

Greenwheel Insights

Investing in Stability: A Framework for Responsible Investment in Conflict-Affected and High-Risk Areas



Jessica Wan

Co-Head of Greenwheel
Social Research Lead

Executive Summary

Today, the world is seeing the highest levels of conflict since the end of World War II, with an estimated one in six people living in conflict-affected areas. This turbulence means that businesses and investors face increasing exposure to conflict-affected and high-risk areas (CAHRA).

Businesses are never neutral in CAHRA. Whether through supply chain activities or the provision of services and products, business activities and decisions will have an impact on conflict dynamics. Under international norms, businesses are expected to carry out *heightened* human rights due diligence, which involves the consideration of both human rights and conflict impacts. Failure to do so can lead to significant regulatory, legal, operational, and reputational risks.

While the priority for businesses is to “do no harm”, businesses can play a peace-positive important role in breaking the cycle of fragility, conflict, and poverty. During periods of heightened conflict, businesses can continue their operations in providing access to essential goods and services and/or support the delivery of humanitarian assistance. In post-conflict settings, businesses can provide access to decent work and contribute to de-escalation.

The good news for investors is that there a wide range of frameworks and guidances to support investors in assessing portfolio companies.

Building on this foundation, the **Greenwheel Investor Checklist on Responsible Business Conduct in CAHRA** brings together existing guidance, leading company practices, and expert insights into a practical tool for asset managers.

The Checklist identifies key company actions to take, investor questions to assess holding companies or to use in engagements, indicators of company actions, and existing company best practices. The Checklist maps good practices against the six-steps of due diligence:

- **Commit:** Establish policies and commitments, senior leadership oversight, roles and responsibilities, training;
- **Identify:** Determine threshold to apply heightened human rights due diligence, conduct conflict assessment, and prioritise risks (conflict and human rights risks);
- **Address:** Adopt conflict-sensitive prevention and mitigation in direct operations, supply chains, and provision of goods and services, engage stakeholders, and manage responsible exits;
- **Remediate:** implement conflict-sensitive grievance mechanisms;
- **Track:** monitor the impact of mitigation measures; and,
- **Report:** report on policies and processes and respond to controversies.

CONTACT US

Please contact us if you would like to learn more about our strategies.

invest@redwheel.com | www.redwheel.com

Preface: The Investor Need

“Operating in a conflict -affected and high-risk area places companies in an incredibly challenging human rights environment. Navigating that environment often involves complex trade-offs that make it especially hard for external parties to assess how well the company is doing. This CAHRA framework provides investors with a tool that enables a more robust assessment of company performance versus best practice, alerting investors to many of the difficult choices involved. Using the framework, the Redwheel Global Equity Income team can support companies in these situations to promote the best possible human rights outcomes. It is often only by retaining the social licence to operate that such investments can deliver the non-financial outcomes clients desire, as well as supporting durable investment returns.” **Robert Canepa-Anson**

“Responsible allocation of capital in conflict-affected markets requires investors to balance human rights, state fragility and operational risk in far more granular ways than in other markets. It is vital to distinguish between companies that entrench instability and those that genuinely contribute to resilience, essential services and decent livelihoods, especially in Emerging and Frontier markets, is analytically difficult. Robust frameworks like CAHRA are critical to consistent, disciplined and accountable decision-making.” **Archana Shah**

“We believe sustainable business models drive shareholder value, particularly in resource extraction and even more so as depletion in established mines pushes production into frontier regions. Sustainability therefore requires companies to support peacebuilding, social cohesion and socioeconomic development for local and national communities, the outcome one of securing resource supply for international stakeholders, taken together underpins long term shareholder value.” **John Teahan**



Robert Canepa-Anson
Co-Portfolio
Manager,
Redwheel Global
Equity Income



Archana Shah
Portfolio Manager,
Redwheel
Sustainable
Emerging Markets



John Teahan
Portfolio Manager,
Redwheel Value &
Income

A changing global context

The world is increasingly turbulent. Between 2024 and 2026, there were a total of 91 armed conflicts, of which, 68 are non-international armed conflict. 23 are international armed conflict including six military occupations.¹ Today, one in six people live in a conflict-affected area.²

The world has seen the most conflict since the end of World War II. Conflict is becoming more internationalised with at least 78 countries engaged in conflict beyond their borders.³ Due to the changing nature of conflict, resolutions are becoming more difficult to attain. Conflict resolution is lower than any point in the last 50 years.⁴

Conflict has become less restrained, where violence targeting civilians perpetrated by both states and non-state armed groups has grown. Since 2020, state violence against civilians have increased threefold.⁵

Conflict carries high social costs

The United Nations estimated that a civilian was killed in armed conflict every 12 minutes in 2024. The number of women and children killed in conflict has quadrupled when comparing the periods of 2021 – 2022 and 2023 – 2024.⁶ Conflict has internally displaced a total of 73.5 million people as of December 2024.⁷

It is unsurprising that conflict severely impacts socioeconomic development. In conflict-affected or fragile countries, the extreme poverty rate is 40 per cent, which exceeds the average across emerging and frontier markets at 6 per cent.⁸ Food insecurity is prevalent in these contexts, wherein 200 million people or 18 per cent of the population in conflict-affected or fragile countries are impacted in 2024.⁹ Life expectancy in conflict states is seven years shorter than the average across emerging markets.¹⁰

Conflict contributes to the global decline in freedom of expression and safety of journalists. Of the 310 journalists killed between 2022 and 2025, 162 were killed in a conflict zone.¹¹ The attack on press freedom has a chilling effect on human rights, as timely information during a crisis can be lifesaving in facilitating access to food, water, safety, and medical care. Silencing journalists may jeopardise future transitional justice and peace-building processes as journalists are unable to document war crimes.¹²

In addition to the immediate human rights impacts, conflict can harm medium-term economic growth, as after five years of conflict, gross domestic product (GDP) may fall cumulatively by 20 per cent relative to pre-conflict projections.¹³

The cost for businesses and investors

The Heartland Institute estimates that, since 2007, conflict has caused approximately US\$85 billion in financial losses as a result of reduced market value, regulatory fines, compensation payments, and stranded assets.¹⁴ Estimates from Maplecroft show that 36,045 assets of publicly listed firms are in conflict areas up from 29,515 in 2021. Sectors such as extractives and minerals processing, technology and communications, and infrastructure see the greatest increase in exposure since 2021.¹⁵

Businesses and investors with exposure to conflict-affected areas face significant regulatory, legal, operational, and reputational risks (Figure 1).

Figure 1: The business and investor case for action in conflict and high-risk areas



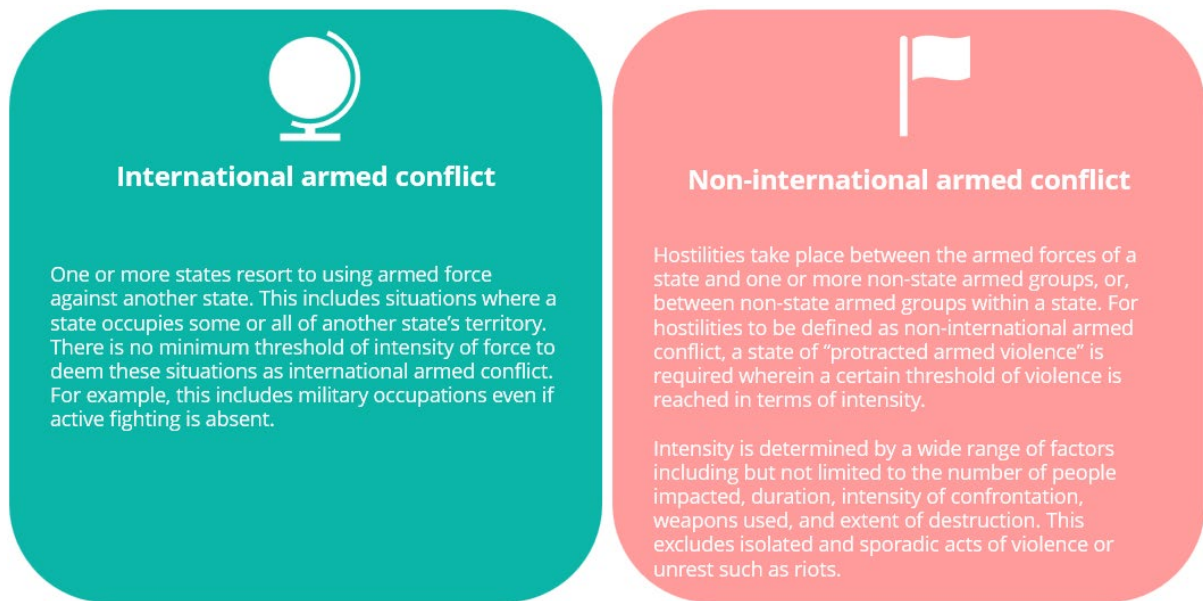
Source: [Yousef et al., 2025](#), [ICRC, 2024](#), and [Heartland Institute, 2024](#); created by author. The information shown above is for illustrative purposes.

Non-profit organisations (NGOs) and victims and survivors are increasingly holding companies and banks accountable for their actions in conflict-affected areas, including allegations of on-going profits from conflicts; causing or contributing to gross violations of human rights; complicity in war crimes through supplying tools such as fuel, logistics, and financial support, weapons, security service, and chemicals; and, inciting violence through social media platforms. NGOs, victims, and their representatives are filing complaints through domestic channels and international mechanisms such as the International Criminal Court (ICC).¹⁶

Defining conflict and the responsibility for businesses and investors in conflict-affected areas

There is no universal definition to the term “conflict-affected area”.¹⁷ Nonetheless, international instruments such as international humanitarian law (IHL) offer a framework to define situations that constitute conflict. Under IHL, armed conflict can be defined as international armed conflict or non-international armed conflict (Figure 2).¹⁸ Under international law, there is no designated authority to classify a given situation as armed conflict, though, organisations such as the International Committee of the Red Cross (ICRC) may make an independent determination.¹⁹

Figure 2: Types of conflict



Sources: [ICRC, 2024](#) and [UNDP, 2022](#); created by author. The information shown above is for illustrative purposes.

In situations of armed conflict, IHL applies to both state and non-state actors, including businesses and investors. Businesses and investors inherit additional obligations on responsible conduct for their operations and across their value chain in situations deemed as armed conflict, primarily, to carry out heightened human rights due diligence (Figure 3).²⁰

Although businesses strive to avoid involvement in a conflict setting by not taking sides, businesses operating in such environments will never be neutral. Whether it is through their supply chain activities or their provision of services and products, business activities will have an impact on conflict dynamics.²¹

Figure 3: International norms and global initiatives and their references to IHL

International human rights norms

United Nations Guiding Principles on Business and Human Rights
Businesses are expected to recognise heightened human rights risks in conflict-affected areas. In response, businesses are to carry out heightened human rights due diligence and respect IHL.

OECD Multinational Enterprises on Responsible Business Conduct
During armed conflict, businesses should respect IHL and carry out enhanced due diligence to address adverse impacts including impacts related to IHL violations.

Examples of global initiatives

United Nations Global Compact
Businesses signed onto the UNGC commit to supporting and respecting internationally proclaimed human rights and avoid complicity in human rights abuses, including in conflict-affected areas.

Voluntary Principles on Security and Human Rights
Businesses should carry out human rights risks assessments in their relationship with public and private security providers. Security providers should be trained on the rules of IHL.

Global Reporting Initiative
Businesses are encouraged to describe their adherence to IHL when operating in CAHRA. The GRI also advises businesses to leverage civil society and other experts to carry out full impact assessments.

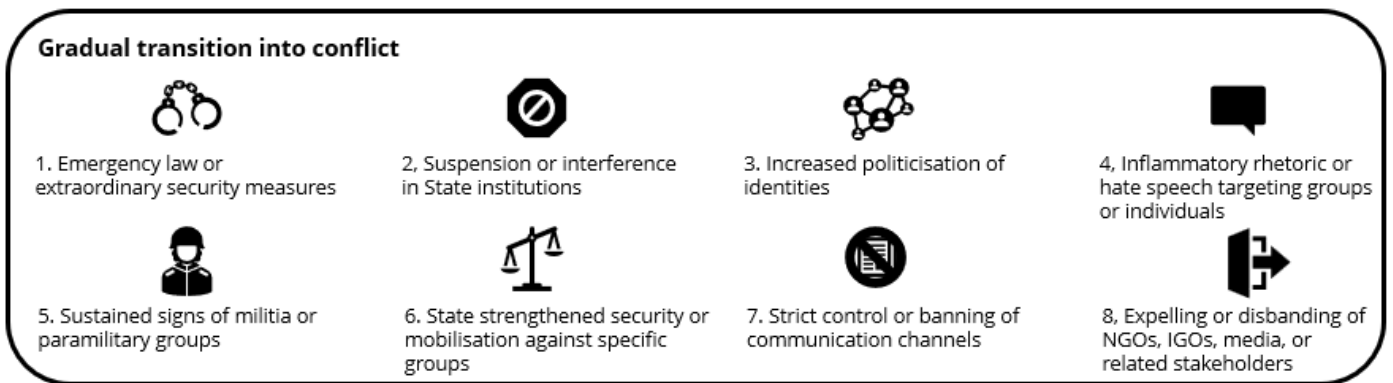
Sources: [ICRC, 2024](#), [GRI, 2023](#), [UNDP, 2022](#); created by author. The information shown above is for illustrative purposes.

The use of the umbrella term conflict-affected and high-risk areas (CAHRA)

Although international instruments refer to various types of armed conflict, there is room for interpretation on the minimum threshold required for when IHL is applicable. New forms of “non-conventional armed violence” such as terrorist attacks, anti-terrorist operations, or anti-drug operations are emerging globally, which may not fit neatly into the parameters under IHL.²² Even if a situation falls below the threshold for armed conflict, the existence of widespread violence necessitates businesses and investors to carry out heightened human rights due diligence.²³ Similarly, although active hostilities may cease in post-conflict settings, there may be risks of relapse into conflict.²⁴

Additionally, the transition from high-risk to armed conflict may be gradual, as highlighted by the United Nations Working Group on Business and Human Rights (Figure 4). As such, practitioners use the umbrella term conflict-affected and high-risk areas or CAHRA to capture the circumstances in which businesses and investors should carry out heightened human rights due diligence.

Figure 4: Eight factors signifying the gradual transition to conflict

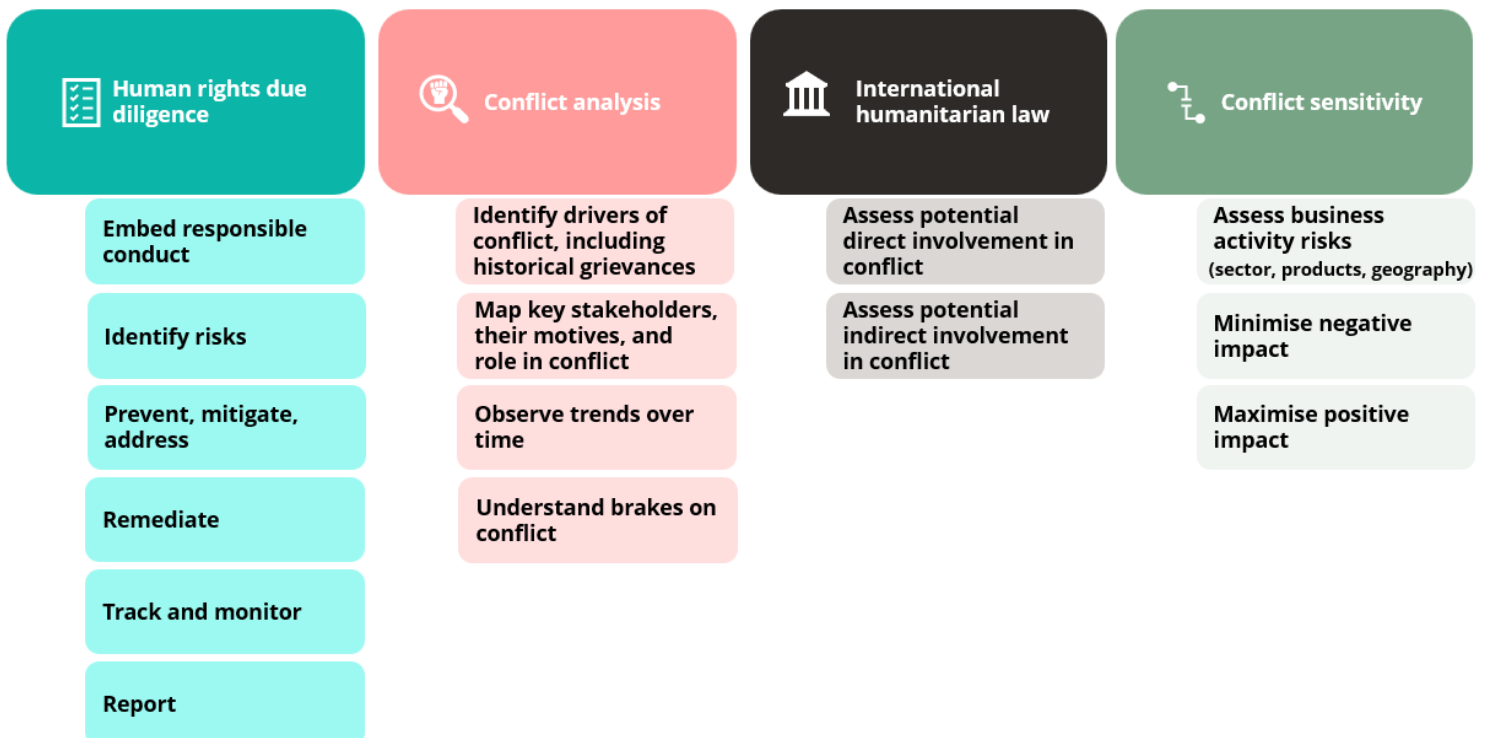


Source: [United Nations General Assembly, 2020](#); created by author. The information shown above is for illustrative purposes.

Defining heightened human rights due diligence

Heightened human rights due diligence involves four key steps (Figure 5). The first step of heightened human rights due diligence is to carry out human rights due diligence. This involves building a management system around human rights (policies and governance), identifying key human rights risks and impacts, taking actions to address them, providing access to remedy through grievance mechanisms, tracking and monitoring performance, and communicating performance. This step is sufficient for non-conflict contexts, but CAHRA requires *heightened* due diligence, which involve the subsequent three steps.

Figure 5: Heightened human rights due diligence



Source: [Investor Alliance for Human Rights et al., 2025](#), [Aguierre and Petropaoli, 2023](#), [RIAA, 2023](#), [UNDP, 2022](#), [International Alert, 2021](#), [TrustWorks Global and NIRAS, 2021](#), and [United Nations General Assembly, 2020](#); created by author. The information shown above is for illustrative purposes.

The second step entails conducting a conflict analysis, where businesses are expected to understand the nature and scale of conflict by identifying the root causes of tension, key stakeholders, contextual factors, triggers, and brakes on conflict.²⁵ As part of this step, businesses are encouraged to take a historical view, as past conflict and legacy issues are indicative of future conflict. Practitioners advise businesses to consider social dynamics in conflict, as roles for individuals differ when factoring in age, ethnicity, gender, migrant status, sexual orientation, religion, and other factors.²⁶

The third step is to conduct an analysis in line with IHL. Businesses should assess their risks of breaching IHL by aiding, abetting, or facilitating war crimes through their operations, relationships, and provision of products and services. This step allows businesses to map additional legal obligations they may have in an armed conflict situation.²⁷

Lastly, conflict sensitivity requires businesses to assess how their business activities and decisions can impact conflict dynamics. As part of this assessment, businesses should consider their direct operation with a physical footprint (e.g., offices, staff on-the-ground, use of security services), exposure through procuring goods from a supplier, and/or through the sales of products and services in CAHRA.²⁸

When the conflict lens is applied to human rights due diligence, the recommended actions for businesses may change, as businesses should differentiate risks under non-conflict circumstances from those in a conflict setting (Figure 6).²⁹ In CAHRA, a business activity can be seen as legitimising or delegitimising local actors, including parties involved in armed conflict, which can exacerbate existing social tension between groups.³⁰

Similarly, as seen in the experiences in telecommunications companies, where businesses have on-the-ground staff present in CAHRA, they may be limited in being able to refuse requests for information that may violate the freedom of expression and privacy whilst a social media company may be able to reject such requests due to the lack of local staff. Consequently, businesses may be unable to implement their global policies in a conflict setting without additional considerations and safeguards.³¹

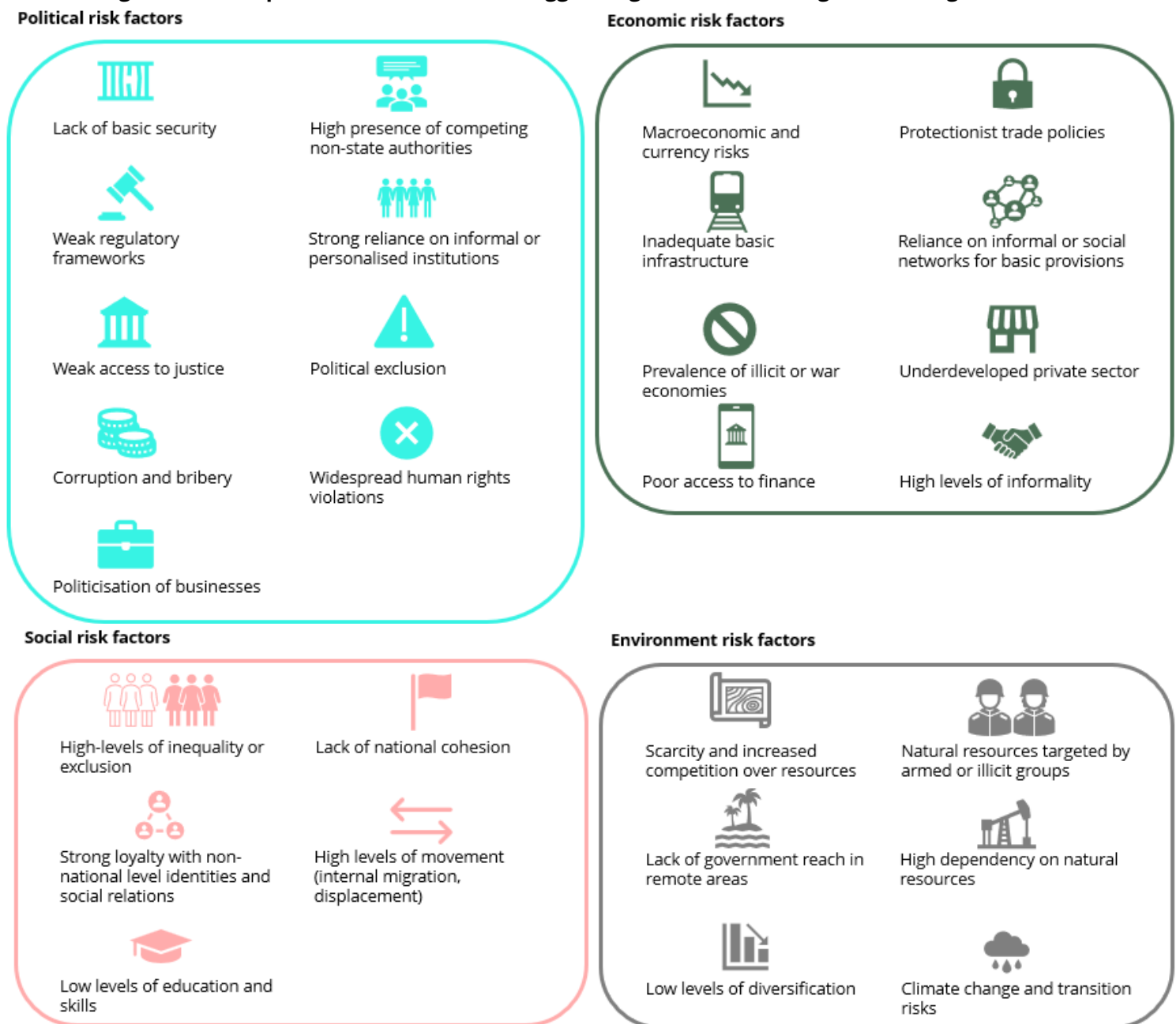
Figure 6: A hypothetical case of applying a conflict lens to human rights due diligence



Source: Author; created by author. The information shown above is for illustrative purposes.

Due diligence should be an on-going exercise, especially in a context with heightened risks (i.e., CAHRA). Heightened human rights due diligence should be carried out prior to starting a new business activity or relationship; before changes in business operations including new products and services; entering new markets; opening offices or other physical presence in new markets; and in response to changes in the operational environment.³² Ideally, businesses should have an early warning system to identify potential red flags (Figure 7).³³ This is an important step as these structural drivers can be long present prior to the eruption of conflict.³⁴

Figure 7: List of potential risk factors to trigger heightened human rights due diligence



Source: [TrustWorks Global and NIRAS, 2021](#); created by author. The information shown above is for illustrative purposes.

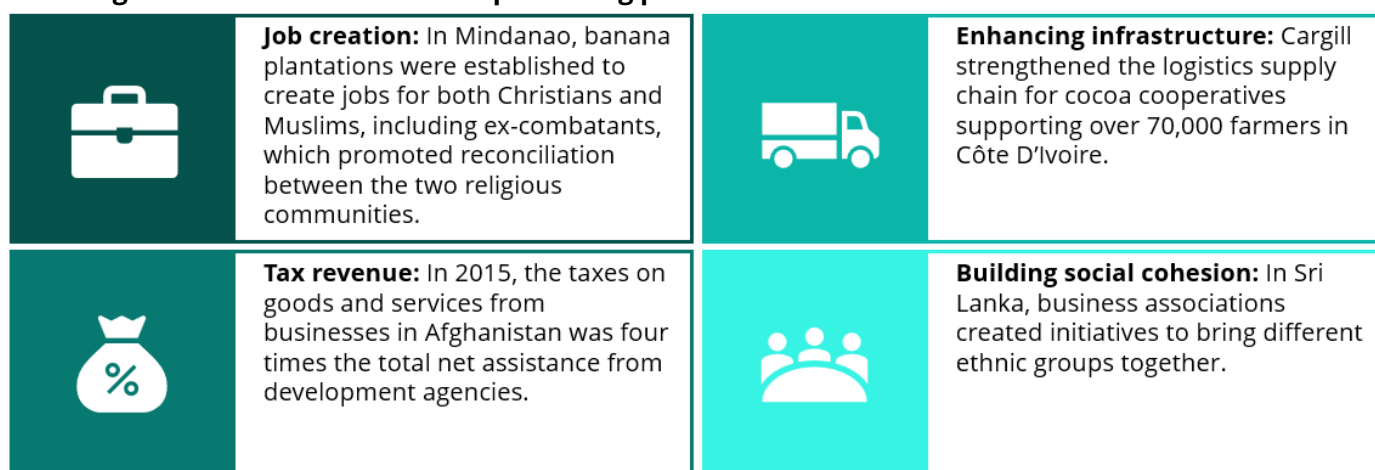
Note: These individual factors are not red flags in and of themselves. However, the prevalence of multiples of these variables may signify a high-risk environment or where widespread unrest can escalate rapidly.

Box 1: The role of businesses and investors in peacebuilding

In addition to avoiding harm through carrying out heightened human rights due diligence in CAHRA, businesses and investors can play an important role in breaking the cycle of fragility, conflict, and poverty.³⁵ During the height of conflict, businesses can establish humanitarian corridors, protected zones, facilitate the movement of civilians, and support the delivery of humanitarian assistance.

Their long-term presence in high-risk contexts, if carried out responsibly through heightened human rights due diligence, can create decent work to fuel social cohesion and socioeconomic development.³⁶ A strong private sector can have a positive knock-off effect in creating local social programmes to help de-escalation through fostering non-violent methods of conflict resolution and cooperation; rebuilding trust in public institutions; and, reducing inequality through fair access to resources (i.e., respecting free, prior, and informed consent) and benefits-sharing.³⁷ Although this role is typically taken up by development finance institutions, businesses can have a positive impact on peace and stability (Figure 8).

Figure 8: Role of businesses in promoting peace



Source: [IFC, 2019](#); created by author. The information shown above is for illustrative purposes.

An investor framework on carrying out heightened human rights due diligence in CAHRA

There are many existing guidances and frameworks to help guide investors in assessing portfolio companies.¹ To add to the wealth of existing research, Greenwheel's contribution brings together the existing resources, company best practices, as well as practical advice gathered from conflict

¹ Leading frameworks and guidance include the following: the Investor Alliance for Human Rights, Heartland Initiative, and PeaceNexus' [Practical Guidance for Investor Engagement](#), the UNDP's [Heightened Human Rights Due Diligence for Business Guide](#), and the Responsible Investment Association Australasia's [Investor Toolkit on Human Rights and Armed Conflict](#). Greenwheel's Framework draws practical insights from sectoral guidance including BSR and JustPeace Labs' [Conflict Sensitive Due Diligence for ICT Companies](#), Access Now's [Forgotten Pillar the Telco Remedy Plan](#) and [Tech and Conflict Guidance for Responsible Business Conduct](#), and International Alert's [Human Rights Due Diligence in Conflict-Affected Settings for Extractive Industries](#). Lessons are also gained through the work of expert organisations including the [Ethical Trading Initiative](#), [IFC](#), [TrustWorks Global](#) and [NIRAS](#), and [World Bank](#).

experts tailored to an asset manager audience. Greenwheel’s **Investor Checklist for Responsible Conduct in CAHRA** identifies key company actions to take, investor questions to assess holding companies or to use in engagements, evidence of company action, and existing company best practices (Figure 9).

Figure 9: Greenwheel’s Investor Checklist for Responsible Conduct in CAHRA



Source: author; created by author. The information shown above is for illustrative purposes.

1. Governance

Policy, commitment, or equivalent on heightened human rights due diligence

Companies with CAHRA exposure are expected to have either a standalone heightened human rights due diligence policy or have this process embedded in their existing human rights approach.³⁸ A review of energy and tech companies showed that in practice, companies do not have a standalone policy describing how they carry out heightened human rights due diligence. Whether standalone or integrated, investors are encouraged to assess whether the company incorporates a conflict lens into its overall management processes, from operational risk assessments to due diligence on suppliers and clients.³⁹

A policy or commitment should go beyond a general approach to CAHRA by highlighting the areas that are salient to a business. For instance, an extractive company with physical presence in CAHRA should highlight their approach to the use of public and private security. Meanwhile, an electronics company with exposure to minerals sourced from CAHRA should have a responsible minerals supply chain policy and a commitment to enhanced due diligence for suppliers (e.g., through collaborative initiatives).

Board-level and/or senior leadership oversight on risks and opportunities in CAHRA

Similar to human rights due diligence in non-CAHRA settings, board and/or senior leadership oversight over the implementation of human rights policies and processes is critical because it signifies organisational commitment.⁴⁰ While the board or senior leadership may not be required to intervene in every situation, businesses should set up a threshold where issues are escalated to their level.⁴¹

A promising case study identified by the Investor Alliance for Human Rights involves a tech company that has a risk committee at the executive level that oversees material risks related to complex and high-risk sales opportunities. In addition to an escalation process for decision-making for higher risk decisions, the board oversees the most significant risks and actions taken to address them.⁴²

Assign roles and responsibilities to manage CAHRA risks and impacts

At a minimum, companies should document roles, responsibilities, and accountability for managing CAHRA-related risks.⁴³ Clearly defined roles and responsibilities are an enabler of the successful implementation of heightened human rights due diligence. For example, in a telecommunications company, streamlining through assigning roles and responsibilities and establishing a workflow allows the business to respond to potential requests for information or mandatory shutdowns from the government.⁴⁴ This would allow the company to bring together expertise across relevant teams including but not limited to legal and compliance, human rights, public policy, and senior leadership to respond effectively.

Companies with CAHRA exposure should have the organisational capacity to manage conflict-related risks. This can be through dedicated conflict and human rights expertise in-house or via external experts.⁴⁵

Some companies may wish to set up a cross-functional committee, including a central crisis response team, to actively monitor risks especially in contexts where violence and conflict escalate. This set-up allows for different business functions to regularly review potential issues and stay proactive in mitigating risks and impacts. Depending on the intensity of the conflict, the frequency

of the cross-functional meeting may increase (e.g., quarterly in low-intensity conflict versus daily meetings in high-intensity and volatile conflict).⁴⁶

Provide heightened human rights due diligence and conflict training to teams

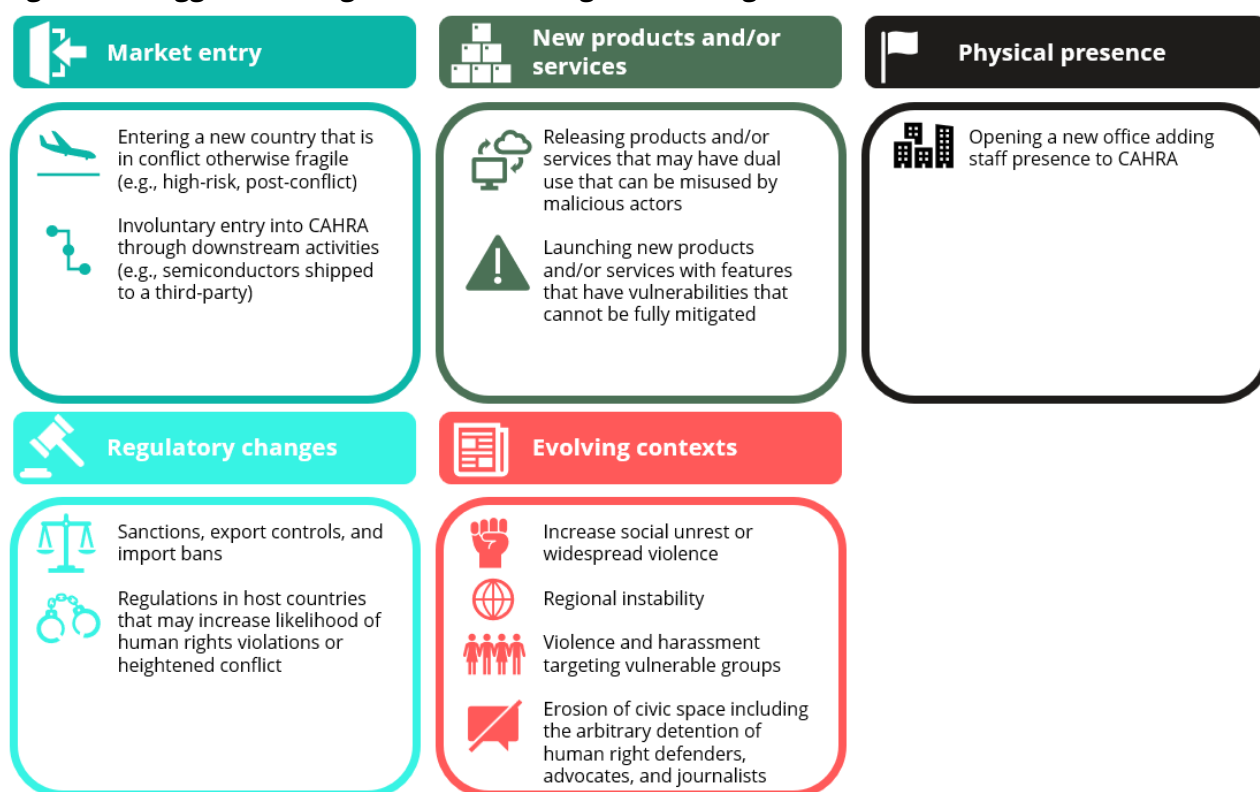
Training is necessary to ensure that staff have a shared understanding of how to act in a rapidly evolving situation. A common example would be a telecommunications company, where a government may contact staff to obtain sensitive customer information. Staff that are untrained on the potential human rights risks (i.e., the impact on political opponents, human rights defenders, and other vulnerable groups) and internal policies and processes (i.e., company procedures and escalation processes, legal and compliance requirements) may be susceptible to such surprise requests.⁴⁷

Unsurprisingly, not all boards or senior leadership have technical expertise on conflict, international humanitarian law, and human rights.⁴⁸ For companies with significant or on-going exposure to CAHRA, investors may look to assessing board and senior leadership awareness and capability in guiding the organisation in managing their conflict-related risks.

2. Identify risks

Establish criteria or threshold to apply hHRDD

Figure 10: Triggers for heightened human rights due diligence



Source: [BSR and JustPeace Labs, 2022](#) and [UNDP, 2022](#); created by author. The information shown above is for illustrative purposes.

Before embarking on heightened human rights due diligence, businesses need to establish the criteria or thresholds to trigger this process (Figure 10). The circumstances highlighted below are typical situations that warrant heightened human rights due diligence. The general

recommendation is to carry out heightened human rights due diligence whenever there are doubts about a situation meeting the threshold.⁴⁹

There is no consensus on whether heightened human rights due diligence should be a standalone process or embedded into wider human rights due diligence with conflict as a lens.⁵⁰ Standalone processes elevate the issue internally and can facilitate dedicated resources such as experts or external partners. Standalone processes are easier to manage and can improve the quality of analysis. However, a standalone approach is generally more costly, and recommendations can be more difficult to integrate into existing processes.⁵¹

By contrast, an integrated approach is more cost-effective and can be embedded into internal processes, which can improve buy-in for companies newer to human rights. It can also reduce consultation fatigue compared with a standalone process, as conflict-related questions may be added as part of regular consultations. There are limitations, as integrated processes are often linked to project phases and existing timelines, which may mean that businesses are responsive. If human rights risks are assessed alongside environmental impacts and/or health and safety, conflict risks and conflict-related human rights may be less visible. Additionally, human rights experts may not have CAHRA expertise.⁵²

Although more time-consuming, businesses that have high CAHRA exposure, working in complex settings, or are in rapidly deteriorating environments should carry out a standalone process. Especially where an integrated approach would translate into delays in understanding emerging risks and ultimately prevention and mitigation efforts, a standalone process is much needed.

Some businesses may choose to integrate heightened human rights due diligence into existing processes, for instance, those that are regularly in CAHRA. They should ensure there is relevant expertise either in-house or externally and have measures that allow for agility to conduct an immediate standalone assessment should conflict erupt rapidly.

Conduct a conflict assessment

(1) Conflict analysis

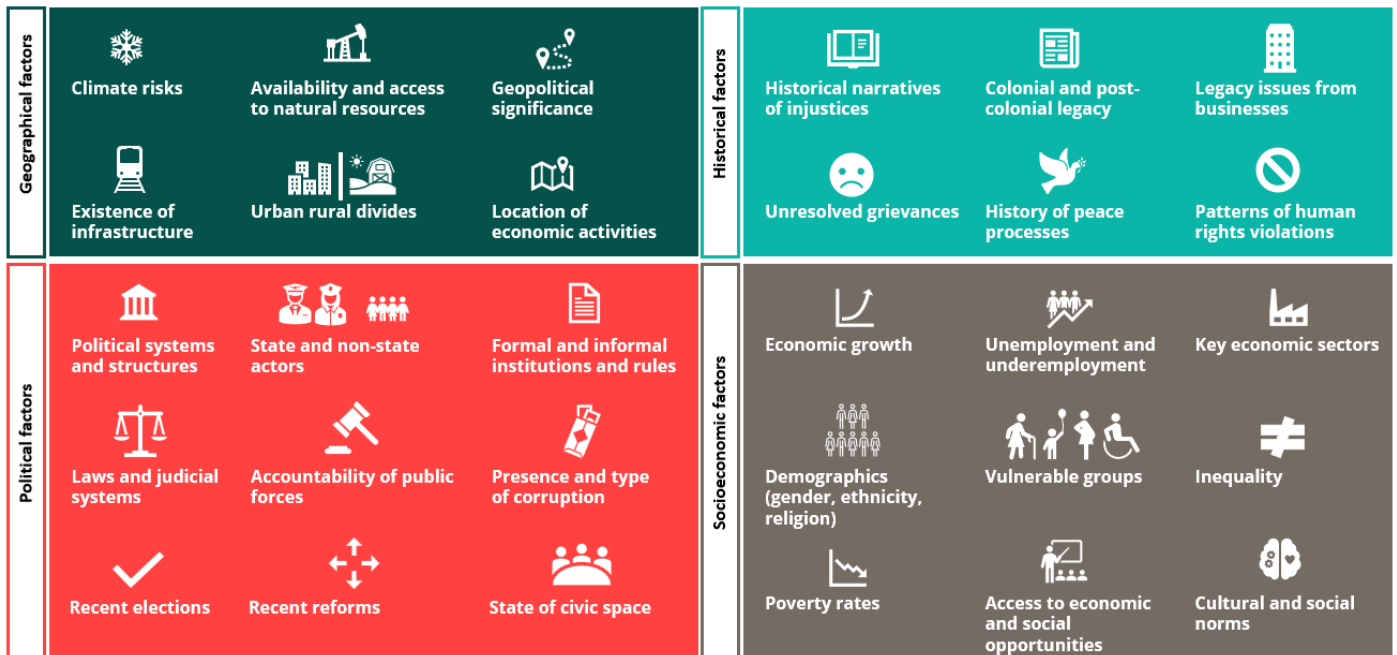
Every conflict setting is unique and is dependent on the context. While there is no singular right way to perform a conflict analysis, conflict analysis involves identifying the cause of conflict; context factors that decrease or increase the probability of conflict; and the actors involved in their conflict and their interests.⁵³

Businesses can understand the conflict context by examining the geographical², historical, political, and socio-economic factors (Figure 11). Across the context factors, businesses should identify those that *drive* conflict, for instance, historical grievances or perceived injustices that may be used to mobilise for violence or recruit local communities into non-state armed groups. Conversely, some factors may act as “resilience factors” or *brakes* on conflict, for example, community elders playing an authoritative role in rural areas and can be leveraged to maintain peace and security.⁵⁴

² Depending on the database companies and investors use, they may identify conflict at a country as opposed to regional level. It is important to recognise sub-national dynamics especially in contexts where conflict is highly concentrated in one area of the country. Similarly, a lower national level CAHRA risk scoring may mask sub-national conflict.

In addition, businesses are expected to map the actors in the conflict context and how they are involved in the conflict, including their relationship with other stakeholders. Particularly, businesses should identify the sponsors or enablers of conflict, actors with authority to end conflict, and vulnerable groups that are most impacted as a result of conflict. The mapping exercise should also identify the interests and motivations of the different parties as well as divisive views.⁵⁵

Figure 11: Factors to consider as part of a conflict situation analysis



Source: [TrustWorks, 2025](#), [BSR and JustPeace Labs, 2022](#), and [International Alert, 2021](#); created by author. The information shown above is for illustrative purposes.

(2) Conflict sensitivity and risks of violating IHL

Conflict sensitivity requires businesses to minimise their negative and maximise positive impacts on conflict (Figure 12).⁵⁶ At a minimum, businesses are expected to avoid doing harm. Businesses should avoid complicity or aiding and abetting in war crimes through assisting, encouraging, or supporting perpetrators of war crimes. Under IHL, companies and their personnel that fail to implement proper controls through omission can be complicit in war crimes.⁵⁷ Consequently, failing to exercise due diligence can have significant consequences for businesses and investors in CAHRA.

By contrast, businesses can have a positive impact on conflict by doing good or actively doing good. In CAHRA, businesses may wish to allocate resources dedicated to social programming to address needs that emerge because of conflict. For instance, businesses may wish to provide immediate humanitarian support through the provision of goods and services or contributing financially to humanitarian organisations.⁵⁸

Some businesses may seek to go beyond immediate assistance to assess how they can have a peace-positive impact across its operational strategy. Regardless of a company's ambition, it is recommended for businesses to begin with “do no harm” before moving into finding ways to contribute to peace.⁵⁹




Figure 12: A spectrum of business impacts on conflict



Source: [IFC, 2019](#); created by author. The information shown above is for illustrative purposes.

To determine conflict sensitivity, businesses can assess their proximity to conflict, which helps evaluate their potential exposure to conflict (Figure 13). For instance, companies with a physical presence on the ground in CAHRA may rely on public security to provide services. The company may wish to avoid externalising the costs of security provision to the state and may provide financial support. Depending on the context, the company may be indirectly financing conflict. After understanding how the company can affect conflict and conflict dynamics, businesses are expected to take action to prevent and mitigate potential conflict impacts due to their activities across their value chain.

Figure 13: Proximity to conflict

	 Geographical proximity	 Relational proximity	 Operational proximity
Definition	The proximity of company's activities or value chain to CAHRA (e.g., active conflict areas, areas with recruitment, contested areas, routes controlled by or used by armed groups).	The relationships businesses have with partners engaging in rights-violating conduct through their value chain (e.g., instance, suppliers, customers, joint venture partners)	A business' activities that may cause, contribute to, or directly link to violations of IHL or human rights.
Examples	<p>A company sets up a renewable energy project in an area controlled by a non-state armed group.</p> <p>A company goes into fly-in fly-out "citadel" mode as their operations are surrounded by active conflict areas.</p>	<p>A company sources minerals from a conflict-affected region.</p> <p>A company sells its software services to a government. The country is seeing a rise in widespread violence as the government responds with widespread crackdown and surveillance.</p>	<p>A company resumes its construction phase of a mining project in a post-conflict area, requiring additional on-site security.</p> <p>A company continues sourcing from suppliers in a conflict area.</p>

Source: [Investor Alliance for Human Rights et al., 2025](#); created by author. The information shown above is for illustrative purposes.

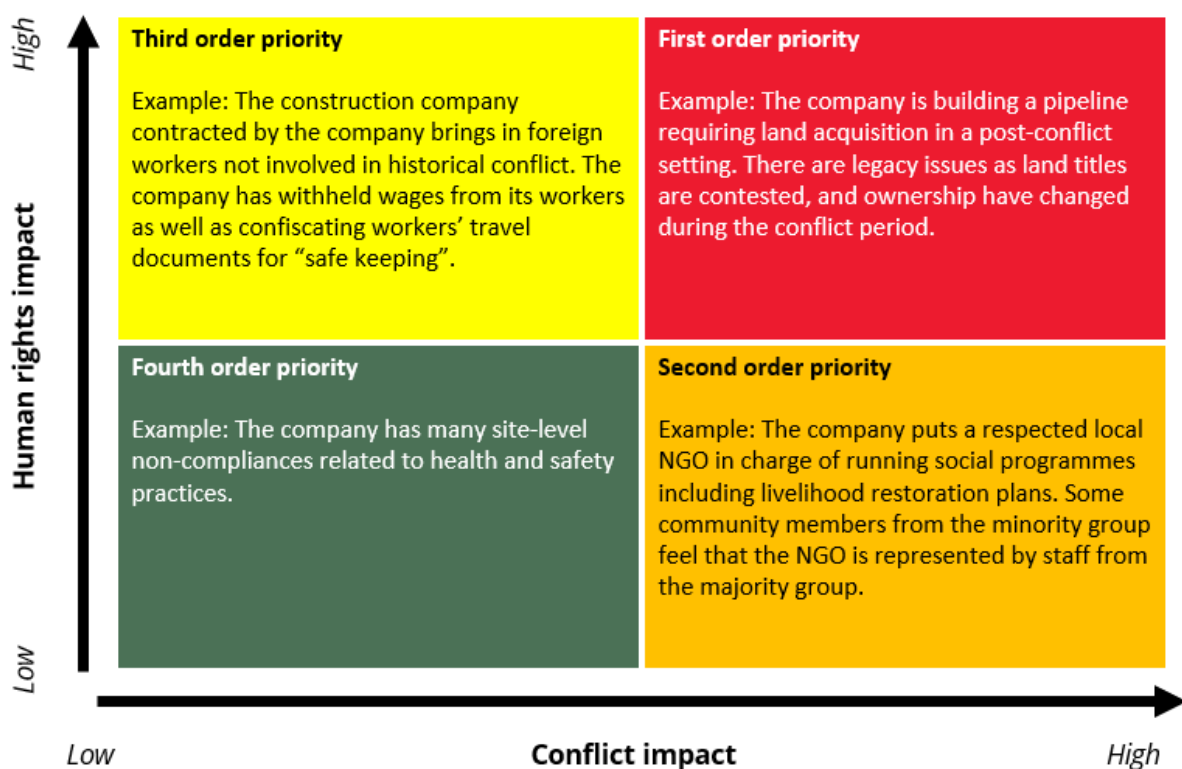
Prioritise risks in CAHRA

After identifying all possible conflict and human rights impacts and risks, companies should prioritise risks. Similar to human rights due diligence, saliency in heightened situations is based on the scale, scope, and irremediability of conflict and human rights impacts. In essence, businesses are encouraged to assess how their activities may create or exacerbate conflict; the escalation in severity of conflict; the degree to which they have influence and impact; and, the human rights implications.⁶⁰

In heightened due diligence, we believe that businesses have to assess conflict and human rights impact together. This can impact the order of prioritisation (Figure 14).⁶¹ The first order priority are risks and impacts that have both an impact on conflict as well as human rights. The second order priority would be impacts and potential impacts on conflict that may lead to severe human rights impacts. Finally, the third order priority are impacts that affect human rights but not conflict. It is important to note that conflict impacts that do not have an immediate human rights impact are ranked above human rights impact without conflict impacts. This is because conflict-salient impacts bring systemic risks and may lead to severe violations and escalation in conflict.

Figure 14: Prioritisation of conflict and human rights impacts

Example: Oil and gas company



Source: author; created by author. The information shown above is for illustrative purposes.

3. Prevent or mitigate risks and impacts

Before exploring best practices and recommended actions in addressing CAHRA-related risks and impacts across the value chain, there are general rules that businesses may consider based on learnings from practitioners (e.g., expert organisations and development finance institutions).

Businesses are not expected to prevent or solve crises on their own, though, they are expected to manage risks and lessen the effects if and when such events occur.⁶² Prior to entry into a CAHRA, businesses should assess the leverage it has to mitigate impacts and build in an exit strategy. When entering a CAHRA, businesses should set out their conflict-related human rights expectations prior to entry. During this period, businesses should outline their expectations.⁶³ As businesses have the most leverage prior to entering into contractual agreements, companies should clearly outline their expectations around human rights and conflict in contracts, memorandum of understanding (MoUs), and licensing agreements.⁶⁴ At the time of entry, businesses should be able to demonstrate that it has weighed the human rights costs and benefits during its entry phase.⁶⁵

Should a business decide to enter into a CAHRA or finds its operational conditions to evolve into a CAHRA, at a minimum, companies should have a playbook on how they operate in such contexts that differentiates their policies and processes from regular human rights challenges in non-conflict settings.

While the risk of unintended consequences exists in both conflict and non-conflict settings, this risk may be elevated because of CAHRA.⁶⁶ For instance, a company may wish to promote women's economic empowerment opportunities in a post-conflict setting. However, the absence of male engagement or consultation with men who may be lacking access to formal employment opportunities because of the armed conflict may create resentment and increase the prevalence of gender-based violence.

When identifying key actions to take, businesses are encouraged to think of both short- and long-term impacts. While conflict may present immediate humanitarian needs, considerations such as improving access to physical and social infrastructure or working alongside governments on conducive regulatory frameworks may be necessary to for long-term operations.

Unlike lower risk settings, businesses may need to have on-the-ground staff presence or work with capable intermediary organisations to manage the complex environmental and social issues that emerge in such fragile settings.⁶⁷ However, offshoring the trust-building and stakeholder engagement presents a potential trade-off between staff safety and the ability to build trust.⁶⁸

Managing CAHRA risks in direct operations

While a broad range of human rights risks are exacerbated as a result of CAHRA, three key risks are likely to emerge in a company's direct operation that warrant business action: promoting decent work; responsible use of security forces; and, obtaining the social licence to operate in line with international norms.

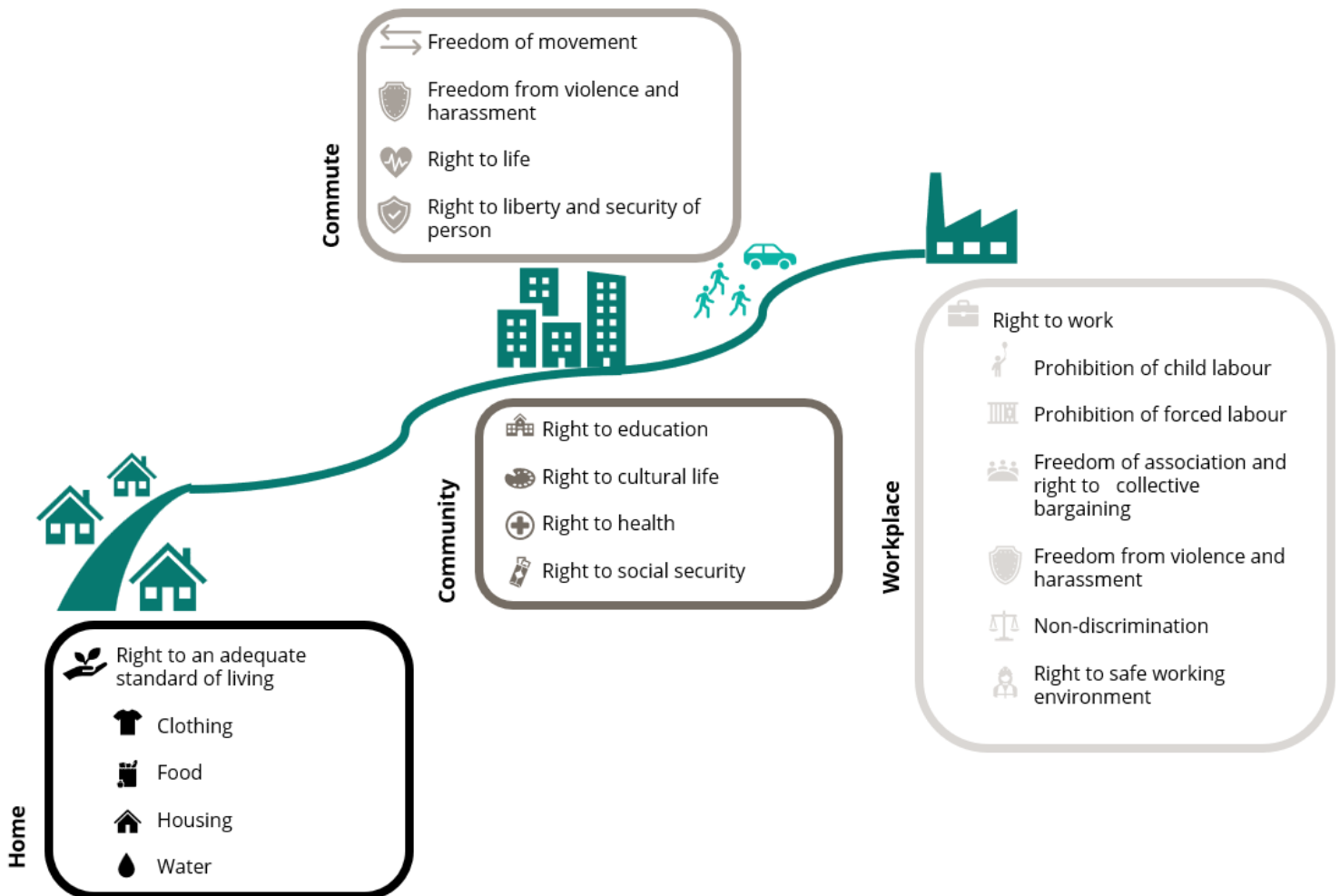
Promoting decent work in the world of work

Conflict exacerbates human rights risks to workers in the world of work (i.e., beyond the physical confines of the workplace) (Figure 15). In CAHRA, workers are likely to lack access to social protection and basic needs including access to communication, energy, food, shelter, transportation, and water. Workers may face severe risks to their physical well-being when they have to traverse active conflict areas on their way to work.

Existing human rights risks may become more widespread and severe due to the loss of access to formal employment and regulatory oversight including as well as rising inequality and exclusion. The prevalence of child labour, discrimination, forced labour and human trafficking, and poor

occupational safety and health practices are likely to increase. Informality may increase as men choose to work informally to avoid conscription or as women exit formal employment to balance work and care responsibilities.⁶⁹ Women, migrant workers, including refugees and other forcibly displaced populations, are vulnerable to exploitation.⁷⁰ Additionally, preventive mechanisms such as freedom of association and right to collective bargaining as well as access to remedy are likely to be limited in CAHRA.⁷¹

Figure 15: Human rights risks in the world of work in CAHRA



Source: [ETI et al., 2024](#), [ETI et al., 2022](#), [ILO, 2022](#), and [IFC, 2019](#); created by author. The information shown above is for illustrative purposes.

In both conflict and post-conflict settings, it may be difficult for businesses to recruit a skilled workforce because of displacement. Without the appropriate social protection mechanisms in place (e.g., access to childcare provisions), women workers may face additional challenges returning to work.⁷² Additionally, a cohesive workplace may be difficult to maintain due to resentment, a sense of injustice, and outstanding grievances especially across groups aligned with different sides of the conflict.⁷³

As recommended by expert organisations, where possible, companies should consider transferring or moving workers away from high-risk areas.⁷⁴ For instance, in the onset of the war in Ukraine, companies relocated workers for their safety, including identifying countries that have more relaxed right to work requirements.⁷⁵

In situations where workers cannot be relocated or where work cannot be done remotely, businesses need to consider ensuring safe working conditions. Businesses should start by assessing the needs of workers and their families, including access to basic provisions including childcare, health care, food, protection from attacks, psychosocial and mental health needs, shelter, and water.⁷⁶ Although some of these provisions fall in the wider world of work beyond the physical workplace, supporting workers in accessing basic needs can help worker retention and ensure access to decent work. As a rule of thumb, businesses should consider working closely with trade unions, non-profit organisations, and human rights expert organisations for further advice to address workers' needs.

In practice, companies are likely to combine different interventions in order to continue their operations in an active conflict area. For example, Polar Seafood Ukraine, a subsidiary of Danish Polar Seafood faced a challenging situation due to the absence of skilled workers due to out migration, childcare gaps, and safety concerns to workers during air raids. In response, at the onset of the conflict, the parent company allowed the subsidiary to have flexibility in continuing business operations including reduced profitability. Workers were allowed to bring their children into the office if needed. During air raids, workers are kept safe; workers were provided psychosocial support to address their mental health needs. Pay raises were given to workers to counteract the effects of currency depreciation. And where feasible, the company allowed workers to work remotely.⁷⁷

Businesses can play a peace-positive role in both post-conflict settings and in neighbouring regions that are receiving migrants and refugees. In post-conflict states, businesses may look at establishing employment and vocational training programmes to prevent future recruitment into armed groups, criminal gangs, and militias. For neighbouring countries intaking an influx of people, businesses may consider additional support services to migrant workers including language courses, targeted roles for migrant workers, recognition of worker qualification and skills, and vocational and technical training.⁷⁸

Responsible deployment and use of security forces

In CAHRA, the severity of security-related harms and violations are higher than in non-CAHRA. In situations of active conflict or high risk, the risks of confrontation with armed groups and/or criminal gangs are heightened, which may spill over to impact local communities; this may increase the likelihood of further recruitment of local communities into armed groups or gangs in response. The weakened rule of law, corruption, and absence of civic freedoms and safeguards for human rights defenders and civil society can weaken the monitoring and reporting of abuses by public and/or private security forces. The potential use of subcontracting may make it even more difficult to monitor the impacts and ensure accountability.⁷⁹

Heightened human rights due diligence is required in these contexts to understand the root causes of confrontations due to cultural, economic, social, and political tensions that drive social unrest and violence.⁸⁰ For example, in CAHRA or post-conflict settings, companies may need to consider the composition of the security forces as to avoid being seen as preferring one group over another and further escalating violence.⁸¹ Similarly, a company relying on public security forces may work with relevant government authorities to conduct background checks to avoid deploying personnel implicated in past human rights abuses.⁸²

In higher risk contexts, businesses should adhere to voluntary standards and guidelines around the deployment of security forces including the Voluntary Security and Human Rights Principles;

the International Code of Conduct for Private Security Providers; and, the Geneva Centre for Security Sector Governance, ICRC, Geneva Centre for Business and Human Rights, and Université de Genève's Practical Toolkit for challenging environments.⁸³ As a best practice, companies may seek to make ICoCA membership a pre-condition for procuring private security services.⁸⁴

Community engagement is an important part of responsible deployment of security forces and should start as soon as company presence begins, including the use of contractors. The obvious channels of communication may include committees and townhalls. However, some companies are exploring unique ways of engaging communities. A company that deployed public security forces worked with an NGO to develop comic books to convey to communities the human rights expectations using familiar situations. This helped socialise the use of public forces with local communities while setting the baseline expectations from security forces.⁸⁵

Businesses tend to have a complicated relationship with human rights defenders. In CAHRA, human rights defenders may become more vulnerable to attacks due to the heightened risk context. It is crucial for companies to have a formalised commitment to respecting the rights of human rights defenders, including through their security providers.⁸⁶

Communities, civil society, and human rights defenders should have multiple channels to raise concerns related to the impact of security arrangements through whistleblowing channels, community liaison officers, or other forms of grievance channels. Channels should also be available to security personnel to report misconduct with guarantee no retaliation for reporting.⁸⁷

While the overwhelming focus on security and human rights is on the confrontation between local stakeholders and security forces, there are human rights risks facing security personnel. Private security forces are often on short-term and non-standard contracts, which may deprive them of access to social security benefits under local laws. Security personnel may lack access to basic amenities during their working hours (e.g., safe and potable water and toilets). Migrant security workers may not have access to worker accommodation with an adequate standard of living. The tasks they perform on a day-to-day basis are physically and mentally straining. Women or other minority security personnel may be subjected to harassment and violence.⁸⁸ Due to the nature of their contractual status, they may be limited in exercising their freedom of association and right to collective bargaining. Especially in CAHRA, security forces are also more likely to experience violent encounters whilst carrying out their duties.⁸⁹

As such, an important step in tackling security-related risks is through improving the working conditions of security personnel (e.g., living wage, decent working hours, avoiding excessive overtime) and providing adequate training and relevant support can enable better security practices. Access to training including on human rights can give security personnel the skills to de-escalate conflict.⁹⁰ Where trainings provided to private security forces are insufficient, companies may seek to provide supplementary training or price into their contracts additional trainings to handle added risks in CAHRA.⁹¹ Because better working conditions can reduce the overall stress and corruption risks, which in turn lowers the likelihood of excessive force, companies should factor working conditions for security forces as part of their due diligence and specify minimum expectations in the contracts (e.g., wages, working hours, breaks, accommodations, unethical recruitment).⁹²

Obtaining the social license to operate

A key risk for businesses in a conflict-affected area pertains to their dealings related to public or private property (Figure 16). Where businesses fail to obtain implied or expressed consent, they risk violating IHL. In cases where businesses are considering owning, using, or modifying property in an occupied territory, businesses need to ensure that their activities are in line with IHL even if they have the permission from an occupying power.⁹³

Figure 16: Business activities and risks of pillage in conflict-affected areas



Source: [French Red Cross et al., 2024](#); created by author. The information shown above is for illustrative purposes.

Under IHL, pillaging does not require the use of force or violence. Companies may inadvertently pillage if they fail to understand legacy issues, weakened land governance, and land disputes arising from CAHRA.⁹⁴ In some cases, communities may be displaced or have fled because of conflict. Even if companies obtain permission from the relevant authorities, companies need to be aware of the potential use of coercion by armed groups to garner consent from communities. As such, it is important for businesses need to obtain free, prior, and informed consent (FPIC). As such, companies that seek to begin or continue operations that involve high-risk activities (Figure 16) in CAHRA are held to a high bar in demonstrating that they indeed obtain consent from impacted communities.

Companies may struggle to demonstrate that they have obtained consent of the occupied population in line with IHL and international human rights norms. The on-the-ground reality of the occupying force can limit a company's ability to consult local communities.⁹⁵ A red flag for investors would be companies that are considering operations in contexts where there are practical challenges in obtaining consent as this may amount to a violation of IHL, especially in context where there is documented cases as advised by civil society organisations.

Development finance institutions (DFIs) and companies that have experience in fragile environments note that project timelines may be longer in the initial phase of obtaining FPIC and other forms of consent due to the challenging context. Businesses are advised to take their time to assess the needs of the communities and negotiate to get their buy-in (e.g., offering to meet infrastructural gaps, providing access to employment opportunities).⁹⁶

Responsible and CAHRA-sensitive supply chain management

Existing regulations may place a burden on companies to have enhanced due diligence related to traceability, management systems, and/or proof of no human rights impacts (i.e., rebuttable presumption) over their exposure to a specific region of the world and/or products (e.g., critical minerals).⁹⁷ Even where there are no regulatory pressures, sourcing from CAHRAs can increase the likelihood of supply chain disruptions and the severity and prevalence of human rights harms. As such, businesses should ensure that they have responsible supply chain policies and practice that are CAHRA-sensitive.

Businesses with potential exposure to CAHRA through their supply chains should clearly outline their policies and processes. This should include expectations for suppliers in line with international norms, how they intend on ensuring that international norms are respected, ongoing risk management procedures, and a responsible exit strategy in cases where they do not have leverage to prevent, mitigate, and/or remediate severe impacts.

Due to the added risks in CAHRA, businesses should consider implementing a more comprehensive supplier onboarding programming through more intensive pre-screening and provide support to help suppliers develop the necessary management systems in line with international norms. Unlike expectations for suppliers in non-CAHRA, buyers may need to recognise the limitations suppliers may face in meeting international standards (e.g., starting at a lower baseline) and give longer timelines to suppliers to meet minimum standards, including access to advisory services and capacity-building from local NGOs.⁹⁸ In cases where conflict erupts in a sourcing destination, businesses may continue their orders and allow for more lenient payment terms for customers including faster payments for business partners.⁹⁹

Companies may find themselves in situations where they have critical suppliers (e.g., no alternative suppliers available) and cannot manage the risks and impacts. As per OECD Guidance, businesses in such situations can continue their business relationships though may be subject to potential legal, operational, and reputational risks. Nonetheless, some companies have found creative solutions to align with international norms to the best of their abilities. A company sourcing electric vehicles were unable to carry out supplier audits or worker engagement due to the lack of transparency in the sourcing destination. To gain visibility over working conditions, the company assesses its labour rights risks through analysing data from social media, online forums, academic journals, NGO reports (where available), and government sources. Although this is not comparable to site visits and direct engagement with workers, this approach allowed the company to have some oversight. The long-term plan for the company is to look for suppliers in lower risk destinations.¹⁰⁰

Box 2: Lessons from a buyer that actively source from CAHRA

Warfair actively sources agricultural and artisan products from conflict-affected states including Afghanistan, Burkina Faso, Democratic Republic of Congo, Myanmar, Niger, Palestine, Somalia, and Yemen. Warfair sees the value in sourcing from conflict-affected areas as a means to building peace.¹⁰¹

Prior to entering into a conflict-affected area, Warfair analyses the conflict situation, the fragility of the country, the level of democratic rule, the human rights conditions, and level of poverty and inequality. For an individual supplier, Warfair assesses a supplier's potential links to military groups or negative press as well as working with local stakeholders to identify additional risks.¹⁰²

All suppliers are to complete a self-assessment as part of their onboarding and every other year onwards, suppliers are evaluated on their policies and observable issues in the workplace including but not limited to occupational health and safety, child labour, and forced labour. Internally, an ethics committee is appointed to scrutinise the information provided.

During the onboarding, suppliers are informed of Warfair's supplier principles and will receive capacity-building through a collaborative improvement plan. For instance, Warfair worked with a Somali company to develop their anti-corruption policy and supported an Afghan company in establishing a grievance mechanism. Warfair partners with local organisations including export-import organisations as in the case of Yemen to facilitate exports from a supplier in addition to building out their policies and grievance mechanisms. To de-risk the logistics and transport, Warfair provides financing to ensure that payments are made as directly as possible.

For full transparency, all supplier due diligence information is publicly available on their database Warfair World.¹⁰³

Conflict-sensitive provision of goods and services

Businesses may also face enhanced risks in their downstream activities through their sale of goods and services in CAHRA, as their goods and services may be used or misused to cause human rights harms. In severe cases, companies can amount to aiding and abetting in war crimes if due diligence is not carried out.

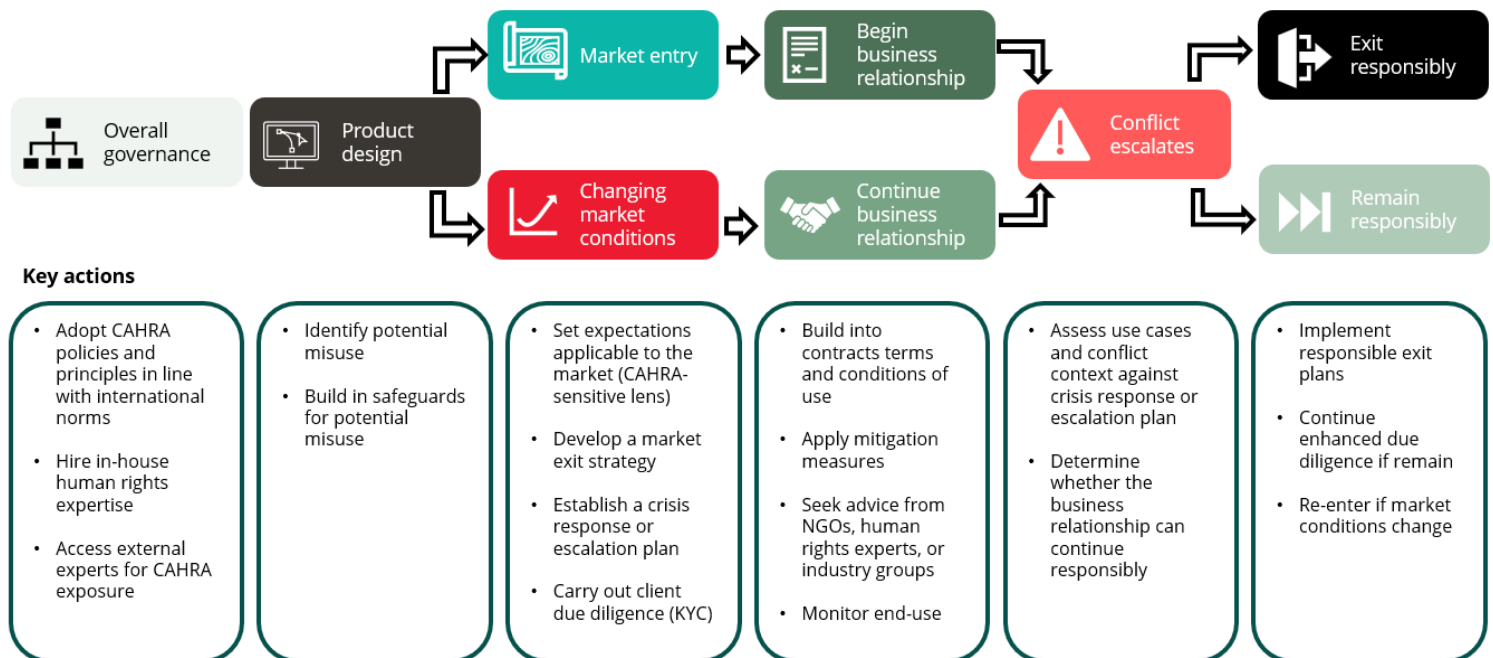
Risk mitigation can be built throughout the product lifecycle, from development to post-sale monitoring. Although the risks mitigation measures will vary depending on sector, there are general actions businesses should follow (Figure 17).

Companies with downstream exposure to CAHRA should have a policy or basic principles to guide their behaviour in CAHRA prior to entry, especially in high-risk sectors where there is a higher potential of product/service misuse (e.g., defence, electronics, logistics, tech, telecommunications).¹⁰⁴

In the first steps of product development, a conflict-sensitive lens should be applied to implement safeguards to prevent potential misuse by clients. During the point of sales, businesses should conduct client due diligence (KYC) (e.g., history of abuse, current and potential role in conflict).¹⁰⁵

Even in long-standing contracts, businesses should carry out routine reviews especially as conflict dynamics evolve. Once a client passes the KYC step, businesses should build into contracts clauses to minimise misuse or integrate features in products to limit misuse.¹⁰⁶

Figure 17: Conflict lens through the product and services lifecycle



Source: [Investor Alliance for Human Rights et al., 2025](#), [Oribhabor, 2023](#), [RIAA, 2023](#), [BSR and JustPeace Labs, 2022](#), and [Access Now, 2013](#); created by author. The information shown above is for illustrative purposes.

Like other parts of the value chain, prior to entering a new market, companies should assess conflict-related risks. Where companies are already embedded in a market and find an escalation in violence, unrest, and/or breakdown in rule of law, they should immediately come up with a policy in response. Businesses should have a crisis response or escalation plan where they are actively assessing the evolving conflict dynamics and adverse human rights impacts. Especially where companies have staff on the ground (e.g., a telecommunications company), they may need additional contingency plans in place for the evacuation of staff and safety protocols.¹⁰⁷

Regardless of whether a company is entering into a CAHRA or finds itself in a situation that evolves into one, it should identify the terms and conditions where it will exit a business relationship due to misuse or where it feels it cannot uphold the same levels of protection as in other regions (i.e., non-CAHRA).¹⁰⁸

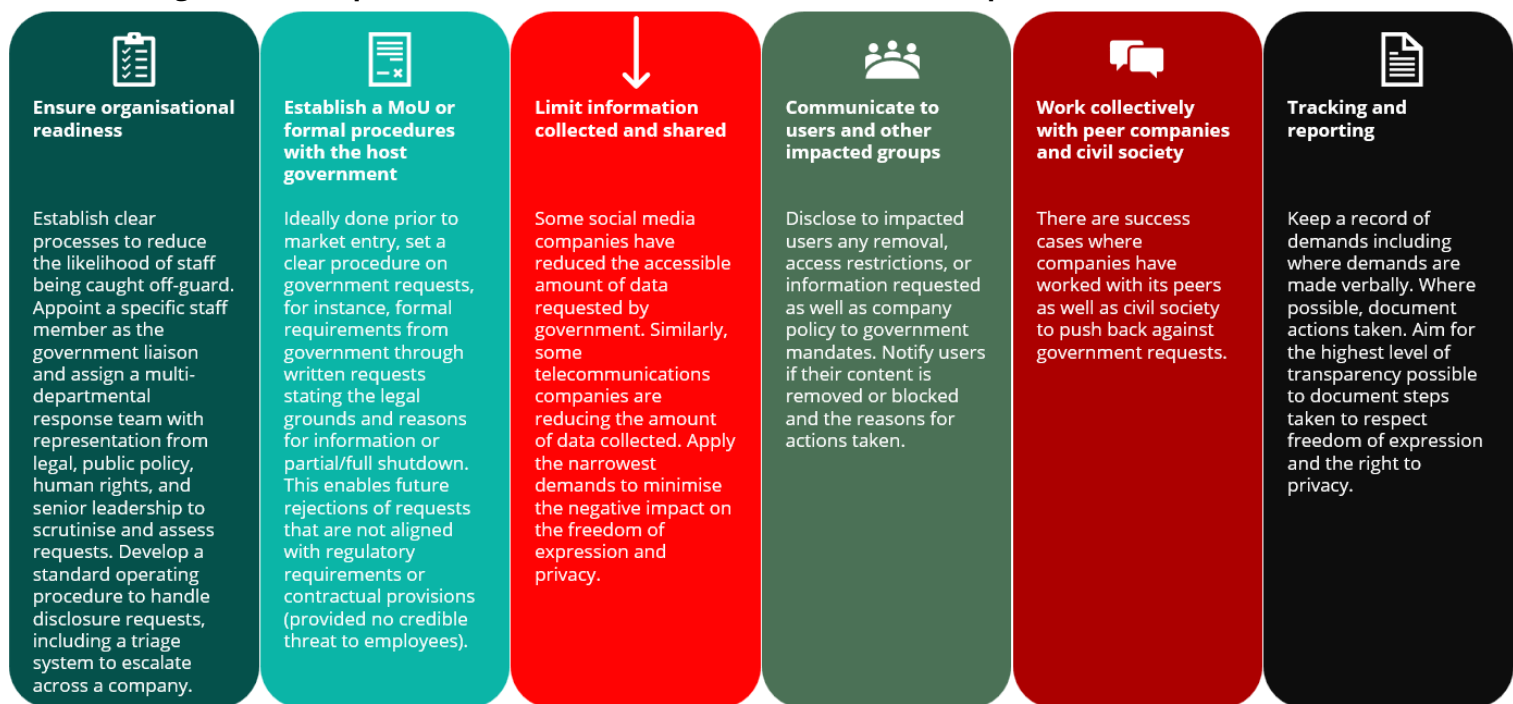
In recent years, tech and telecommunications companies have been caught in situations where governments have requested personal information. Governments may intercept through requisition orders (e.g., traditional surveillance through the disclosure of call contents) or request for sensitive user data (e.g., “new” surveillance by collecting call details, customer details, and geolocation). Governments may also request for partial or full shutdown of services.¹⁰⁹

There are legitimate grounds for governments to make such requests, for instance, supporting law enforcement in investigations or stopping suspected criminal or terrorist activities. Though, there is a higher risk in CAHRA where government misuse this to attack and silence its political opponents, dissidents, journalists, human rights defenders, NGOs, and civilians.¹¹⁰

Oftentimes, guidance for tech and telecommunications companies are cross-cutting, however, there are significant differences that can inform how these businesses should prevent and mitigate human rights impacts in CAHRA. Telecommunications companies are more likely to face challenges due to local infrastructure (towers, locally stored data) and staffing whereas tech companies may not have any ground presence. Telecommunications companies have the added challenge of coordinating between local and headquarter groups.¹¹¹

Despite the challenging contexts, there are best practices that telecommunications and tech companies can adopt to ensure that their operations in CAHRA are aligned with international human rights norms (e.g., GNI Principles) (Figure 18).

Figure 18: Best practices for tech and telecommunications companies in CAHRA



Source: [Ebert, 2024](#), [Oribhabor, 2023](#), GNI, and [Access Now, 2013](#); created by author. The information shown above is for illustrative purposes.

Stakeholder engagement

If a business decides to enter or remain in CAHRA, businesses should identify stakeholders that can help support the business decision to stay.¹¹² Stakeholder consultation should be an iterative process through which businesses gain insights on the human rights risks, impacts, and opportunities. As part of best practices, businesses should strive to engage with rightsholders.

Stakeholder engagement is an important step in helping businesses stay in CAHRA, as demonstrated in the case of Myanmar. Since the coup in 2021, the country experienced a rapidly shrinking business and human rights civic space. In response, the European Chamber of Commerce has filled up the vacuum by providing businesses and investors market information and advice to help companies navigate a challenging legal regime that may be incompatible with international human rights norms (e.g., cybersecurity laws, censorship laws, and conscription laws). In addition, EuroCham facilitates on-going dialogue and works closely with the trade union federation to resolve forced labour allegations in the garment industry.¹¹³

In CAHRA, businesses may face limitations in reaching affected rightsholders and relevant stakeholders due to operational constraints or government resistance.¹¹⁴ In such cases, they should opt to engage with representative organisations or diaspora.¹¹⁵ Though, businesses choosing to engage via proxies would lose the trust-building element of stakeholder engagement, which is especially important in obtaining the social license to operate.

Stakeholder engagement with non-state armed group is often neglected and largely ignored, even though they are a key stakeholder group in CAHRA. Failure to engage with non-state armed groups leads to a poor understanding of their motives and objectives as well as their support from the local population. However, engaging with non-state armed groups may implicate businesses in ties resulting in criminal liability or “legitimatising” these actors. Engagement can compromise a business’ impartiality as interactions can be misconstrued as showing support or excusing abuse.¹¹⁶

We believe that at a minimum, businesses should understand their structure, objectives, political agenda, and support from local population. Businesses should have a clear engagement strategy (with clear distinctions made between non-state armed groups and terrorist organisations) and keep both home and host governments informed about their interactions.¹¹⁷

Box 3: The case of successful stakeholder engagement with local communities and non-state armed groups in Colombia

In 2006, ISAGEN decided to implement the Amoyá River hydroelectric dam, which was situated in a region with a longstanding presence by the Fuerzas Armadas Revolucionarias de Colombia (FARC). ISAGEN took over the project from Generadora Unión, a company that obtained the environmental license to construct the power plant and carried out consultations with local communities since 2001. Prior to ISAGEN’s takeover of the project, the Las Hermosas Association for Development towards the Future (Asohermosas) was formed, representing all 28 villages in the area.

Community engagement

The first step ISAGEN took was to consult local communities. As the community was very organised through the Asohermosas, ISAGEN facilitated the group’s role as the communities’ representative and provided a permanent office, rooms for meetings, and covered food and transport costs.

Despite the fact that the environmental license was obtained previously, ISAGEN decided to consult communities on a new compensation plan based on their own impact assessment. As a result of the consultation, ISAGEN established a transparency roundtable, human rights observatory, citizen oversight committee, as well as community programmes including water conservation, water recovery through micro-watersheds, reforestation, maintenance of existing forested areas, and local hiring initiatives.

In total, the pre-project dialogue took a year as ISAGEN prioritised consent and community buy-in given the high-risk context. Internally within ISAGEN, staff were advised to keep negotiating until they find a solution to build trust with the community.

Engaging with FARC

Because ISAGEN had had experience in with Colombia’s armed groups and in dealing with project sites where there was presence from guerilla groups, the company has a deeper understanding

of how to operate in an active conflict area. Given FARC's longstanding presence in the area, ISAGEN could not continue its operations without their buy-in.

While ISAGEN did not consult with FARC directly, they instead relied on the local communities to communicate with the armed group. This allowed ISAGEN to balance consultation with FARC and operating within the legal framework.

Successes and lessons learned

1. Prioritise long-term goals over short-term gains through consent and buy-in.

Understandably, companies are under pressure to meet project timelines. However, in a CAHRA, companies may need to be more flexible and invest more time in the initial consultation and dialogue with local communities. Because ISAGEN had a supportive leadership team that understood the complexities of working in conflict-affected areas, they prioritise community buy-in as a necessary condition before beginning construction. As a result, this allowed ISAGEN to operate in a complex conflict environment and set up the necessary structures to prevent adverse impacts from the security arrangements and conflict dynamics.

2. Build the capacity of local communities to monitor human rights impacts.

Local communities received training on human rights. They were also provided training on how to record relevant information for allegations. This allows communities to fully utilise the grievance and consultation mechanisms to help monitor and track impact as well as raise complaints.

3. Establish dedicated bodies to monitor, track, and resolve human rights impacts.

The community oversight, human rights, transparency bodies played complementary roles.

a. Community Oversight Committee

This committee was formed as a community-based monitoring body that tracks ISAGEN's project level delivery of social and environmental commitments, including the review of social programming. It also serves as a complaints channel.

b. Human Rights Observatory

The Human Rights Observatory was created at the municipal level that intakes community feedback to identify events and incidents that could impact human rights. The Observatory collected incidents ahead of the Transparency Roundtable, which offered a layer of protection to victims that do not want to represent themselves at the Roundtable.

c. Transparency Roundtable

The Roundtable was monitored by the United Nations and brought representatives from the communities, civil society, and the state (i.e., the army, the police, the human rights office, the mayor's office, and the municipal ombudsman). The company played the role of logistics and observer. The Roundtable would intake community complaints around misconduct by security and armed forces. It served as a channel for de-escalation and corrective measures.

Source: [CDA and FIP, 2016](#).

Exit responsibly

Companies are encouraged to plan an exit strategy in advance, preferably prior to entering CAHRA.¹¹⁸ An exit strategy should map out the scenarios in which a company would consider suspending or terminating its activities (e.g., red lines or thresholds). An exit strategy should identify and assess the impacts of disengagement on affected groups (e.g., workers, communities, business partners) with a plan on how the company would consult affected rightsholders and other relevant stakeholders. As part of the strategy, the company should outline its commitment to mitigate the impacts of an exit.¹¹⁹








In addition to relying on heightened human rights due diligence to determine whether a company should remain or exit, businesses need to consider the principle of *essentiality*. Essentiality is where a company provides a good or service that is critical to the enjoyment of human rights and basic needs. Although there is no singular and universally accepted definition of essential goods and services, essentiality can be assessed on the basis of accessibility (i.e., will exit remove access for communities), culture (i.e., is the good or service essential to a culture), needs (i.e., is it a basic need as opposed to a want), and vulnerability (i.e., will an exit disproportionately impact vulnerable communities). However, there is general agreement that essential goods and services would cover communications, electricity, financial services, food, healthcare, sanitation, transportation, and water.¹²⁰

A company may decide to remain because the impacts of an exit are more severe than if a company were to remain, or, if the company is providing an essential good or service. In such situations, businesses should be aware of the potential criticisms around its role in conflict through tax contributions or other measures taken to continue operating (e.g., facilitating government actions).¹²¹ At the time of writing, international norms do not provide clear guidance on how to navigate staying in a CAHRA due to essentiality and potential contributions to conflict through taxation. As such, businesses should continue to align with the norms around responsible exit (or responsible staying) by showing they have carried out a thorough assessment of the risks and impacts of both exiting and staying; appropriate actions are taken to mitigate impacts; clear record of how decisions were made; and the final impact (Figure 19).¹²²

Box 4: A responsible exit from Myanmar

In 2022, Primark decided to exit Myanmar. Primark developed a comprehensive plan to ensure that its exit is responsible. Primark terminated new orders in October 2022 and planned to exit by October 2023. After extensive stakeholder consultation, Primark increased its ground staff presence to oversee the successful implementation of its exit strategy. It collaborated with IndustriALL to develop a responsible disengagement framework. The disengagement team stayed six months after the completion of final orders under trade union guidance to oversee its exit and to conduct follow-up visits to help mitigate the impacts of withdrawing. During this period, Primark provided worker trainings and support for management teams. Its exit lasted a total of 18 months, buffering in a six-month period in factories to ensure that redundant workers were provided the correct severance amounts and were provided referral services.¹²³

Figure 19: A responsible exit

 Rights-based approach	<p>Businesses show that they consider both risks to their business and to people. They have assessed the impact of exit through carrying out heightened human rights due diligence and assessed the impacts of continuing, suspending, or terminating activities</p>
 Consult stakeholders	<p>Decisions to stay or exit are informed by stakeholder consultation including with impacted rightsholders as well as expert organisations.</p>
 Document reasons for exit	<p>Business decisions are explainable and transparent. Businesses demonstrate that they have also considered impacts, leverage, and essentiality.</p>
 Mitigate impacts	<p>A strategy or action plan is developed to mitigate the impacts of an exit. If a business is selling an asset, it should carry out due diligence on potential buyers. Reasonable notice must be given to stakeholders.</p>
 Remediate impacts	<p>Businesses need to remediate impacts to impacted employees by ensuring the payment of redundancy packages and referral to support programmes. At the supplier level, buyers should ensure that suppliers pay for redundancy as a result of a terminated contract. Long-term remediation plans may be necessary to address outstanding human rights impacts that are difficult to remediate (e.g., child labour, force labour, environmental impacts on local communities). Even if a company has exited, remedies must be provided (e.g., handing over to civil society or trade unions).</p>
 Monitor short, medium, long-term impact of exit	<p>Impact does not stop at point of sale or stopping operations or business relationship. Businesses should consider longer term impact monitoring.</p>
 Determine conditions to re-entry	<p>Depending on the type of exit and the nature of conflict, a company's exit may be temporary. Provide a clearly outline of when and if the company will return (e.g., force majeure, resuming relationships with suppliers, selling assets).</p>









Source: [UNDP, 2025](#), [UNDP, 2022](#), [Aguirre and Pietropaoli, 2023](#), and [B4Ukraine, 2023](#); created by author. The information shown above is for illustrative purposes.

4. Remediate

Conflict dynamics are likely to compound the challenges in running effective operational grievance mechanisms (OGMs). CAHRA settings carry significant impediments in access to remedy for rightsholders due to the potential risks related to accessibility, lack of trust, security-related risks, and the fear of retaliation. There are logistical challenges in providing for remediation (e.g., providing remedies to groups that had to flee due to conflict). In conflict settings, OGMs may not be equipped in handling egregious human rights violations or criminal matters.¹²⁴

While international norms around access to remedy (e.g., effectiveness criteria) still apply in CAHRA, businesses may need to adopt a conflict lens as to how to operationalise these principles in practice (Figure 20).

Figure 20: Effective criteria for grievance mechanisms in CAHRA

Effectiveness criterion	Description	CAHRA-specific considerations
 Legitimate	Stakeholders have trust in the grievance processes where complaints will be assessed fairly.	There is likely to be mistrust amongst rightsholders in situations where some groups are more sympathetic to one armed party over another. Companies should demonstrate how they are independent from actors in conflict, including who is responsible for intaking and assessing complaints.
 Accessible	Stakeholders know how to use the grievance channels and receive adequate assistance to use them.	Conflict factors may affect a user's ability to access grievance channels, for instance, curfews, safe transportation to physical channels, and/or channels for displaced communities. Companies should design channels in a conflict-sensitive way to ensure that impacted rightsholders can gain access.
 Predictable	Grievance procedures are clearly outlined including the different steps, expected time frames, and potential outcomes and remedies provided.	Time frames may be more challenging to meet in a conflict setting due to the complex nature of potential impacts. Some of the impacts may be severe and require immediate support during the period of investigation (e.g., physical violence).
 Equitable	Aggrieved parties have access to information, advice, and expertise to engage in the grievance process on fair, informed, and respectful terms.	Complainants may need more support than in non-CAHRA settings. Businesses should consider additional support to help rightsholders gain access to grievance channels (e.g., costs, translation, technical or legal advice).
 Transparent	Parties are informed of the progress of the investigation. Information is provided so that public stakeholders understand the approach, steps taken, and effectiveness.	Transparency needs to be assessed alongside protection for victims. Especially in CAHRA, the identities of the victim and nature of violations may need to be captured in a way to protect them from future retaliation and backlash from armed groups or the state.
 Rights-compatible	Outcomes and remedies are delivered in line with international human rights norms. Remedies aim to restore rights to the state they were in before the impact.	The types of remedies provided need to consider potential impact on human rights as well as IHL. Remedies cannot be perceived as taking a side in the conflict or legitimising armed groups.
 Source of continuous improvement	Stakeholders and rightsholders are consulted to improve the effectiveness of the grievance mechanism. Steps are taken to improve over time.	In conflict setting, businesses may encounter difficulties in accessing rightsholders to receive feedback from rightsholders. Where feasible, businesses may wish to consult proxies (e.g., human rights experts) for an external review to make improvements.
 Based on engagement and dialogue	Grievance channels should be designed based on the needs and situation of potential users.	The design of grievance mechanisms in CAHRA need to take into consideration of the potential severity and likelihood of violations as well as the difficulties in gaining access. Special consideration is needed for vulnerable groups (e.g., women, migrants, minority groups – religious, political, ethnic, groups excluded from political processes).

Source: [UNDP, 2025](#); created by author.

Note: Conflict lens added by author. The information shown above is for illustrative purposes.

5. Track

As per other human rights issues, businesses are encouraged to track their lessons learned to influence future activities.¹²⁵ However, due to the CAHRA context, when tracking the impact of mitigation measures, businesses need to consider the unintended consequences of disclosure and balance confidentiality, transparency, and accountability. Where possible and required, businesses should anonymise and desensitise the information so it cannot be tracked back to rightsholders.

6. Report

In our view, businesses should communicate its heightened human rights due diligence process to external stakeholders. As much information should be disclosed so that external stakeholders can evaluate the efforts taken by the company. However, businesses should always prioritise the safety and well-being of its employees and impacted rightsholders and its potential impact on conflict dynamics (e.g., legitimising armed groups). In such contexts, businesses may consider disclosing at the industry level.¹²⁶

Businesses may also consider using a two-tier reporting system. The first tier of reporting would be for the public that removes sensitive information. A more detailed reporting system would be for the company only and used for continuous improvement, learning, and stakeholder consultation.¹²⁷ The latter could also be prepared to answer NGO or civil society challenges to a company's performance in CAHRA or to respond to investor requests.

References

- ¹ Last update as of March 30th, 2026. [Geneva Academy of International Humanitarian Law and Human Rights, 2026.](#)
- ² [ACLED, 2026.](#)
- ³ [Institute for Economic and Peace, 2025.](#)
- ⁴ Ibid.
- ⁵ [ACLED, 2026.](#)
- ⁶ [UNOHCHR, 2025.](#)
- ⁷ [IDMC, 2025.](#)
- ⁸ [World Bank, 2025.](#)
- ⁹ Ibid.
- ¹⁰ Ibid.
- ¹¹ [UNESCO, 2025.](#)
- ¹² [Centre for Law and Democracy and News Media Europe, 2022.](#)
- ¹³ [World Bank, 2025.](#)
- ¹⁴ [Heartland Institute, 2024.](#)
- ¹⁵ [Maplecroft, 2025.](#)
- ¹⁶ [International Bar Network, 2022.](#)
- ¹⁷ [UNDP, 2022.](#)
- ¹⁸ [ICRC, 2024.](#)
- ¹⁹ [ICRC, 2025.](#)
- ²⁰ [ICRC, 2024.](#)
- ²¹ [World Bank, 2025](#), [UNDP, 2022](#), and [United Nations General Assembly, 2020.](#)
- ²² [UNDP, 2022](#) and [Vité, 2009.](#)
- ²³ [UNDP, 2022.](#)
- ²⁴ [United Nations General Assembly, 2020.](#)
- ²⁵ [RIAA, 2023.](#)
- ²⁶ [International Alert, 2021.](#)
- ²⁷ [Investor Alliance for Human Rights et al., 2025.](#)
- ²⁸ [TrustWorks Global and NIRAS, 2021.](#)
- ²⁹ [United Nations General Assembly, 2020.](#)
- ³⁰ [Aguirre and Pietropaoli, 2023.](#)
- ³¹ [Ebert, 2024.](#)
- ³² [ETI et al., 2024](#), [BSR and JustPeace Labs, 2022](#), and [UNDP, 2022.](#)
- ³³ [PAX and ECCHR, 2023.](#)
- ³⁴ [OECD, 2025.](#)
- ³⁵ [United Nations General Assembly, 2020](#) and [IFC, 2019.](#)
- ³⁶ [World Bank, 2025](#) and [IFC, 2019.](#)
- ³⁷ Ibid.
- ³⁸ [BSR and JustPeace Labs, 2022.](#)
- ³⁹ [Investor Alliance for Human Rights et al., 2025.](#)
- ⁴⁰ [UNOHCHR, 2012.](#)
- ⁴¹ [Investor Alliance for Human Rights et al., 2025.](#)
- ⁴² Ibid.
- ⁴³ Ibid.
- ⁴⁴ [Ebert, 2024.](#)
- ⁴⁵ [World Bank, 2025.](#)
- ⁴⁶ [BSR and JustPeace Labs, 2022.](#)
- ⁴⁷ [Ebert, 2024.](#)
- ⁴⁸ [Investor Alliance for Human Rights et al., 2025.](#)

49 [UNDP, 2022](#).

50 [International Alert, 2021](#) and [BSR and JustPeace Labs, 2022](#).

51 [International Alert, 2021](#).

52 [Ibid.](#)

53 [TrustWorks, 2025](#) and [Investor Alliance for Human Rights et al., 2025](#).

54 [International Alert, 2021](#).

55 [Ibid](#) and [TrustWorks, 2025](#).

56 [TrustWorks Global and NIRAS, 2021](#).

57 [French Red Cross et al., 2024](#).

58 [UN OCHA, 2017](#).

59 [TrustWorks Global and NIRAS, 2021](#).

60 [International Alert, 2021](#).

61 [TrustWorks, 2025](#).

62 [ILO, 2022](#).

63 [Aguirre and Pietropaoli, 2023](#).

64 [Aguirre and Pietropaoli, 2023](#).

65 [Ibid](#) and [World Bank, 2025](#).

66 [International Alert, 2021](#).

67 [IFC, 2019](#).

68 [International Alert, 2021](#).

69 [ETI et al., 2024](#), [ILO, 2022](#), and [IFC, 2019](#).

70 [ILO, 2022](#).

71 [ETI et al., 2022](#).

72 [IFC, 2019](#).

73 [Ibid.](#)

74 [ETI et al., 2024](#).

75 [Culver et al., 2022](#).

76 [ILO, 2022](#).

77 [ETI et al., 2024](#).

78 [ILO, 2022](#).

79 [ICoCa, 2023](#).

80 [International Alert, 2021](#).

81 [United Nations General Assembly, 2020](#).

82 [DCAF et al., 2023](#).

83 [RIAA, 2023](#), [ICoCa, 2026](#), [DCAF et al., 2023](#).

84 [ICoCa, 2023](#).

85 [International Alert, 2021](#).

86 [DCAF et al., 2022](#).

87 [ICoCa, 2023](#).

88 [Ibid.](#)

89 [Ibid.](#)

90 [ICoCa, 2023](#) and [ICoCa, 2025](#).

91 [ICoCa, 2025](#).

92 [Ibid.](#)

93 [French Red Cross et al., 2024](#).

94 [Ibid.](#)

95 [Investor Alliance for Human Rights et al., 2025](#).

96 [International Alert, 2021](#), [BII, 2019](#), and [CDA and FIP, 2016](#).

97 [Open Society Justice Initiative et al., 2023](#).

98 [ETI et al, 2024](#).

99 [Ibid.](#)

- ¹⁰⁰ [ETI et al, 2024](#).
- ¹⁰¹ [Warfair, 2026a](#).
- ¹⁰² [ETI et al, 2024](#) and [Warfair, 2026b](#).
- ¹⁰³ [Warfair, 2026b](#).
- ¹⁰⁴ [Investor Alliance for Human Rights et al., 2025](#) and [United Nations General Assembly, 2025](#).
- ¹⁰⁵ [Investor Alliance for Human Rights et al., 2025](#).
- ¹⁰⁶ Ibid.
- ¹⁰⁷ [Investor Alliance for Human Rights et al., 2025](#) and [Oribhabor, 2023](#).
- ¹⁰⁸ Ibid.
- ¹⁰⁹ [Oribhabor, 2023](#) and [Ebert, 2024](#).
- ¹¹⁰ Ibid.
- ¹¹¹ Ibid.
- ¹¹² [ETI et al, 2024](#).
- ¹¹³ [IHRB, 2025](#) and [EuroCham, 2024](#).
- ¹¹⁴ [Aguirre and Pietropaoli, 2023](#).
- ¹¹⁵ [World Bank, 2025](#).
- ¹¹⁶ [Aguirre and Pietropaoli, 2023](#) and [United Nations General Assembly, 2020](#).
- ¹¹⁷ [Aguirre and Pietropaoli, 2023](#).
- ¹¹⁸ [UNDP, 2025](#), [World Bank, 2025](#) and [United Nations General Assembly, 2020](#).
- ¹¹⁹ [United Nations General Assembly, 2020](#).
- ¹²⁰ [B4Ukraine, 2023](#), and [Oribhabor, 2023](#).
- ¹²¹ [B4Ukraine, 2023](#) and [RIAA, 2023](#).
- ¹²² [Aguirre and Pietropaoli, 2023](#).
- ¹²³ [ETI, 2024](#).
- ¹²⁴ [United Nations General Assembly, 2020](#).
- ¹²⁵ [World Bank, 2025](#) and [BSR and JustPeace Labs, 2022](#).
- ¹²⁶ Ibid.
- ¹²⁷ [International Alert, 2021](#).

Key Information

No investment strategy or risk management technique can guarantee returns or eliminate risks in any market environment. Past performance is not a guide to future results. The prices of investments and income from them may fall as well as rise and an investor's investment is subject to potential loss, in whole or in part. Forecasts and estimates are based upon subjective assumptions about circumstances and events that may not yet have taken place and may never do so. The statements and opinions expressed in this article are those of the author as of the date of publication, and do not necessarily represent the view of Redwheel. This article does not constitute investment advice and the information shown is for illustrative purposes only. Whilst updated figures are not available for all sources, we have performed further analysis and believe that this data has not significantly changed and is reflective for 2026.

Global Disclaimer

Redwheel ® and Ecofin ® are registered trademarks of RWC Partners Limited ("RWC"). The term "Redwheel" may include any one or more Redwheel branded regulated entities including, RWC Asset Management LLP which is authorised and regulated by the UK Financial Conduct Authority and the US Securities and Exchange Commission ("SEC"); RWC Asset Advisors (US) LLC, which is registered with the SEC; RWC Singapore (Pte) Limited, which is licensed as a Licensed Fund Management Company by the Monetary Authority of Singapore; Redwheel Australia Pty Ltd is an Australian Financial Services Licensee with the Australian Securities and Investment Commission; and Redwheel Europe Fondsmæglerselskab A/S ("Redwheel Europe") which is regulated by the Danish Financial Supervisory Authority.

Redwheel may act as investment manager or adviser, or otherwise provide services, to more than one product pursuing a similar investment strategy or focus to the product detailed in this document. Redwheel seeks to minimise any conflicts of interest, and endeavours to act at all times in accordance with its legal and regulatory obligations as well as its own policies and codes of conduct.

This document is directed only at professional, institutional, wholesale or qualified investors. The services provided by Redwheel are available only to such persons. It is not intended for distribution to and should not be relied on by any person who would qualify as a retail or individual investor in any jurisdiction or for distribution to, or use by, any person or entity in any jurisdiction where such distribution or use would be contrary to local law or regulation.

This document has been prepared for general information purposes only and has not been delivered for registration in any jurisdiction nor has its content been reviewed or approved by any regulatory authority in any jurisdiction.

The information contained herein does not constitute: (i) a binding legal agreement; (ii) legal, regulatory, tax, accounting or other advice; (iii) an offer, recommendation or solicitation to buy or sell shares in any fund, security, commodity, financial instrument or derivative linked to, or otherwise included in a portfolio managed or advised by Redwheel; or (iv) an offer to enter into any other transaction whatsoever (each a "Transaction"). Redwheel bears no responsibility for your investment research and/or investment decisions and you should consult your own lawyer, accountant, tax adviser or other professional adviser before entering into any Transaction. No representations and/or warranties are made that the information contained herein is either up to date and/or accurate and is not intended to be used or relied upon by any counterparty, investor or any other third party.

Redwheel uses information from third party vendors, such as statistical and other data, that it believes to be reliable. However, the accuracy of this data, which may be used to calculate results or otherwise compile data that finds its way over time into Redwheel research data stored on its systems, is not guaranteed. If such information is not accurate, some of the conclusions reached or statements made may be adversely affected. Any opinion expressed herein, which may be subjective in nature, may not be shared by all directors, officers, employees, or representatives of Redwheel and may be subject to change without notice. Redwheel is not liable for any decisions made or actions or inactions taken by you or others based on the contents of this document and neither Redwheel nor any of its directors, officers, employees, or representatives (including affiliates) accepts any liability whatsoever for any errors and/or omissions or for any direct, indirect, special, incidental, or consequential loss, damages, or expenses of any kind howsoever arising from the use of, or reliance on, any information contained herein.

Information contained in this document should not be viewed as indicative of future results. Past performance of any Transaction is not indicative of future results. The value of investments can go down as well as up. Certain assumptions and forward looking statements may have been made either for modelling purposes, to simplify the presentation and/or calculation of any projections or estimates contained herein and Redwheel does not represent that that any such assumptions or statements will reflect actual future events or that all assumptions have been considered or stated. There can be no assurance that estimated returns or projections will be realised or that actual returns or performance results will not materially differ from those estimated herein. Some of the information contained in this document may be aggregated data of Transactions executed by Redwheel that has been compiled so as not to identify the underlying Transactions of any particular customer.

No representations or warranties of any kind are intended or should be inferred with respect to the economic return from, or the tax consequences of, an investment in a Redwheel-managed fund.

This document expresses no views as to the suitability or appropriateness of the fund or any other investments described herein to the individual circumstances of any recipient.

The information transmitted is intended only for the person or entity to which it has been given and may contain confidential and/or privileged material. In accepting receipt of the information transmitted you agree that you and/or your affiliates, partners, directors, officers and employees, as applicable, will keep all information strictly confidential. Any review, retransmission, dissemination or other use of, or taking of any action in reliance upon, this information is prohibited. Any distribution or reproduction of this document is not authorised and is prohibited without the express written consent of Redwheel.

The risks of investment are detailed in the Prospectus and should be considered in conjunction with your investment adviser. Please refer to the Prospectus, Key Investor Information Document (UCITS KIID), Key Information Document (PRIIPS KID), Summary of Investor Rights and other legal documents as well as annual and semi-annual reports before making investment decisions; these documents are available free of charge from RWC or on RWC's website: <https://www.redwheel.com/> and available in local languages where required. RWC as the global distributor has the right to terminate the arrangements made for marketing Redwheel Funds in certain jurisdictions and to certain investors. Redwheel Europe is the sub-distributor of shares in Redwheel Funds in the European Economic Area ("EEA") and is regulated by the Danish Financial Supervisory Authority. This document is not a solicitation or an offer to buy or sell any fund or other investment and is issued in the UK by RWC and in the EEA by RW Europe. This document does not constitute

investment, legal or tax advice and expresses no views as to the suitability or appropriateness of any investment and is provided for information purposes only. The views expressed in the commentary are those of the investment team.

Funds managed by Redwheel are not, and will not be, registered under the Securities Act of 1933 (the "Securities Act") and are not available for purchase by US persons (as defined in Regulation S under the Securities Act) except to persons who are "qualified purchasers" (as defined in the Investment Company Act of 1940) and "accredited investors" (as defined in Rule 501(a) under the Securities Act).

This document does not constitute an offer to sell, purchase, subscribe for or otherwise invest in units or shares of any fund managed by Redwheel. Any offering is made only pursuant to the relevant offering document and the relevant subscription application. Prospective investors should review the offering memorandum in its entirety, including the risk factors in the offering memorandum, before making a decision to invest.

AIFMD and Distribution in the European Economic Area ("EEA")

The Alternative Fund Managers Directive (Directive 2011/61/EU) ("AIFMD") is a regulatory regime which came into full effect in the EEA on 22 July 2014. RWC Asset Management LLP is an Alternative Investment Fund Manager (an "AIFM") to certain funds managed by it (each an "AIF"). The AIFM is required to make available to investors certain prescribed information prior to their investment in an AIF. The majority of the prescribed information is contained in the latest Offering Document of the AIF. The remainder of the prescribed information is contained in the relevant AIF's annual report and accounts. All of the information is provided in accordance with the AIFMD.

In relation to each member state of the EEA (each a "Member State"), this document may only be distributed and shares in a Redwheel fund ("Shares") may only be offered and placed to the extent that (a) the relevant Redwheel fund is permitted to be marketed to professional investors in accordance with the AIFMD (as implemented into the local law/regulation of the relevant Member State); or (b) this document may otherwise be lawfully distributed and the Shares may lawfully be offered or placed in that Member State (including at the initiative of the investor).

Information Required for Offering in Switzerland of Foreign Collective Investment Schemes to Qualified Investors within the meaning of Article 10 CISA.

This is an advertising document.

The representative and paying agent of the Redwheel-managed funds in Switzerland (the "Representative in Switzerland") FIRST INDEPENDENT FUND SERVICES LTD, Feldeggstrasse 12, CH-8008 Zurich. Swiss Paying Agent: Helvetische Bank AG, Seefeldstrasse 215, CH-8008 Zurich. In respect of the units of the Redwheel-managed funds offered in Switzerland, the place of performance is at the registered office of the Swiss Representative. The place of jurisdiction is at the registered office of the Swiss Representative or at the registered office or place of residence of the investor.

This document does not constitute an offer to sell, purchase, subscribe for or otherwise invest in units or shares of any fund managed by Redwheel. Any offering is made only pursuant to the relevant offering document and the relevant subscription application. Prospective investors should review the offering memorandum in its entirety, including the risk factors in the offering memorandum, before making a decision to invest.

CONTACT US

Please contact us if you have any questions or would like to discuss any of our strategies.

invest@redwheel.com | www.redwheel.com

Redwheel London
Verde
10 Bressenden Place
London SW1E 5DH
+4420 7227 6000

Redwheel Europe
Fondsmæglerselskab A/S,
Havnegade 39, 1058
København K, Denmark

Redwheel Miami
2640 South Bayshore Drive
Suite 201
Miami
Florida 33133
+1 305 6029501

Redwheel Singapore
80 Raffles Place
#22-23
UOB Plaza 2
Singapore 048624
+65 68129540