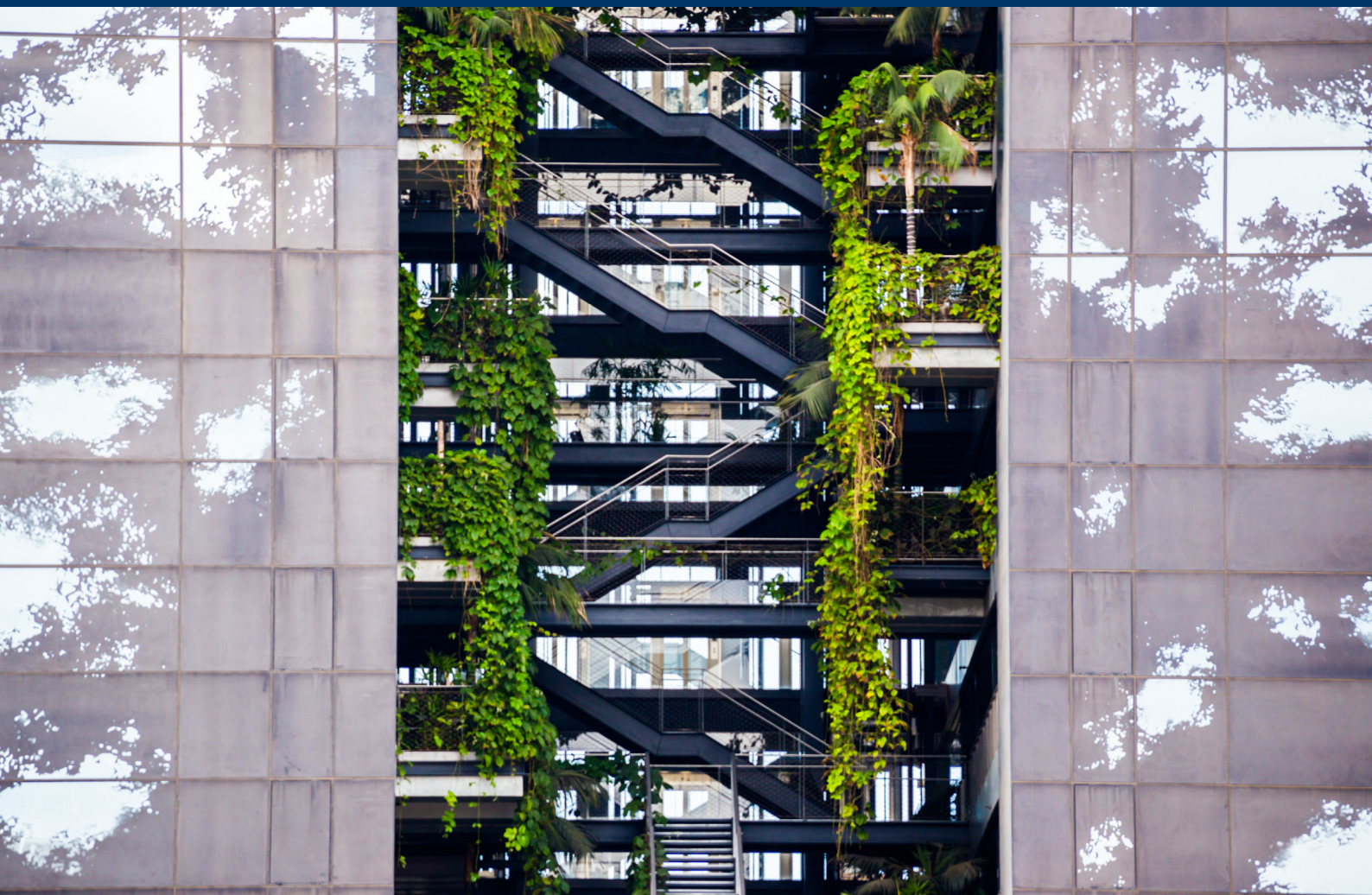


THE UN GLOBAL COMPACT

Communication on progress

The Risk Advisory Group

From 2 March 2018 to 27 March 2019



CONTENTS

CEO's statement of continued support for the UN Global Compact.....	4
Human Rights.....	5
Commitment.....	5
Policies and processes.....	5
Activities.....	5
Plans for 2019-2020.....	6
Labour.....	7
Commitment.....	7
Policies and processes.....	7
People Strategy.....	7
Other policies and undertakings.....	8
Activities.....	8
Internal.....	8
Government Services Projects.....	9
External engagement.....	9
Plans for 2019-2020.....	10
Environment.....	11
Commitment.....	11
Policies and processes.....	11
Activities.....	12
Plans for 2019-2020.....	12

CONTENTS

Anti-corruption.....	13
Commitment.....	13
Policies and processes.....	13
Training.....	13
Whistleblowing policy.....	13
Activities.....	14
Engagement with our clients.....	14
Thought leadership.....	14
Corruption Challenges Index.....	14
Event briefings, webinars and podcasts.....	15
Women in Compliance.....	15
Plans for 2019-2020.....	15

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

I am pleased to confirm The Risk Advisory Group's continued support of the Ten Principles of the UN Global Compact. As a provider of consultancy services to so many prominent international businesses and organisations it is enormously beneficial for us to have clear principles to unambiguously align our sustainability agenda with so many other committed organisations. Our goal has consistently been to run a good business in the right way. Adhering to the principles gives us a clear framework for our business strategy and operational processes. We firmly believe that this makes us a better business partner, employer and adviser to our clients.

This is our first 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 have made good progress in our first year across all of the principles.

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: Make sure that they are not complicit in human rights abuses.

Commitment

Risk Advisory is committed to protecting human rights. 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:

<https://www.riskadvisory.com>.

Policies and processes

Our induction programme for staff and suppliers includes ethical training covering human rights, modern day slavery, and gender sensitivity, with annual refresher training. 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.*

Activities

For many of the projects that we undertake, the risk of human rights violations is low. However, where they are higher, we have put in place additional monitoring and mitigation. 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 continuous monitoring of the international humanitarian and human rights risks identified for any project intervention.

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.

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 2019-2020

As a furtherance of our commitment to ensuring that we protect human rights, we are planning to draw up a Human Rights Policy this year and being a phased roll-out programme.



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

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

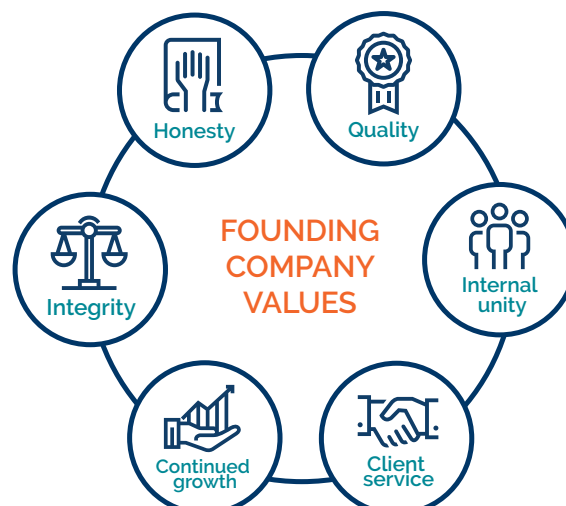
Risk Advisory is committed to the UN Global Compact's labour principles. Our Diversity & Equal Opportunities Policy states that we do not:

... discriminate against its workers on the basis of their gender, sexual orientation, marital or civil partner status, gender reassignment, religion or belief, race (including colour, nationality, ethnic or national origin), disability or age, pregnancy or maternity (referred to as "protected characteristics") or because of their trade union membership or the fact that they are a part-time worker or a fixed-term employee.

Policies and processes

People Strategy

Our commitment to the rights of our staff is clear from our group-wide People Strategy. Our People Strategy focuses on our commitment to invest in our people through development, recognition, promotion and retention. It is underpinned by our founding values and our people vision. It makes a clear statement about how we value and treat our people to enable everyone to achieve and sustain excellence in all areas of the business.





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.

To support our People Strategy, and ensure that we meet our commitments under Principles 3, 4, 5 and 6 of the UN Global Compact, we have set a number of goals we strive to meet. These include:

- Providing a workplace where health and wellbeing are positively and actively promoted, where people feel valued, engaged and developed to their full potential;
- Embedding and encouraging a supportive and consistent culture which is inclusive, positive, fair and safe; and
- Ensuring that opportunities are open to all, where people can lead and are led effectively and where change is approached with positive and inquisitive minds.

Other policies and undertakings

Our People Strategy flows down into other policies and processes which demonstrate the respect we have for the rights of our people and we recognise and encourage diversity in all that we do, be it our people, clients or our suppliers. These include our:

- Accreditation as a Living Wage employer in the UK since 2015;
- Support for freedom of association through the publication of information about the rights to do so on our intranet; and
- Undertakings in our policy on Modern Slavery, which are set out in more detail under the Anti-corruption section of this report on progress.

Activities

Internal

Last year, we created a new HR leadership role in order to build and promote a clear people-focused culture and strategy. This role operates using the business partnering model to focus on staff well-being, work/life balance, culture and development, as well as staff retention, reward, recognition, performance and talent management and is designed to ensure that we do our utmost to support our staff.

One of the initiatives we have invested heavily in is our Junior Research Analyst (JRA) programme. This is a paid internship programme that allows us to establish direct relationships with students and raise

awareness of our work to potential recruits. JRA roles are typically available for a six month period and are designed to provide a successful cohort with valid work experience and a basic skill set in research to help them decide if this is the type of career they strive for and equally, it gives us as the employer an opportunity to assess individual skill and mind sets.

This is a very positive step forward in adding to our talent pipeline, as well as sourcing candidates directly. Within the past 12 months we have converted eight JRA employees into entry level

Research Associate positions. While external recruitment will continue to play a key role in developing and growing the business this is one way in which we have reduced our reliance on external recruitment agencies.

Continuing our commitment to developing our staff, we launched Talking Talent. Talking Talent is a tool to help senior leaders and line managers to understand the talent to assist us in retaining, developing, recognising and rewarding our people, it also identifies staff mobility and aspirations to travel or transfer between offices. It helps us to highlight any performance issues and manage them accordingly.

Government Services Projects

Although still very low, there is a slightly higher risk of labour rights violations in some of our security sector projects because we are often work in areas of conflict and in countries with low governance standards. For these projects we employ both international contractors, as well as local labour. Our local staff have varied skill sets including drivers, interpreters, administration clerks, office managers and 24/7 operation room watchkeepers.

On these projects we work closely with the government donors to ensure that labour rights are protected. Prior to deployment, all contractors are carefully vetted. They also receive a project briefing that includes details of security, travel, logistics, communications, administration, current situation and cultural sensitivities. Arrival briefings also include in country induction visits/briefs, cultural briefs and a thorough understanding of the risk management plan.

We ensure all of our staff have opportunities for continuous learning and development. We deliver, first aid/responder training, personal/situation awareness training and gender and conflict sensitivity training to all our staff and integrate gender and conflict sensitivity issues (following review of lesson plans) into our training delivery.



External engagement

Our Diversity & Equal Opportunities Policy states that:

*The Company is fully committed to a culture of equal opportunities and diversity.
We consider diversity has sound commercial, ethical and economic sense.*

We extend this externally to our clients and business partners.



Several employees at Risk Advisory are part of a London-based network aimed at promoting diversity and inclusion in the security intelligence, analysis and consultancy sector. Its members advocate for open and competitive hiring processes and encourage others to consider perspective and background in their work. The network aims to conduct briefings, workshops and panel discussions on these topics.

Risk Advisory hosted a launch event for the network at its office in London in November 2018.

Plans for 2019-2020

In addition to our continuing support for the diversity and inclusion initiative over the coming months, we aim to roll out to all our offices a flexible working policy. The aim of the policy is to provide clarity around our approach to flexible working, as well as encouraging staff to carefully consider their work life balance by choosing to flex their hours of work or work from home. We are well equipped to offer flexible working from an IT and systems perspective, it is more about communicating our approach and the expectations of the company.

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

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 and, as a result, our Environmental Policy largely focuses on the impact we can make by mitigating our London office waste. Four areas on which we particularly focus our efforts are recycling, energy saving, purchasing and paper usage (see below).

In addition to the key areas covered in our Environmental Policy, we work hard to minimise travel by using technology such as video conferencing to hold meetings with teams which are split across various offices and with clients. All of our staff have desktop access to video conferencing facilities. This has reduced the need to travel and we estimate meant a reduction in our emissions of 2,350 metric tons in 2018.

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

This year we have:

- Started to implement a project to move our contracts to an online contract application to reduce paper waste.
- Created colour-coded recycling signs in our London office to increase awareness among staff of our recycling practices and to make sure as much waste as possible is recycled.
- Donated clothing to a charity clothing drive.

Plans for 2019-2020

In the next 12 months, Risk Advisory aims to:

- Establish our Green Team to promote environmental initiatives across all our offices.
- Reduce single-use plastic in our London office by 50%.
- Source recycled stationery in our Washington, D.C., office where possible.
- Start to introduce measures to offset our travel carbon emissions.

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 Company runs its business with integrity. All employees must work together to ensure that they remain untainted by bribery or corruption ... The Company takes a zero-tolerance approach to bribery.

Our commitment to eradicating bribery is set out in more detail in our Anti-Bribery Policy. The policy requires staff to operate within full compliance of the regulatory and legal framework in whichever country we operate in, including in relation to the Bribery Act and other, similar legislation, and it reiterates that “Bribery of any kind is strictly prohibited”. 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. In addition to the undertakings in our contracts and commitments in our policies, this is reinforced via a number of other routes.

Training

All staff read and commit to abiding by our Ethical & Code of Conduct Policy when they join the company. The message is reinforced through a briefing with the CEO and then periodically as part of other training sessions, including sessions on how to manage third parties.

Whistleblowing policy

We foster a culture of openness and accountability within the organisation and we encourage staff to report any wrongdoing by staff or third parties with which we work with who fall short of the standards that we set out in our Ethical & Code of Practice Policy, including bribery or corruption.

There are a number of avenues through which staff can raise any concerns they may have. They are encouraged to discuss any potential issues with their line manager in the first instance but they can also seek independent advice from one of our nominated Confidential Advisors.

Should a more formal process be needed, our Whistleblowing Policy outlines the process for escalating matters or staff can raise them with our Chief Risk & Compliance Officer.

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.

Corruption Challenges Index

Every year, Risk Advisory's due diligence, political and security experts compile our Corruption Challenges Index. 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.

Event briefings, webinars and podcasts

Risk Advisory hosts a number of briefings, webinars and podcasts from a variety of global locations from Washington, D.C., to Hong Kong, where our experts are regularly joined by guest speakers. Over the past year we hosted briefings on topics such as Saudi Arabia’s anti-corruption crackdown, the enforcement outlook in Brazil (<https://www.riskadvisory.com/news/podcast-bolsonaros-brazil-a-political-and-security-outlook-for-2019>) and the impact of the first corruption investigation into a serving prime minister in Spain (<https://www.riskadvisory.com/news/does-a-post-partido-popular-spain-mean-a-post-corruption-spain>).

Women in Compliance

Risk Advisory founded the Women in Compliance group in London in 2009 to give like-minded women the opportunity to network and build relationships with others in the risk management consulting field. Last year our Women in Compliance group hosted events on themes such as ‘How to create an effective ethical culture?’ and best practice in conducting internal investigations.

Plans for 2019-2020

In the coming 12 months Risk Advisory will:

- Review and update our Anti-Bribery Policy;
- Update our ethical training materials; and
- Roll-out regular ethical training to employees and all staff working on government projects.

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

