

NATHAN

Trusted for Excellence



UNITED NATIONS GLOBAL COMPACT Communication on Progress (COP) 2019

Nathan Associates
December 2019

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ABOUT NATHAN

Nathan is a private international economic and analytics consulting firm that works with government and commercial clients around the globe to deliver practical solutions and achieve lasting results. Whether building frameworks for economic growth or navigating regulatory hurdles, securing infrastructure financing or evaluating and assessing disputes, Nathan's experts serve as trusted partners, offering clients the analysis, technical advice, and strategies they need for sound decision-making. Known for both technical and service excellence and with corporate offices in the US, London, and India and more than 40 program offices around the world. More information about Nathan can be found at nathaninc.com

STATEMENT OF CONTINUED SUPPORT BY THE CHIEF EXECUTIVE OFFICER

12th December 2019

As a member of the United Nations Global Compact, Nathan Associates strongly supports this corporate sustainability initiative. This document represents Nathan's second annual Communication on Progress report. I am proud of our accomplishments to date and our continued commitment to the Compact's 10 principles in the areas of Human Rights, Labor, Environment and Anti-Corruption.

Nathan Associates is an international private consulting firm that delivers sound, and defensible analytic and economic solutions and analyses for government and commercial clients around the world. For almost 75 years, clients have relied on Nathan Associates to handle complex, high-stakes assignments, and provide exceptional value while maintaining the highest standards of integrity and ethics.

We will leverage our successes and continue to focus on the integration of the Global Compact and its principles into our business strategy, culture and daily operations. In this report, we provide a summary of the key actions undertaken in 2019. We also commit to sharing this information with interested parties.



Susan Chodakewitz

President & Chief Executive Officer
Nathan Associates



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SECTION 1: HUMAN RIGHTS

Principle 1:

Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2:

make sure that they are not complicit in human rights abuses.

Nathan is fully committed to upholding human rights principles and frameworks, promoting and supporting the rights of employees, suppliers, partners and beneficiaries with whom we work or come into contact. We are also absolutely committed to safeguarding people and ensuring that our actions do no harm.

Nathan applies the highest standards of integrity and ethical conduct to all its affairs and activities. Nathan embraces a culture in which employees are free and encouraged to speak up when they see behavior that is not aligned with our policies including those related to human rights abuses.

These commitments are set out in a range of corporate policies and guidelines, including:

- **Code of Business Conduct:** establishes the standards of ethical behavior for all employees, suppliers and partners.
- **Anti-Modern Slavery Policy:** sets out our policy for the prevention of modern day slavery, in particular human trafficking and forced labor, in our organization and our supply chain.
- **Safeguarding Policy:** describes our commitment to the safety and protection of all children and vulnerable adults from physical abuse, emotional abuse, sexual abuse and neglect.

Nathan is fully committed to upholding human rights principles and frameworks, promoting and supporting the rights of employees, suppliers, partners and beneficiaries we work with, or come into contact.



- **Whistleblowing:** guides our employees, suppliers, partners and associates on how they are able to speak up and confidentially report any suspicions or concerns they may have.
- **Data Protection Policy:** aligns our policies and processes with data protection legislation, including GDPR.

PROGRESS TO DATE

Nathan continues to improve the integration of Principles 1 and 2 in our work. This year, we updated our Code of Business Conduct so that it remains timely and relevant.

Our London office demonstrated additional accomplishments, which included:

- Appointing a Safeguarding Champion and a Safeguarding Focal Point to lead on the implementation of the Safeguarding Policy;
- Strengthening due diligence and vetting procedures, incorporating specific safeguarding and modern day slavery assessments of the supply chain; and
- Working with British Expertise International, our partners and suppliers to strengthen the private sector's actions on the prevention of sexual exploitation, harassment and abuse in international development sector.

MEASUREMENT OF OUTCOMES

- **Policy Review and Attestation:** All Nathan's employees, suppliers and partners reviewed and signed Nathan's Code of Business Conduct.
- **Compliance Training:** All Nathan's employees received training on an updated version of the Code of Business Conduct.
- **Reporting:** In 2019, there were no reports made to Nathan's Global Hotline of human rights incidents. Nathan did not identify any incidents of employees or subcontractors causing or contributing to human rights violations.



SECTION 2: LABOR STANDARDS

Principle 3:

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4:

the elimination of all forms of forced and compulsory labor;

Principle 5:

the effective abolition of child labor; and

Principle 6:

the elimination of discrimination in respect of employment and occupation.

Nathan has a responsibility to ensure a safe and trusted environment for our employees, suppliers, partners and beneficiaries. This includes our aim to tackle the issues of forced labor and modern slavery as detailed in Nathan's Code of Business Conduct and Anti-Modern Slavery Policy.

More specifically:

- All firms that are part of our supply chain are provided with contracts and must review the policy and sign the attestation for Nathan's Code of Business Conduct, which Nathan is able to audit at any time for compliance.
- All employees are made aware of company policies, setting out their rights, responsibilities and benefits, and the need to take an online Code of Business Conduct training.

Nathan's policies related to labor practices include provisions relating to:

- **Diversity and Equal Employment:** Nathan has adopted a formal Equality and Diversity Policy to ensure employees, contractors, associates and applicants are treated equally. Nathan recruits in all job areas, without regard to age, disability, gender reassignment, race, religion or belief, sex, sexual orientation, marriage and civil partnership, or pregnancy/maternity status.

Nathan is fully committed to ensuring a safe and trusted environment for our employees, suppliers, partners and beneficiaries.

- **Harassment in the Workplace:** Nathan prohibits harassment of any employee by another employee, manager or third party. Harassment is conduct that has the purpose or effect of creating an intimidating, hostile, or offensive work environment and unreasonably interfering with an individual's work performance. Harassment may consist of verbal, physical, visual or sexual harassment and may also include retaliation for reporting harassment or threatening to report harassment.
- **Commitment to Non-retaliation:** Nathan prohibits any form of retaliation against an employee, supplier, or partner who files a complaint in good faith, or participates in an investigation regarding a violation of Nathan's Code of Business Conduct or any other policy. Nathan will not tolerate any harassment, retaliation or reprisals of any kind.

PROGRESS TO DATE

In 2019, Nathan continued to consistently improve the integration of the four Principles related to Labor Standards. Accomplishments included:

- Strengthening workplace practices and policies to ensure fair compensation and to better support employees in balancing their family and work obligations.
- Improving the performance management system to ensure that it is applicable across all of our permanent offices.
- Appointing a Mental Health Champion at Nathan London to drive the development and implementation of a Mental Health Policy in the London office.
- Reviewing and strengthening Nathan London's due diligence and subcontracting templates, including provisions related to protection of labor standards and alignment with the Supplier Code of Conduct of the UK Department for International Development.

MEASUREMENT OF OUTCOMES

- **Compliance Training:** This year we required all employees to participate in training, which covered workplace harassment rules, regulations and expectations.
- **Reporting:** Nathan has not received any complaints or concerns related to discrimination or Principles 3 – 6 of the UN Global Compact.
- **Human Capital Management:** Performance and salary evaluations are conducted annually. We achieved a 100% completion rate of the 2019 Annual Performance Review for employees across all of our offices.

SECTION 3: ENVIRONMENT

Principle 7:
Businesses should support a precautionary approach to environmental challenges;

Principle 8:
undertake initiatives to promote greater environmental responsibility; and

Principle 9:
encourage the development and diffusion of environmentally friendly technologies.

Nathan has an Environmental Policy in place which is communicated through the Code of Business Conduct and vetting and due diligence procedures. We maintain a policy of “minimum waste” and recycling. Our employees and all those who work for us are expected to promote this policy by minimizing printing, collecting and recycling office paper, or avoiding use of disposable products.

PROGRESS TO DATE

Nathan continues to improve the way that we work in line with our Environmental Policy. Accomplishments this year included:

- Appointing an Environment Champion in our London office, to raise awareness of environmental matters and to promote and monitor the implementation of our Environmental Policy.
- Introducing more environmentally-friendly technologies to enable virtual working and to keep our international travel to a minimum.
- Promoting the sustainable use of resources, including use of tap water, wherever possible in our offices. Where tap water is not safe for drinking, we ensure that offices have clean potable water on site to minimize the purchase of bottled water as much as possible.

Nathan is committed to integrating sustainable practices into our operations.

MEASUREMENT OF OUTCOMES

- **Legislative Compliance:** Nathan has not been served any fines or non-monetary sanctions for non-compliance with environmental laws and regulations.
- **Reporting:** Nathan has not received any complaints or concerns about potential or real environmental impacts resulting from Nathan's work.
- **Supply Chain Management:** All UK supply partners are assessed in relation to their compliance with relevant environmental criteria prior to contracting.





SECTION 4: ANTI-CORRUPTION

Principle 10:
Businesses should work against all forms of corruption, including extortion and bribery.

Nathan has zero tolerance for bribery and corruption. Nathan will conduct its business in an honest and ethical manner. Nathan's Anti-Bribery Policy represents our commitment to conduct operations ethically and in compliance with applicable anti-corruption laws and regulations in jurisdictions in which Nathan operates.

Nathan does not tolerate corruption in any form, whether directly or indirectly. Corruption causes poverty, inhibits economic growth, is damaging to businesses, and may result in criminal and civil liability and penalties for any personnel or person working on behalf of Nathan.

Nathan has several policies and procedures in place which cover Anti-Corruption:

- **Code of Business Conduct:** establishes standards of ethical behavior for all employees, suppliers and partners.
- **Anti-Bribery Policy:** presents our commitment to conduct operations ethically and in compliance with applicable anti-corruption laws and regulations.
- **Whistleblowing:** guides our employees, suppliers, partners and associates on how they are able to speak up and confidentially report any suspicions or concerns they may have. The Global Hotline is accessible to anyone anywhere in the world, 24 hours a day, 7 days a week.

Nathan has zero tolerance for bribery and corruption. Nathan will conduct its business in an honest and ethical manner.



- **Vetting and Due Diligence Processes:** All employees, suppliers and partners undergo a rigorous vetting and due diligence process prior to contracting. This includes managing conflicts of interest and verification of compliance with tax obligations.

PROGRESS TO DATE

Nathan continues to operate in a way which is consistent with the above mentioned policies and practices and upholds our commitment to Principle 10. This year additional progress was driven by Nathan London as part of the alignment of our UK business with the new Supplier Code of Conduct of the UK Department for International Development. Accomplishments included:

- Developing an Anti-Fraud and Corruption Policy for Nathan London to complement the existing Nathan Anti-Bribery Policy. The purpose of this policy is to set out our stance on fraud and corruption and our approach to preventing, detecting, reporting and investigating fraud and corruption. It also reinforces our commitment to developing an anti-fraud culture and ensures we are in compliance with applicable laws and regulations, namely the UK Fraud Act 2006 and the UK Bribery Act 2010.
- Strengthening due diligence and vetting procedures at Nathan London to include disclosure of links to Politically Exposed Persons (PEPs), which is particularly relevant for our work in underdeveloped, fragile or conflict-affected regions.

MEASUREMENT OF OUTCOMES

- **Compliance Training:** All employees completed Nathan Code of Business Conduct training so that everyone understands what corruption is and how to report it.
- **Reporting:** No instances of fraud were reported to the Global Hotline. Allegations of fraud were investigated and successfully addressed in line with our policy.