CDC's Business Integrity (BI) team is responsible for protecting CDC's reputation and license to operate, this includes ensuring that CDC, as a UK Financial Conduct Authority (FCA)-regulated institution, adheres to its regulatory requirements and that CDC's investees meet the requirements in CDC's Code of Responsible Investing relating to financial crime compliance ("FCC") controls. To achieve this, CDC's BI team conducts FCC due diligence on all our Financial Institutions (FIs) investments to understand processes related to integrity-focused operational risks and FCC programmes. If improvements are identified, the BI team develops a time-bound fit-for-purpose BI action plan that is tailored to the institution's requirements and risk profile (See BIMS Section). The BI team provides guidance and support during the implementation of the action plan ensuring that the investee meets CDC's Code of Responsible Investing. Moreover, CDC's FI investments are requested to submit a Business Integrity Annual Monitoring Report that provides information on efficacy and improvements in BI risk management.

The section covers guidance for key FCC controls for anti-money laundering, counter financing terrorism, sanctions compliance, anti-bribery and corruption, tax evasion, fraud, whistleblowing, market abuse and cyber-security. The guidance is drawn from internationally recognised anti-financial crime international standards, guidance and recommendations including those from the OECD and the Financial Action Task Force (FATF). Whilst recommending adherence to best practice international and European/UK guidance, FIs must ensure they comply with local financial crime regulations.

Also covered in this section is guidance relating to good corporate governance for FIs, including specific recommendations relating to board structure and responsibilities relating to risk management. CDC believes that high quality corporate governance can have a developmental effect by enhancing an institution's reputation, improving internal controls, and ultimately helping it seek commercial backing.

CDC also believes that strengthening governance and risk management systems around financial crime helps to mitigate regulatory and reputational risk, reduce long-term costs (including the cost of regulatory fines and enforcement) and attract outside investment. Addressing FCC controls also supports initiatives to tackle wider organised crime and human rights abuses, such as modern slavery. In turn, this increases development impact potential alongside fostering prosperous business relationships such as those with corresponding banks.