

UN Global Compact – Communication on Progress 2021

For the past 50 years, Palladium has been helping our clients to see the world as interconnected - by formulating strategies, building partnerships, and implementing programs that have a lasting social and financial impact. We call this "Positive Impact".

Support for the UN Global Compact

To our teams, stakeholders, clients and partners,

Re: Palladium's support for the UN Global Compact - 2021

Palladium is a global impact firm, working to link social progress and commercial growth. We are in the business of making the world a better place, and we believe that collaborative models and systemic approaches are the way to achieve progress and success.

In the wake of one of the most challenging periods in living memory, we believe that the values enshrined by the UN Global Compact and Sustainable Development Goals are ever more pertinent and sit yet more powerfully at the centre of the impact we deliver.

This communication highlights our continued progress as we embed the principles of the UNGC into our work and our plans for the year to come – I am proud of our achievements and our commitment to continued progress in 2021.

I would like to take this opportunity to publicly reaffirm our commitment to the UNGC initiative and the global principles it represents.

Yours sincerely,



Rhys Morris

Chief Operating Officer, EMEA

Palladium International Limited



Human Rights Principles

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

Assessment, Policies & Goals

Our belief in the universal principles of human rights is enshrined in the way we do business. Our approach defines 'Positive Impact' as **'the intentional creation of enduring social and economic value'**, and we aspire to realise it in everything we do.

We have a dedicated Safeguarding function, housed within our Sustainable Business framework. Our vision is to **embed a culture of safeguarding** across our organisation, **protecting our people, clients and communities** with which we work from harm.

We commit to:

- An accountable and transparent culture where safeguarding is everybody's responsibility;
- A safe and secure environment for the communities we work with, our people and clients;
- A safeguarding aligned business ecosystem and supply chain.

Palladium's **Code of Conduct** applies to all business partners and employees, and outlines the company's expectations on topics such as **integrity and ethics, anti-discrimination, child protection, protection against exploitation, abuse & harassment (PSEAH), privacy and information protection**. Safeguarding is connected to our Guiding Principle, "We are all accountable." We continually improve the way we protect the people we work with and are committed to ensuring that all Palladium people are equipped to prevent and report abuse.

Our **Whistle-blower Protection Policy** outlines our commitment to ethical behaviour and zero tolerance approach to retaliation. The associated procedures provide for the reporting and investigating of suspected human rights abuses.

Implementation

All Palladium staff members and consultants are expected to complete **trainings** upon engagement with the company and then many are repeated annually from then onwards. The trainings cover:

- Whistle-blower Procedures
- Code of Conduct



Palladium's **Whistle-blower hotline** is made available to employees and business partners in all **82 countries** that we operate in.

- Diversity & Inclusion (D&I)
- Child Protection
- Prevention of Sexual Exploitation Abuse & Harassment

All of our contracting mechanisms include provisions obliging the business partner or employee to abide by the spirit and the letter of the Code of Conduct, as well as detailing the impact of breaching those provisions / engaging in misconduct. We also introduced an Ethical Contractor Policy, that requires contractors comply to common standards to solving concerns around ethical considerations associated with clients.

Palladium also ensures that any suspicion that human rights are not being respected can be reported anonymously through a dedicated **whistle-blower hotline**, which is made available to employees, external stakeholders and business partners in every country that we operate in.

All Palladium programmes are subject to **Child Protection Risk Assessments** as well as more general **annual risk-assessments**.

Employees are required to report suspected violations of the company **Code of Conduct** to line managers, corporate and regional leadership, Human Resources or through the company whistle-blower mechanism. Investigations of misconduct, including suspected human rights violations, are governed by our **Standard Operating Procedure (SOP) for Investigations** and **Whistle-blower Protection Policy and SOPs**. Failure to comply is subject to possible disciplinary action including contract termination, non-renewal or other appropriate actions.

The outcomes of whistle-blower complaints are captured in Palladium’s **whistle-blower register**, which is maintained by the **Internal Projects Systems Review (IPSR)** and **Risk Management teams**. Access to the register is restricted to protect confidentiality. Investigations are conducted in conjunction

Box 1: Human Rights Principles

Lafiya: UK Support for Health in Nigeria

Key SDGs



The Lafiya Programme is a seven-year UK aid-funded programme to improve health outcomes for the poorest and most vulnerable in Nigeria. The programme is focused in five northern States of Nigeria, which have some of the worst health indicators in Africa. Lafiya works through encouraging government to increase resources invested in health; improving effectiveness and efficiency of public and private basic health for services; and reducing the total fertility rate in Nigeria.

with corporate functions such as HR, depending on the nature of the complaint. Upon completion of the investigation, reports are shared with donors and clients as required.

As illustrated in Box 1, many of the programs that Palladium implements for clients in EMEA have a strong link to the Human Rights Principles of the UNGC and to the Declaration of Human Rights. For example, our Partnership to Engage, Reform and Learn project, links closely to supporting citizens engagement. Managed by our governance, law and justice team, the project supports transformative reforms in service delivery processes in Nigeria, by facilitating partnerships between citizen groups, legislators and government at local, state and federal levels. Similarly, our Institutions for Inclusive Development project in Tanzania focuses on support to the institutions of democracy and the engagement of citizens in and with these institutions. Box 1 details the scope of our UK Support for Health in Nigeria project, which works to support the basic human right to health.

Measurement of Outcomes

Commitment	Description	Progress / Impact
Safeguarding Risk Assessments	<p>In 2019 we committed to undertaking a specialised safeguarding risk assessment for all programmes in EMEA.</p> <p>The risk assessment is designed to identify which areas of the business have a higher risk in terms of protecting the beneficiaries we work with. The tool assesses the context in which each project operates, the activities undertaken and the risks associated with staff, partnerships and supply chains.</p>	<p>Risk assessments for all EMEA projects were completed in July 2020. Where risk areas were identified, the project teams are provided with additional support from the Safeguarding Working Group (SWG).</p>
PSEAH Online Training	<p>The development of specialised training on Protection against Exploitation Abuse & Harassment (PSEAH), housed on Palladium’s learning portal and included as one of the mandatory trainings for all new joiners and continuous staff, completed on an annual basis.</p> <p>To supplement this, Palladium produced and rolled out global written guidelines to supplement the training on PSEAH.</p>	<p>The PSEAH training was made available on the Palladium learning portal, in November 2019.</p> <p>New Global Guidelines: Preventing Sexual Exploitation, Abuse and Harassment (PSEAH) were released in November 2020.</p>

Commitment	Description	Progress / Impact
Ethics Committee	A structure for a Palladiums Ethics Committee has been approved and an Ethical Contractor Policy has been approved and introduced.	In April 2020, Palladium Introduced an Ethical Contractor Policy to ensure that Palladium's approach to working with select industries and for select governments, aligns with its values and commitment to Positive Impact and ethical conduct.
Mental Health Awareness	To recognise May 2020 as Mental Health Awareness Month, virtual events were hosted across the business to highlight the importance of promoting and maintaining mental health and well-being.	Palladium's EMEA HR team hosted 5 virtual events throughout the month, with a different theme each week, while also engaging with the wider company through the Yammer platform.
Emotional wellbeing	Activities targeting the mental and emotional wellbeing of staff were rolled out.	We have compiled a wellness calendar for 2020-2021, with key dates across EMEA and we are designing and will deliver some training relating to mental health and other key topics. We have also shared and have encouraged the sharing of support materials on Yammer relating to remote working, parenting, health and wellness during Covid-19
Physical wellbeing	Activities targeting the physical well being of staff were rolled out	Office Pilates and Desk Yoga sessions are an example.
Race, Ethnicity and Culture Month	In the midst of the Black Lives Matter movement, and following a successful series of employee initiatives around Mental Health Awareness Month in May 2020, Palladium proposed that the month of August 2020 be dedicated to Race, Ethnicity & Culture – "REC Month".	Palladium staff organised a series of online webinars, workshops and discussion topics through the Yammer Platform, involving EMEA, APAC and Americas, with subject matter experts and anyone with a passion able to get involved, hosting daily conversations and activities throughout the month. Over 15 virtual events were hosted in EMEA alone, across at least 5 offices.

Commitment	Description	Progress / Impact
Code of Conduct updates and training	<p>All employees and business partners are contractually obliged to comply with Palladium's Code of Conduct. Palladium updated our Code of Conduct training to include vital content relating to Safeguarding</p> <p>A mandatory Code of Conduct and Whistle-blower training takes place annually, attended by all employees and consultants</p>	<p>This year, we've undertaken further activities to promote Safeguarding, including putting a focus on building a respectful workplace, prevention of sexual exploitation, abuse and harassment, child protection, human trafficking, and highlighting our Guiding Principles.</p> <p>All employees were required to complete the new code of conduct training by 30th June 2020.</p>
COVID 19 Safeguarding Guidance Note	<p>COVID-19 is a serious global pandemic that affects almost every country in the world. Lockdowns and disrupted supply chains have caused economic instability. This may bring about changes in behaviour that lead to challenges to public safety, increased risks of fraud and other criminal activity. Additionally, COVID-19 will disproportionately impact women and the most vulnerable groups, such as minorities or low-income individuals, making their lives more challenging.</p>	<p>Palladium is committed to providing support to ensure that safeguarding practices continue in the face of COVID-19. To help protect both our colleagues and our communities, we put together a Safeguarding and COVID-19 Overview to provide answers to some of the most frequently asked questions on this important topic</p>
Safeguarding Awareness Fortnight	<p>Safeguarding, and the importance of reporting and whistle-blowing, is a key area of focus under Palladium's Sustainable Business portfolio. Rosanna Duncan, Chief Diversity Officer, continues to lead a global initiative to take forward safeguarding across the company. This initiative includes clearly defining what safeguarding means to us, developing a global strategy, creating a central process to capture and monitor safeguarding issues globally, and more.</p>	<p>To put the spotlight back on safeguarding to strengthen global internal awareness, a Safeguarding Awareness Fortnight will be held from 1 -12 February 2021. Internal channels, particularly Yammer, will be utilised during this period to explore key themes, foster internal dialogue, raise awareness and build knowledge of internal reporting mechanisms.</p>

Labour Principles

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: The elimination of all forms of forced and compulsory labour;

Principle 5: The effective abolition of child labour; and

Principle 6: The elimination of discrimination in respect of employment and occupation

Assessment, Policies & Goals

We ensure that the best in class principles and practices of **non-discrimination, diversity** and **inclusiveness** are embedded within our operations through our **Talent Attraction & Selection Policy**. Our in-house **Chief Diversity Officer** ensures that the core principles of diversity and inclusion are integrated throughout the business, enabling a culture of **creativity, innovation**, and **respect for differences**. Our vision is to create a diverse and inclusive culture where difference is valued and leveraged to drive innovation and deliver results.

Our in-house Diversity & Inclusion (D&I) function commits to:

- An inclusive working environment and diverse workforce at all levels;
- Diversity and Inclusion considerations will be embedded into all project design and delivery;
- A diverse business ecosystem and supply chain that is aligned with our D&I ambitions;

Palladium's **Due Diligence Policy** ensures that our supply chain conforms to **global best practice principles**, such as those of the Ethical Trading Initiative and International Labour Organisation.

Our commitment to the universal labour principles are demonstrated by our **Modern Slavery Statement** and our dedicated **Child Protection Policy**. Palladium globally is also a signatory of the Charter for Change. The Charter is linked to the Convention on the Rights of Persons with Disabilities.

Implementation

Palladium's in-house D&I function has developed **Diversity & Inclusion Awareness training** which is mandatory for all employees.

Palladium employees and key contractors are also required to complete **mandatory child protection training** at least annually.



Our in-house Chief Diversity Officer **Rosanna Duncan** ensures that the core principles of **diversity and inclusion** are integrated throughout the business.

Our **Employee Assistance Programme** ensures that our staff have access to external support should they require it. We also provide employees with a range of benefits **promoting general health and well-being**.

Our in-house **Contracts and Compliance team** ensure compliance with the national labour standards of every country in which we operate.

As well as our general whistle-blower register, Palladium utilises a **Child Protection Register** to capture complaints or issues of this nature. The register and subsequent investigations are managed by the IPSR team in conjunction with the D&I function.

Palladium records incidents of safeguarding concerns and reporting to our largest client. Employees are required to report suspected violations of the above policies to line managers or through the company whistle-blower mechanism. Investigation is conducted in line with the company **Investigations SOP** and **Whistle-blower Protection Policy and SOPs**. Failure to comply is subject to possible disciplinary action including contract termination, non-renewal or other appropriate actions.

Palladium implements projects for clients in EMEA that closely align with the Labour Principles of the UNGC. From 2018 – 2020 we worked on FCDO's Stamping out Trafficking in Nigeria programme that aimed to improve the capacity and effectiveness of the Edo state government, civil society and communities to co-ordinate an evidence-based response to tackle the drivers of human trafficking and unsafe migration. Another example of Palladium's project work that upholds the UNGC Labour Principles is illustrated in Box 2.

Box 2: Labour Principles

Skills and Employment Programme, Bangladesh

Key SDGs



The Skills and Employment Programme of Bangladesh tests and scales-up market-driven, quality skills training systems within the Readymade Garments and Construction sectors that will stimulate further investment in training by employers, private training providers and trainees. The programme's goal is that 100,000 poor people, including women and disadvantaged populations, will earn an additional net income of £56 million due to their increased skills after successful completion of programme-supported training.

Measurement of Outcomes

Commitment	Description	Progress / Impact
Working from Home policy	We have adapted our WFH policy to account for the current ongoing situation. We are also conducting focus groups to talk about working remotely and flexibly.	This work will form suggestions from the workforce to our Regional Business Partners around changes Palladium can make to benefit our workforce and the needs and challenges of everyday life.
Palladium Collaboration with Future Frontiers	Pupils from low income backgrounds do not always achieve their full potential. Palladium collaborated with Future Frontiers to partner with Harris Academy South Norwood, a school in an area of high deprivation.	18 London staff participated in the mentoring program with 25 children involved through Future Frontiers. 88% of pupils agreed their career coach has guided them to discover an inspirational career.
West of England Mentoring Programme	The WEM programme is a group mentoring programme that delivers business and career mentoring sessions to local school students between the ages of 12 – 15. The aim of the programme is to create positive change by engaging students, who may come from disadvantaged backgrounds, to aspire and achieve. The aim is that such commitment can go far in increasing diversity in the workplace and encouraging social inclusion.	Originally scheduled to run over 7 weeks starting on the 25th February 2020, the programme has been postponed to January 2021 as a fully virtual programme, due to COVID-19. It involves 15 students from Nailsea Secondary School attending 2-hour sessions with 4-6 mentors from the Bristol office.
University of Bristol Professional Liaison Network	The University of Bristol Professional Liaison Network (PLN) co-ordinates a range of activities that connect students, academics and researchers from the Faculty of Social Sciences and Law with external partner organisations.	Since 2018, Palladium staff from the Bristol office have been mentoring university students to give them support, guidance, and unique industry insights that will help them to identify a rewarding career and take the next steps to thrive after graduation.
Diverse recruitment	Palladium targets a diverse range of universities with a broader range of applicants for our analyst intake. Palladium has been working with universities in Kuwait and Saudi to increase numbers of women applying to our jobs.	Throughout 2020 we have delivered a series of 3 workshops to encourage diversity in International Development.

Commitment	Description	Progress / Impact
Disability inclusion	Palladium has committed to be a Disability Confident Leader in the UK.	Palladium has developed a workplan for greater UK disability inclusion commitments – we aim to be accredited as a Disability Confident Level 3 by July 2021.
Diversity statistics	We committed to improving our diversity statistics globally and use quantitative Key Performance Indicators to measure our progress.	Globally, 45% of Palladium staff in senior leadership roles are women. Nearly half (49%) of our senior managers are women. Palladium's global workforce is made up of 65 nationalities. Palladium staff reported an increased engagement with Diversity and Inclusion, with a Diversity & Inclusion July 2020 engagement score at 86%, up 5 points on July 2019 score.
Equal pay gap	Palladium is committed to equal pay for all our people globally.	As of July 2020, the equal pay gap across Palladium globally was +1.8% in favour of men, with some parts of the business reporting a 0% equal pay gap. As of June 2020, the equal pay gap in Palladium EMEA was 0.6%.
Fair Recruitment, Selection and Promotion	We ensure that the practices of non-discrimination, diversity and inclusiveness are embedded within our Talent Attraction & Selection Policy. We committed to developing a recruitment training for all interviewing managers that will include recruitment best practice, employment legislation and unconscious bias information for all hiring managers. This is designed to favour greater diversity and continue to embed D&I into the company's operations.	The HR team introduced 360 degree feedback, new review forms and transparent information on HR policies to ensure fair recruitment and promotion. The Fair Recruitment and Selection Training has been developed, and is planned to be rolled out in March 2021. Reducing Bias in Performance Management Workshops were developed and rolled out as part of the 2020 Performance Review process to line managers in EMEA and globally.

Commitment	Description	Progress / Impact
Blind recruitment model	By removing identify characteristics and information such as name, gender, age and university names, and using anonymised written assessments, Palladium has implemented “blind” approaches to recruitment to tackle un-conscious bias and improve the inclusivity of the company’s selection processes.	Palladium runs blind selections across partnerships resulting in successful hires. This has since been expanded to Palladium’s client-facing projects and we have an in-house function to assist in Blind Recruitment.
Living wage	Palladium are a living wage employer as we only employ individuals at living wage and above in all parts of the UK. However, we are working to achieve formal accreditation.	Palladium are currently working on achieving accreditation and aim to have achieved this by February 2021.

Environmental Principles

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

Assessment, Policies & Goals

Environment is one of the core components of our Sustainable Business function. Our vision is to create a working environment where all our people take responsibility for **living and working in a more sustainable way**.

We have committed to:

- Creating a workforce that understands and embraces environmental sustainability;
- A reduction in our environmental impact;
- An environmentally aligned business ecosystem and supply chain.

Implementation

The Environmental Working Group (EWG) is now housed within Palladium's Sustainable Business function. As a result, annual workplans and progress updates are required, facilitating greater accountability and monitoring actions against targets.

Our Environmental Policy covers the following areas:

- Reducing the environmental impact of our operations and service delivery
- Engaging in offsetting schemes and initiatives whenever this is feasible
- Prioritising partnerships with environmentally conscious suppliers and contractors
- Capitalising on the diversity of our services and capacities to generate and leverage positive Environmental Impact
- Improving the environmental engagement of our employees
- Monitoring and verification of our environmental performance, including transparent reporting of progress



Palladium is working to minimise its environmental impact across the following areas: Suppliers, Transportation, Recycling schemes, Wildlife, Community.

The process of evaluating the different options for addressing the **carbon footprint** of Palladium EMEA's operations continued throughout 2020, with some significant progress. The carbon footprint associated with the company's air travel, accommodation and global operations was successfully measured. The EWG designed and developed a forest regeneration project and Palladium invested funds with the aim of offsetting our global carbon emissions for 2019.

The EWG's efforts in 2020 have focused on identifying ways to reduce Palladium's environmental impact. Furthermore, regional environmental updates are integrated in Quarterly EMEA Sustainable Forums.

Multiple hub and field offices have begun to implement their own changes in areas such as waste and recycling, energy provision, green activities (such as tree-planting in Bristol, UK), catering and procurement of sustainable suppliers. As part of Sustainable Proformas, all projects submitted their environmental plans for FY21. EWG will work with the project offices to help implementation of the plan.

A few projects across EMEA have developed carbon tracking tools. This includes travel carbon tracker for FCDO MFP4 in Indonesia, carbon footprint of community supported agriculture (CSA) interventions for FCDO's Propcom Mai Karfi in Nigeria, and carbon footprint calculator for BEIS's Partnering for Accelerated Climate Transitions (PACT). These tools are currently reviewed in order to be integrated to a single, streamlined tool that will be used by project and corporate office to track carbon emissions and environmental impact. The tool will capture:

- Project/corporate office information, including staff numbers
- Energy use: Electricity and gas
- Transport: Staff work travel (predominantly captured centrally through Egencia, WFP), staff commutes
- Water usage
- Paper consumption

This year, Palladium has embedded a Sustainable Business chapter in the Project Management Manual, containing requirements for all projects to deliver against our environmental vision.

Palladium completed environmental deep dives for our clients, including drawing lessons and recommendations for improved best practices across our operations and clients.

Employees are required to report suspected violations of the Environmental Policy to line managers or through the company whistle-blower mechanism. Investigation is conducted in line with the company **Investigations SOP** and **Whistle-blower Protection Policy and SOPs**. Failure to comply is subject to possible disciplinary action including contract termination, non-renewal or other appropriate actions.

Box 3: Environmental Principles

Partnering for Accelerated Climate Transitions

Key SDGs



UK PACT works with partner countries, supporting them to accelerate their clean growth transitions.

The programme supports countries to implement and increase their ambitions for carbon emission reductions in line with their Nationally Determined Contributions and the long-term goal of the 2015 Paris Agreement to limit dangerous climate change.

UK PACT provides grants to implementing partners, selected for their potential to deliver capacity-building support to address governments' identified needs in a range of areas such as forests, clean energy and energy efficiency, and sustainable transport.

Palladium has a strong portfolio of projects working in Climate, Environment and Natural Resources, which, along with our corporate initiatives, align closely with the UNGC Environmental Principles. One example of this is detailed in Box 3, with the Partnering for Accelerated Climate Transitions project. Another key project is our Technical Assistance Facility for supporting local banks and companies in South Africa, working towards the development of Energy Efficiency and Renewable Energy with a social impact. Through this project, Palladium aims to increase access to finance for small scale renewable energy and energy efficiency projects.

Measurement of Outcomes

Commitment	Description	Progress / Impact
Offsetting schemes and initiatives	Our Environmental Policy commits us to engaging in offsetting schemes and initiatives whenever feasible.	<p>Palladium has designed and invested in a forest regeneration project that aims to offset our global carbon emissions for 2019 in the Peruvian Amazon. Palladium's grant seeks to regenerate 40 hectares of primary forest, while training the local community in sustainable agroforestry practices, improving their livelihoods and providing them with income-generating opportunities to preserve their culture.</p> <p>Palladium has also appointed an internal carbon offsetting panel that will review ideas for offsetting our 2020 emissions.</p>
Environmental Due Diligence	We commit to ensuring that our supply chain has provisions to mitigate their effect on the environment.	Environmental questions have been integrated within our subcontractor due diligence forms
Cycle to work scheme	Cycle to work operates as a 'salary sacrifice' employee benefit. Staff participating agree to give up part of their salary in exchange for a bike. Palladium believes that the scheme saves staff money on travel costs and is helping to protect the environment.	Since Jul 2020, as a UK scheme, staff in our London and Bristol offices are eligible for this initiative. So far 4 staff have used the benefit.
Environmental Risk Assessment	A core component of the Environmental Policy is understanding and reducing our environmental impact. To do so, a risk assessment was deemed necessary so that high risk activities and projects can be identified and managed.	<p>An environmental section has been added to monthly project risk reports, as of November 2019.</p> <p>An in-depth environmental impact assessment is in development and will be further refined by the Sustainable Business Steering Group in 2021.</p>

Commitment	Description	Progress / Impact
Environmental Awareness Training	Environmental awareness of our staff is a central part of the strategy to reduce Palladium's environmental impact. The training will provide a general overview of key environmental concepts, as well as practical examples of actions that can contribute to a reduced environmental impact.	<p>The Environmental Awareness Training is under development. The training material is complete, however upload onto Palladium's training desktop is pending.</p> <p>Palladium released an environmental awareness video on Sharepoint, reflecting our current actions, commitments and ambitions.</p>
Project Management Manual	The Sustainable Business function has developed annexes for a company-wide Project Management Manual that requires all project teams to adhere to the principles of Sustainable Business and develop individual workplans accordingly.	<p>The EWG has incorporated language in the Project Management Manual stating that "each project should set its own environmental standards that reduce, mitigate and compensate for its environmental impact. Project-specific environmental standards should ensure that the environmental consequences of project activities are identified and evaluated prior to the start of the activity. These standards should be developed at project initiation and revised as appropriate should the nature of the work change. All project staff should also be oriented to their responsibilities in upholding the standards in their daily work."</p>

Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery

Assessment, Policies & Goals

Palladium rejects corruption in all of its forms and has zero tolerance for bribery, including facilitation payments or graft. Expectations with regard to anti-corruption, bribery and graft are contained in the **Code of Conduct**.

Our **Risk Management Framework Guidelines** require all Palladium projects to undergo annual risk assessments, compliance reviews, spot checks and site visits.

Our **Due Diligence Policy** and **Conflict of Interest Policy** are designed to identify any links to public officials or other actual, potential or perceived conflicts of interest so that they can be managed effectively and minimise the risk of corruption.



All Palladium staff are trained annually on our **Code of Conduct** to ensure staff are fully aware of our policy regarding anti-corruption, bribery and graft.

Implementation

As part of our due diligence process, all staff, contractors and business partner representatives must verify their identity. Names of individuals and organisations are cross-referenced with an **external anti-corruption database** and asked to certify their compliance with relevant legislation.

All employees and business partners are contractually obliged to comply with Palladium's Code of Conduct. A mandatory **Code of Conduct** and **Whistle-blower training** takes place annually, attended by all employees and consultants. Attendance is logged to ensure full participation. A formal **declaration of compliance** with the Code of Conduct is required alongside the training, which includes conflict of interest disclosure.

Employees and business partners are required to report suspected violations of the above policies to line managers or through the company whistle-blower mechanism. Investigation is conducted in line with the company **Investigations SOP** and **Whistle-blower Protection Policy and SOPs**. Failure to comply is subject to possible disciplinary action including contract termination, non-renewal or other appropriate actions.

Palladium maintains a dedicated **Fraud Register** that includes all current fraud cases, status and action items and is managed by our **IPSR** and **risk management** team. Investigations are conducted by the IPSR team, local representatives or external parties where appropriate. Reports and findings are escalated to management at least monthly.

Projects valued over a specified threshold are subject to annual audits which can take the form of **operational, financial** or **compliance audits**. Spot checks are conducted regularly, the subject of which is defined by the **IPSR team**. **Annual risk assessments** are conducted by the IPSR team which results in a report covering recommendations and an internal audit plan.

Anti-Corruption: Strengthening the Rule of Law in Jordan

Key SDGs



The Strengthening the Rule of Law in Jordan Programme exists in support of the UK’s 10-year partnership with Jordan, aimed at building Jordan’s resilience to economic and political shocks while maintaining a strong bedrock of stability and security. The Programme’s primary activity is to provide technical support to reinforce key democratic and legal principles necessary for a trustworthy and independent judiciary.

Measurement of Outcomes

Commitment	Description	Progress / Impact
Whistle-blower training	Employees and business partners are required to report suspected violations of Palladium policies to line managers or through the company whistle-blower mechanism.	A new compulsory training is pending completion by the global IT team. The WB training will contain all information that can be reported against. In addition, Palladium’s process to reporting a WB complaint including the policy and guidelines.
Risk Management training	Two Risk Management trainings were provided to EMEA staff, which included anti-corruption and reporting process.	The training took place in July and October. The July session had 70 attendees and October had 19.
Issues and Risk Portal	Palladium is launching a Global Issues and Risk Portal, which will assist in capturing any issues/risks on project related to corruption – both internal and external – and ease reporting and follow up.	The system has gone through Beta Testing phase and will be formally launched in February 2021 and rolled out to all global staff.

Commitment	Description	Progress / Impact
Annual Project Gateway Risk Assessment	All Palladium projects are subject to an Annual Project Gateway Risk Assessment, covering key risk indicators of fraud and financial mismanagement. Where projects are found to be high-risk, the risk management team provide a more in-depth risk analysis of activities, followed by field visits where deemed necessary.	Annual Project Gateway Risk Assessments were completed for EMEA projects in July 2020.
Ethical Contracting Policy	Palladium have introduced a new Ethical Contracting Policy, which describes our approach to working with select industries and for select governments, with the aim of ensuring that our work aligns with our values and commitment to ethical conduct.	This new policy was effective as of 1 st April 2020 to allow us to apply a common standard to our decision-making.
