23 April 2018

Dear Mr Tugendhat,

Re: Committee inquiry into Russian corruption and the UK

I write in response to comments made in front of the Foreign Affairs Committee by Mr Luke Harding and Ms Juliette Garside on 28 March 2018. These comments were made in the Committee’s evidence session on Russian corruption and the UK. In sending this response, I write solely on behalf of PwC in the UK (PwC UK). “PwC” is a network of separate and independent member firms operating in 158 countries through membership in PricewaterhouseCoopers International Limited. The PwC network of member firms is not a global partnership, single firm or corporate multinational.

Although certain aspects of the allegations raised by Mr Harding or Ms Garside are not entirely clear, and generally we are unable to comment on client matters, I can confirm that we have conducted checks of PwC UK’s client systems going back to 2010 and have not identified evidence of PwC UK acting for the individuals named by Mr Harding and Ms Garside (Dmitry Rotenburg, Arkady Rotenburg and Sergey Roldugin).

As a firm and as a network, PwC UK and PwC take allegations of unethical behaviour extremely seriously. PwC UK complies with all applicable sanctions and we have a robust sanctions compliance programme to ensure that we act within the law and within PwC’s global policies and procedures. In particular, PwC UK does not provide services to persons subject to EU designations other than where this is legally permissible under EU law (e.g. where acting under licence from the relevant authority).

In the PwC global network, it is a condition of membership that all firms must strictly comply with those sanctions regimes that apply to them (and which can vary significantly from country to country), and to have in place a sanctions compliance programme appropriate to the specific sanctions risks they face. The firms’ local programme must include for example, a Sanctions Subject Matter Expert in charge of implementation, sanctions screenings, policies, training for partners and staff and incident reporting procedures. Member firms are also required to evaluate carefully reputational risk and to ensure compliance with foreign sanctions laws applying to foreign personnel (e.g. ensuring that EU citizens working for PwC firms outside the EU comply with EU sanctions laws).

I hope that this assists the Committee in its inquiries. If you would like to discuss further then please do not hesitate to contact me.

Yours sincerely,

Margaret Cole
Chief Risk Officer and General Counsel