have supported clients in their DE&I goals. For instance, we have provided due diligence services to an institutional investor seeking to identify funds that invest in diverse businesses. Another example was to conduct a risk assessment of a client's responsible business obligations; this exercise highlighted its top five responsible business risks, which included DE&I-related matters.

Client engagement has also shown that our commitment to our DE&I priorities enables clients to further their own DE&I agendas. In another example, an international company, seeking to embed security consultants within its operations, specifically focused on the potential provider's ability to deploy consultants

from diverse populations. When this contract was awarded to Control Risks, the client emphasised the importance they had placed on this during their decision.

### Thought leadership

We report on key international developments in human rights, social compliance, responsible sourcing, labour welfare, and modern slavery in our CORE online subscription service.

Once again this year we have run podcasts on responsible sourcing and social compliance in supply chains, including on sports and social responsibility, promoting the importance of localised risk assessments for human rights issues and the role of capacity building. James Lewry, director of our EMEA social compliance practice, has contributed to webinars on labour rights issues, including in March 2022 for the Oath group of general counsels in the Middle East, in April 2022 at the MENALAC safety conference in the Middle East on risks to vulnerable workers in the entertainment sector, and in July 2022 as a guest speaker at the University of Würzburg on how to integrate ESG and social risks into traditional enterprise risk management programmes.





We have supported AIM Progress, a membership organisation for responsible sourcing in the fast-moving consumer goods sector, in building capacity for responsible recruitment practices in the Gulf states. We provided a virtual training series for over 150 suppliers and developed action plans with them to promote the adoption of international best practices, such as the “employer pays” principle.

We continue to support working groups and contribute to policy development in labour rights and human rights. Karim

Daoud, a senior consultant and human rights expert in our social compliance practice in Dubai, is a member of the ILO Regional Office for Arab States (ROAS) Migration Advisory Group (MAG). MAG acts as a think tank and advisory forum to ILO ROAS on labour issues, and its purpose is to provide ILO ROAS with strategic advice on labour issues in the Arab States region. This includes providing advice on key policy messages and their articulation, advising on smart entry points and on how to affect meaningful impact to

policy change, and suggesting research strategies in various labour areas.

### Plans for 2022-23

In the year ahead, we plan to:

- |   |  |  |
|---|--|--|
| <ul style="list-style-type: none"> <li>➤ Explore the idea of displaying posters on our premises directed at any workers who are employed by third parties, enabling us to open a channel of communication with those who visit to provide a service on an ad hoc basis, as well as any who have a more regular base on our premises.</li> </ul> | <ul style="list-style-type: none"> <li>➤ Enhance our approach to listening to employees, working with external experts to launch and embed an engagement survey approach that allows us to keep abreast of employees’ perspectives and take action accordingly.</li> </ul> | <ul style="list-style-type: none"> <li>➤ Continue our focus on supporting the development of our people. Examples include:</li> <li>➤ Building on the launch of the Success Model, develop further resources, such as career path guidance, as part of our Career Toolkit commitment to greater transparency and clarity.</li> </ul> |
| <ul style="list-style-type: none"> <li>➤ Continue to focus on supporting employees where the COVID-19 pandemic continues to affect daily life.</li> </ul>   | <ul style="list-style-type: none"> <li>➤ Continue our diversity, equity and inclusion agenda, specifically ensuring the ability to capture and report on a broader suite of diversity data is fed into our new HR system requirements.</li> </ul>                          | <ul style="list-style-type: none"> <li>➤ Enhancing how we provide feedback and support the development of our employees through manager training.</li> <li>➤ Deployment of training to support commercial skills development.</li> </ul>   |





# Environment

**Principle 7:** Business 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.

## Our policy commitment

Our [Code of Ethics](#) includes a clear statement that we will conduct business in a manner that provides for the protection of the environment:

Control Risks recognises the need to embed all aspects of sustainability across our business. We are working towards minimising our climate footprint, promoting positive and supportive employee engagement and working in a way that is considerate of our impact on the planet and on our stakeholders.... With respect to the environment, we will support the transition to a low-carbon economy through our own business relationships, by using resources as efficiently as possible and by educating and motivating our colleagues to be environmentally responsible.

Control Risks' commitment to the environment is also outlined in the environmental aspects of our Health, Safety and Environmental (HSE) Policy. The policy makes a commitment to "safeguarding the health, safety, security and overall wellbeing of our people, our clients and the communities who may be affected by our global operations". It adds that:

Emphasis must also be placed on protecting the environment and acting in a socially responsible manner, in compliance with applicable HSE laws and regulations to ensure our activities have a positive impact on our neighbours and society.

Further statements in the policy include:

- Control Risks will comply with all applicable environmental laws and standards in each location where it operates.
- Control Risks has identified three key areas of environmental focus, and is committed to monitoring, evaluating and reviewing its performance in these areas across all operating locations.

These three areas are:

- **Reducing workplace waste** by cutting consumption and increasing recycling of office materials.
- **Shrinking greenhouse gas output** by increasing energy efficiency and reducing the carbon intensity of our operations.
- **Promoting environmental sustainability** in our employee, supplier, leasing and contractor relationships. In this context, Control Risks will brief its employees and suppliers on its environmental commitments. We also consider environmental impact a significant risk factor in our risk consulting methodology. Working with other specialists where necessary, we give our clients the best possible advice that is consistent with their and our environmental responsibilities.

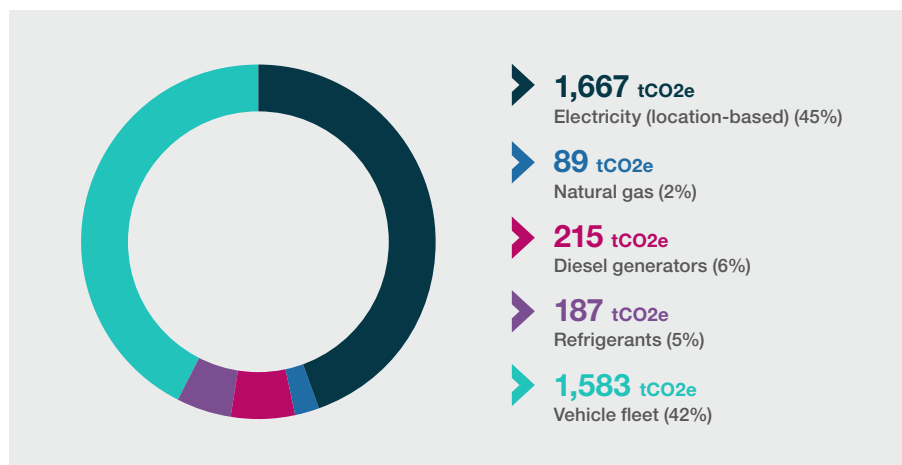
## People and processes

Non-executive director, Muriel Dube, who has a background in environmental change and management, contributes her special expertise in sustainability strategies at board level. Meanwhile, our Global General Counsel, Sally McNair Scott, who is also a member of the Executive Committee, champions environmental management within the company and chairs the Sustainability Committee. The committee represents colleagues across locations, bands and service lines. Its mandate includes improving company policies to enforce sustainable practice, commissioning companywide initiatives to improve awareness and staff engagement, and implementing the process of calculating our global greenhouse gas (GHG) emissions.

In March 2022, Control Risks' Maria Knapp took up the newly created position of Head of ESG Consulting for our Europe, Middle East and Africa practice. Maria is a longstanding partner in our consulting business and a member of the regional executive committee and is working across business units to co-ordinate our ESG consulting, including with regard to our environmental engagement.

An e-learning module on our Health, Safety and Environmental Policy is included in our global induction programmes and this mandatory training is repeated every two years. This year we released a new environmental sustainability module as part of this training. Compliance with environmental legal and regulatory requirements is included in our internal audit process.

The sustainability page on our intranet keeps our people informed about the steps we have taken towards meeting our policy objectives and lets them know how they can play a part in environmental initiatives at Control Risks.



### Shrinking our greenhouse gas (GHG) output

In 2021, we engaged ERM, one of the leading providers of climate change advisory services, to establish our Scope 1 and 2 GHG emissions inventory across our 36 offices and global operations. In line with internationally accepted methodologies, the GHG inventory was based on the Greenhouse Gas Protocol corporate accounting and reporting standard established by the World Business Council for Sustainable Development and the World Resources Institute.

The results of the exercise showed that Control Risks' GHG inventory, including Scope 1 and 2 emissions, covering all Control Risks sites between 1 April 2020 and 31 March 2021, totalled 3,741 tCO<sub>2</sub>e<sup>1</sup> (made up of 2,731 tCO<sub>2</sub>e (for high-risk protective services) and 1,007 tCO<sub>2</sub>e (for all other services)). To put its total emissions in context, Control Risks looked at its emission intensity based on its annual revenue during the period and carried out a limited comparison against peer organisations across related service areas. This revealed that Control Risks was doing better than some of its peers but had lessons to learn from others. Key sources of Scope 1 GHG emissions

include vehicle fleet, diesel generators, refrigerant top-ups, and natural gas for heating. Scope 2 GHG emissions result from office electricity consumption.

Control Risks is putting together a strategic plan for Scope 1 and 2 emission reductions, the key components of which will focus on:

- collecting evidence to report accurate market-based Scope 2 emissions, which will help us to reflect sourcing of renewable energy where possible, or to engage with suppliers to collect supplier-specific emissions factors
- considering energy audits of offices to identify energy efficiency opportunities
- developing a vehicle energy efficiency strategy, which would consider key elements such as vehicle type, journey planning, driver behaviour, and processes in place during both mobile and stationary use

In 2022, ERM is supporting us again by calculating our Scope 3 emissions, in addition to Scope 1 and 2, which includes data from our third-party relationships. The findings will help us to identify new ways to manage our carbon risks and opportunities. The

<sup>1</sup> tCO<sub>2</sub>e stands for tonnes (t) of carbon dioxide (CO<sub>2</sub>) equivalent (e). "Carbon dioxide equivalent" is a standard unit for counting greenhouse gas (GHG) emissions regardless of whether they are from carbon dioxide or another gas, such as methane.



Sustainability Committee will then make recommendations to the Executive Committee for next steps to reduce our carbon footprint over time, and to continually improve the quality of our data.

#### Air travel

As a result of the significant reduction in air travel in 2021, due to the COVID-19 pandemic, we increased our use of virtual meetings and have continued to promote these wherever possible. Our Travel Purchasing Policy requires that the default form of travel should be by land rather than by flying, if the journey can be completed within five hours and travelling by land is safe.

The nature of our work means that business travel is often necessary, as our ability to support our clients sometimes requires us to visit their locations. Travel is also important for developing relationships. But we are constantly reviewing the need and frequency of travel and assessing how to travel responsibly.

#### Other internal activities

Following the success of last year's participation in the Plastic-Free July initiative, our global network was asked to take part in a similar programme in

2022. The campaign aims to reduce the single-use plastics in our lives and to raise awareness of the effects of plastic pollution. Leading up to July, we asked each office to identify sources of single-use plastics that remain on site or had been introduced as part of control measures for COVID-19. We challenged them to find more sustainable alternatives where it is safe to do so.

Adhering to the mantra of "Refuse, Reduce, Reuse, Recycle", we encouraged our offices to make pledges to reduce their plastic use – not just for July, but to commit to sustainable changes. As an introduction to the event, we encouraged all staff to assemble "zero-waste kits": reusable bottles, coffee cups, cutlery and shopping bags. Further helpful hints were communicated each week in July along with thought-provoking facts.

Both the Delhi and Mumbai offices vowed to use larger, refillable bottles for drinking water, use coconut-based cleaning sponges, use biodegradable bin bags and provide washable N95 face coverings. In Mozambique, our operations also reduced the number of small plastic water bottles by replacing them with

refillable dispensers. Nairobi increased their recycling capabilities to include print toner cartridges and switched to wooden and bamboo stationery items. Recycling provisions were also improved in Johannesburg and Dubai, which also went on to source reusable face coverings instead of disposable masks.

Our Copenhagen office purchased more ceramic cups for their colleagues, replaced cleaning wipes with bamboo alternatives and even set up a collection point for used contact lenses. Tokyo too added more reusable drinking tumblers and wooden drink stirrers, and reduced their use of plastics in documents for clients. In London, biodegradable wipes were introduced along with eco-friendly gloves and first-aid plasters, cellulose cleaning sponges and paper straws for social events. In addition, specialist recycling points were installed for used stationery and snack food packets, which are difficult to recycle through most suppliers.

We were excited to see individuals comment on our dedicated intranet page with their personal commitments and contributions throughout the month.



### External engagement

#### Our work with clients

Our positive indirect environmental impacts relate to the services we provide that can help our clients anticipate and respond to future environmental challenges.

Control Risks has built its professional reputation on providing the best crisis and incident readiness, response and recovery services to clients around the world. Our consultants help industries become more resilient by enhancing crisis management plans and protocols. We include environmental elements in many of our exercises and workshops. For example, we rehearse our clients' decision making, recording and accountability against the backdrop of environmental crises and natural disasters such as earthquakes and tsunamis.

In the past year we have also helped multiple investors identify, understand and assess risks related to environmental protection in the renewables sector in Brazil's Amazon region. This has included assessments of the impacts of hydropower plants on local rivers, ecosystems and biodiversity preservation overall. By conducting ESG policy reviews, we have also supported clients in mapping potential gaps in their plans for environmental impact mitigation, based on best practices and on recognised standards including the Sustainable Development Goals. This has provided them with the local, sector-specific insights they needed to make informed investment and risk management decisions.

Also in South America, we helped a client make sound decisions about investments by ensuring its ESG standards were being met. This due diligence exercise included a review of waste management practices, monitoring of fuel consumption and efficiency in the supply chain, and implementing policies for reducing energy consumption across its operations.

#### Volunteering

Control Risks' Charity and Volunteering Policy allows our people to spend two days a year, in addition to their holiday allowance, engaging in a voluntary activity, project or charity, several of which are environmental initiatives.

In March 2022, a group of volunteers from our London office teamed up with the Conservation Volunteers to help with maintenance in Dulwich Upper Wood, an urban public park. This is an ancient woodland that serves as an important oasis for wildlife, including protected stag beetles and over 400 species of fungi. Local residents depend on this woodland as an escape from the city to improve their mental and physical health. Schools regularly use the park for educational purposes, whether learning about sustainability and the importance of nature, or as a venue for storytelling. Our volunteers cleared brush, weeds and litter that had accumulated throughout the winter; they also planted tree seedlings to improve biodiversity and prevent soil erosion, and assembled reclaimed wood benches that could be used by visiting school children or members of the community.

In conjunction with our global Plastic-Free July 2022 initiative, volunteers from our Houston office cleaned up a local beach in partnership with the Turtle Island Restoration network. As over 100m marine animals are killed each year due to plastic waste in the ocean, this organisation arranges small groups to responsibly dispose of litter; this improves the survival and health of local marine life, and provides cleaner and safer beaches for visitors and local residents. Recording their collection with the Marine Debris Tracker app, the volunteers and their families collected 38lbs of trash and 1,100 cigarette butts that would otherwise take centuries to degrade in the ocean.

Also during July, our Lagos colleagues took part in a session with Wecyclers, which aimed to educate people about their role in protecting the environment and how they can follow the Refuse, Reduce, Reuse and Recycle methodology to minimise their dependence on plastic. Social change was a focus of the session, which also aimed to highlight the potential value of waste materials. After the session, the teams went to Ogogoro and Atlas Cove to participate in a beach clean-up, benefitting local communities and wildlife.

### Plans for 2022-23

In 2022-23, we will focus on the following key activities:

- Calculating our Scopes 1, 2 and 3 emissions across our operations globally and making recommendations to reduce our carbon footprint.
- Carrying out a new materiality assessment as part of the process of reviewing our sustainability strategy.
- Continuing to contribute to environment-related projects with at least two volunteering projects annually.





# Anti-Corruption

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

## Our policy commitment

Control Risks' commitment to the Tenth Principle is expressed in our Code of Ethics, which is available on the [corporate responsibility section](#) (see Ethics) of our website:

Business integrity goes beyond compliance with the law, and involves the application of our core values. Control Risks does not pay bribes directly or indirectly and does not engage in any acts of corruption including the facilitation of tax evasion. Control Risks' employees are expected to use their judgement not just to avoid malpractice but to promote good practice in accordance with the company's commitment to high standards of integrity.

We elaborate on this statement in our Anti-Bribery and Anti-Corruption Policy, which is also available on our external website and was most recently reviewed (with minor revisions) in January 2022. The policy makes specific reference to the UK Bribery Act and to the US Foreign Corrupt Practices Act (FCPA). At

the same time, it affirms Control Risks' commitment to abide by all national laws relating to bribery and corruption in the jurisdictions in which we operate. The policy covers: bribes and kickbacks; facilitation payments; public officials; gifts, hospitality and expenses; personal conflicts of interest; charitable donations; political activities; business relationships; and audits and accounts.

Other related policies and procedures address client and project risk management, subcontractor management, and whistleblowing. Control Risks includes corruption risk assessment as an integral part of our review process before taking on new clients. In our standard Terms and Conditions for all client engagements, Control Risks agrees and warrants that it will not engage in any activity that would constitute an offence against national or international anti-bribery laws, and that it will maintain appropriate policies, procedures and training to prevent acts of bribery.

## People and processes

**Internal training and raising awareness**  
New employees are required to complete an e-learning anti-corruption training module when they join the company, and we reinforce our business integrity message through regularly updated training packages. For the 2023-24 financial year we plan a fresh round of company wide live workshops to reinforce awareness of our anti-corruption commitments. The workshops will draw extensively on real-life examples to make the sessions as engaging as possible.

**Third parties and subcontractors**  
Our Code of Ethics, our Anti-Bribery and Anti-Corruption Policy, and our training all place particular emphasis on the potential integrity risks associated with third parties and subcontractors. Our overall policy is stated in our Code of Ethics:

Control Risks expects its vendors, representatives and joint venture partners to adhere to integrity principles that are consistent with our own.

Our Subcontractor Management Policy supports the Code of Ethics by requiring a rigorous set of compliance procedures for the selection, preparation, engagement, training and management of subcontractors. This includes an online screening and management tool to support the implementation of this policy. The tool's key features include the automation of our bespoke vetting process workflows, and the creation of a centralised record of the completion status for each subcontractor. This



ensures consistency in the application of our vetting process, and makes it easier to audit compliance. The tool also enables us to distribute training courses to our subcontractors and track their completion. Control Risks employees responsible for managing subcontractors are expected to reinforce our contractual requirements by giving them verbal briefings on our Anti-Bribery and Anti-Corruption Policy, and to issue reminders whenever necessary.

#### Anti-corruption risk assessments and reviews

Our Group Risk Director and internal audit function conduct regular risk reviews and internal audits of all key business units and offices, with a focus on anti-corruption. Corruption-related risks and measures to address them are a recurrent feature of the risk registers prepared by country offices and project managers.

Similarly, business integrity is a key part of the risk assessment process that we undertake before accepting or bidding for new projects. Our Client and Project Risk Management Policy makes clear that “Control Risks is committed to the highest standards of business integrity. We will not take on any assignment that requires us, the client or a third party to pay bribes.”

#### Internal whistleblowing and ethics consultation procedures

As noted in the Human Rights section above, our employees are encouraged to make an anonymous report if they suspect that another employee is engaged in unacceptable or unethical conduct – including corruption – and feel unable to raise the issue with their line manager. Employees who wish to raise a concern anonymously are encouraged to contact a hotline managed by a reputable third-party provider that operates independently of the company management.

Similarly, as noted above, employees are encouraged to consult the company’s Ethics Committee if in doubt about the ethics of specific business initiatives or the integrity of potential business partners.

#### External engagement

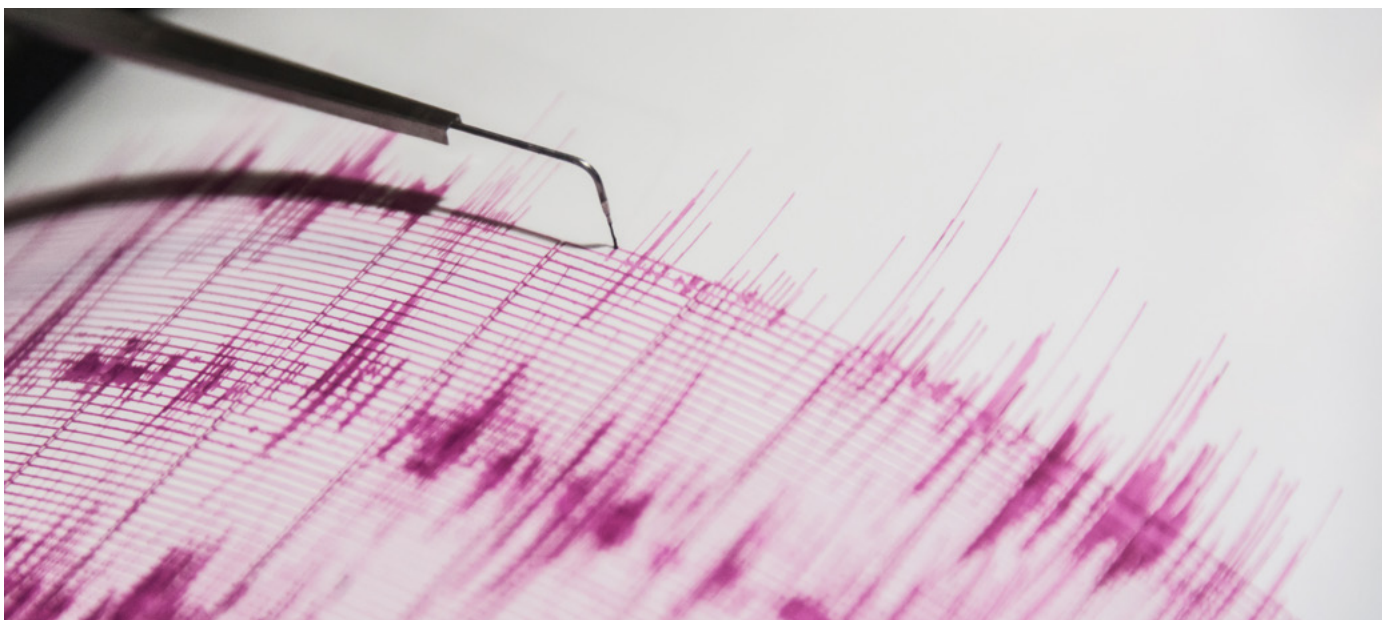
##### Engagement with our clients

Our most important external engagement is with our clients: we regard anti-corruption and financial controls as an essential ingredient of the ‘G’ in the environmental, social and governance (ESG) agenda. Our work ranges from integrity due diligence and risk analysis to policy development, training and

complex problem solving. We have particular expertise in helping international companies apply global principles in complex operating environments in emerging economies.

Examples of our work in the business integrity arena include:

- Working with our clients to help them formulate codes, policies and standard operating procedures that are tailored to their particular sectors and organisational requirements. For example, we are currently working with a client in the international offshore natural gas sector in South-East Asia to review and update its Code of Conduct as well as its anti-corruption and human rights policies.
- Conducting risk assessments, often supported by data analytics, that are specific to each client’s business model, commercial sector and geographical region. A recent example is our work with a startup telecoms company in South-East Asia. Building on an initial high-level risk assessment, we are conducting a deeper analysis of its operational practices as well as its accounting practices. Our advice





includes recommendations on training as well as the internal governance of the company's anti-corruption programme.

- Reviewing and where necessary stress testing anti-bribery and anti-corruption programmes to ensure that they are functioning effectively. We recently conducted a seven-country review for a global company specialising in cyber security advice and equipment. Among other issues, our assessment highlighted the need for tighter safeguards to manage the activities of “resellers” – the local firms that form a key part of the company's sales infrastructure.
- Designing both e-learning and face-to-face training programmes. Since the onset of the COVID-19 pandemic, much of our training has been conducted online. An example has been a training programme for the senior management of an international data centre company, highlighting real-life examples of the kinds of challenge that the company could face.
- Investigating and working with our clients to resolve problems, for example in response to whistleblowers' complaints. The problems that arise are extremely diverse: they may range from allegations of personal misconduct in

senior management to advice on how to respond to external demands for bribes that amount to a form of extortion.

We serve private sector companies across all industries, as well as government and non-profit agencies. For example, we work closely with an international sports federation to support the governance of its national associations in more than 50 countries worldwide. Specifically, we conduct annual reviews of funding provided by the federation to its associations, to ensure the money is being spent in line with its internal regulations.

Over the past two years, we have also been engaged to provide direct support to two national associations where former executives had misappropriated funding. In each instance, through a combination of risk assessments, controls and transaction testing, we have worked with the current management of the associations to create roadmaps to allow them to rebuild their organisations and improve governance through changes to policies and processes, support with procurement and recruitment and training for staff members.

Control Risks continues to support Microsoft ACTS (Anti-Corruption Technology Solutions) in mobilising the

power of data to assist governments in combatting corruption. This collaboration is one example of the practical application of Control Risks' country and regional expertise in the identification of corruption risk. Our knowledge is matched with Microsoft's use of technology to develop innovative insights to create greater transparency.

### Engaging with civil society

We are longstanding supporters of the Transparency International UK (TI-UK) Business Integrity Forum, and regularly participate in its meetings. Similarly, we are active members of the local Global Compact Networks in Australia, Brazil, Germany and the UK.

### Thought leadership

Control Risks regularly publishes material on business integrity issues and anti-corruption best practice in our regular reporting for clients and on our external website. For example, in June 2022 we published an article on [Conducting investigations in a post-pandemic world](#). The article highlighted the increased use of new technology to conduct investigations as well as the continued need for face-to-face meetings with the most sensitive interviewees.

In June 2022, Control Risks launched the fourth edition of the [Capacity to Control](#)



[Corruption Index](#), together with the Americas Society/Council of Americas and the Americas Quarterly. The index assesses 15 Latin American countries' ability to uncover, punish and deter corruption based on three factors: legal capacity; democracy and political institutions; and civil society, media and the private sector. The report pointed to a mixed picture over the previous year. Latin America continues to struggle with COVID-19, and economic issues such as inflation, now compounded by the conflict in Ukraine, have taken precedence over corruption. Many governments in the region have relegated anti-corruption reforms to a lower priority. However, it was clear that anti-corruption efforts, while under some stress, remain a priority for many citizens throughout the region.

In June 2022, Geert Aalbers, who leads our São Paulo office in Brazil, spoke at the 18th International Bar Association Anti-Corruption Conference in Paris. His topic was the impact of new data laws on the conduct of internal investigations.

In November 2021 the Council of the Organisation for Economic Cooperation and Development (OECD) published its [Recommendation of the Council for Further Combating Bribery of Foreign Public Officials in International Business Transactions](#). The Recommendation includes a set of guidelines concerning non-trial resolutions of bribery cases (e.g. deferred prosecution agreements). The OECD Council drew heavily on the advice of Recommendation 6, an informal

network of a group of academics, lawyers, corporate officers, and NGOs. Acting in a personal capacity, Control Risks consultant John Bray was one of the signatories to the Recommendation 6 memorandum on non-trial resolutions that underlies the OECD Council's final recommendations.

### Plans for 2022-23

In the coming year we will:

- Plan the next round of live anti-bribery and corruption workshops across our international network.
- Create a dedicated whistleblowing page on our company intranet to coincide with our live training workshops: this will raise awareness of our Whistleblowing Policy and our independent hotline.
- Prepare a Vendors' Code specifically designed for subcontractors and suppliers. (We currently communicate our values by sharing our Code of Ethics, which is primarily focused on employees.)
- Continue to highlight the essential role of anti-bribery and corruption as a key ingredient in the wider ESG agenda.

