

Modern Slavery Statement for Financial Year ended 30 June 2024

Palladium Holdings Pty Ltd and Reporting Subsidiaries

1. Introduction and Reporting Entities

This Modern Slavery Statement is published by Palladium Holdings Pty Ltd (ACN 640 464 197), on behalf of itself and its subsidiary Reporting Entities Palladium Group Holdings Pty Ltd (ACN 140 654 075), Palladium Group Management Pty Ltd (ACN 641 052 548), Palladium International Pty Ltd (ACN 010 020 201), and Palladium Infrastructure Pty Ltd (ACN 639 192 215) in accordance with the Modern Slavery Act 2018 (Cth) (the Act). Palladium Holdings Pty Ltd is an Australian registered company headquartered in Brisbane Australia and the ultimate Australian holding company of the Palladium group of companies during the period covered by this Statement.

This Statement covers the activities of Palladium Holdings Pty Ltd's owned and controlled entities (collectively referred to in this Statement as Palladium or Group) for the financial year ended 30 June 2024.


A joint statement has been prepared because Palladium and its subsidiaries operate in the same sectors, and have shared suppliers, governance, policies and procedures, and management.

2. Our Structure, Operations, and Supply Chains

Palladium is a global impact firm, working to link social progress and commercial growth. Since 1965 Palladium has worked with corporations, governments, foundations, investors, and local communities to formulate strategies, build partnerships, and implement solutions that generate lasting social, environmental, and financial benefits.

The Group operates with a global corporate leadership and functional team supporting regional business units in Asia Pacific (APAC), UK, Europe and Africa (UKEA), Gulf Cooperation Council (GCC), India, and the Americas. It has established regional business offices in Australia, India, Saudi Arabia, Indonesia, Kenya, Spain, Netherlands, United Kingdom, United States, United Arab Emirates, and Nigeria, and a presence in more than 90 countries across the globe.

Our core business services include program management, impact investing, strategy consulting, and procurement and logistics, as follows:









-  Program Management: We implement large-scale global, social and economic change initiatives, bringing local knowledge, technical expertise, and time, scope, and cost management to our clients' most complex projects.

- Impact Investing: Palladium mobilises capital to address social issues while generating a financial return through innovative finance mechanisms.
- Strategy: As the original creators of the Balanced Scorecard and Strategy Map methodology, Palladium helps organisations, primarily corporate and government, to design and execute their strategy.
- Procurement & Logistics: We help governments and businesses reach people and markets with supplies and on-ground logistics support in seemingly impossible environments, including post-disaster, post-conflict, and remote locations.

Our global practice areas in health; education; environment and natural resources; governance; growth and livelihoods; infrastructure; gender and social inclusion; procurement; supply chain management; logistics informatics; data analytics and visualization; and monitoring, evaluation, and learning, form a solid technical in-house capacity to support our service delivery.

Palladium's extensive project and program management experience also provides access to a wider network of experts and tools utilised in supporting the projects and programs that we manage. As a Group, we deliver evidence-based solutions with large-scale impact through more than 300 projects with more than 3,000 employees operating in 90 countries and supporting more than 200,000 organisations. Our supply chain consists of external businesses, self-employed consultants and Business Partner¹ organisations located within Australia and around the world.

Below is a sample of the key products and services (by spend) that were sourced in Australia and overseas during the reporting period:

 Travel Services	 Insurances (general, travel, health)
 Office Rent	 Education services
 Project Consultancy Services	 IT services and equipment
 Security Services	 Technical Assistance Services

3. Modern Slavery Risks in our Operations and Supply Chains

The nature of our work, particularly in developing, fragile and conflict affected states means Palladium recognises that some of our supply chains operate in high-risk environments for modern slavery including countries with high levels of poverty, a lack of awareness and understanding of human trafficking and modern slavery, and weak national systems to monitor and respond to human rights abuses including incidences of modern slavery.

4. Assessing and Addressing Risks of Modern Slavery

Palladium is committed to the principle that all humans have the right to be free from violence, abuse, and exploitation of any kind. Further, we embrace and respect the cultural and social diversity of the countries in which we work and place great importance on operating with honesty and integrity. As such, Palladium does not tolerate, condone, or accept human rights abuses within its business operations or supply chain.





¹ Palladium's governance framework defines "Business Partner" as including any organisation providing goods or services to the Group, such as contractors, subcontractors, grantees, awardees, vendors, and landlords.

Our annual statements seek to illustrate that Palladium understands its responsibility to go beyond legal compliance and how we are committed to proactively tackling modern slavery in our supply chains. We have consistently scored highly in the UK Government's annual Modern Slavery Assessments, increasing from 81% in 2021 to 84% in 2022 and 83% in the 2024 assessment.

4.1. Governance Framework

Overseen by our Corporate Leadership Team, all Palladium activities operate under a Sustainable Business Framework with policies, guidelines, standard operating procedures, business processes and tools that cover Equity, Diversity and Inclusion, Safeguarding², and the Environment which, although distinct fields, have shared goals and commitments. Within this framework, Palladium's Codes of Conduct³ expressly prohibit the transportation, sale or otherwise trafficking⁴ of human beings for profit or otherwise. Regardless of the jurisdiction in which the organisation is registered or doing business, these activities are prohibited.

Our overarching governance structure also includes the following policies and guidelines relevant to Palladium's commitment to mitigate, and where possible, eradicate circumstances conducive to modern slavery:

Policies	Guidelines
 Code of Conduct	 Project Management Manual
 Business Partner Code of Conduct	 Modern Slavery
 Prevention of Sexual Exploitation Abuse and Harassment	 Child Protection
 Safeguarding	 Grants Management Programme
 Whistleblower Protection	 Workplace Grievances
 Success at Work	 Human Resources Management for Projects
 Due Diligence	 Procurement of Goods and Services
 Transactions	 Risk Management Framework
 Ethical Contracting	 Whistleblower Allegations
 Family Sexual and Gender Based Violence	 Occupational Health and Safety
 Procurement Integrity	 Business Partner Duty of Care Management
 Occupational Health and Safety	

The requirements of these policies and procedures are passed down to our Business Partners (suppliers, subcontractors, consultants) through a Business Partner Code of Conduct which must be acknowledged with every Palladium contracting agreement.

² Safeguarding is a term that means different things in different contexts in various parts of the world. At Palladium we define it as the preventative action we take globally to protect the communities with which we work, all of our people, and clients from harm.

³ Palladium Group Code of Conduct Policy and Business Partner Code of Conduct Policy.

⁴ Trafficking is defined as the recruitment, transportation, transfer, harbouring or receipt of persons, by means of the threat or use of force or other forms of coercion, abduction, fraud, deception, the abuse of power or a position of vulnerability or the giving or receiving of payments or benefits to achieve the consent of a person having control over another person, for the purpose of exploitation.

These governance documents are regularly reviewed and updated for currency and compliance.

4.2. Due Diligence

Palladium conducts risk based due diligence on third parties with which it enters into business relationships. Our due diligence policy reflects the fact that many of our operating environments are high-risk for modern slavery and human trafficking. We ask providers to disclose their hiring practices as part of the online due diligence questionnaire ensuring that final procurement decisions considered these responses, whilst ensuring that staff security remains central to all decision making.

As part of the due diligence process, Palladium requires all Business Partners to agree to the Palladium Business Partner Code of Conduct and encourages all suppliers to have a modern slavery policy or guidelines within their business as well as a Code of Conduct.

4.3. Modern Slavery Guidelines





We continue to uphold the Modern Slavery Guidelines which we developed in 2018. The Guidelines are applicable globally to all of Palladium's operations, employees, and all representatives of the company. These Guidelines provide further information and guidance on the implementation of our Code of Conduct with regards to the prevention of all forms of modern slavery and human trafficking in the delivery of projects by, and in the business operations and supply chains, of Palladium.

Specifically, representatives are obligated to report any previous prior relevant conduct of their own, as well as any allegations or suspicions of relevant activity of which they become aware. The guidelines provide direction on recruitment, business partner engagement, risk evaluation, incident management, and awareness training with a specific emphasis on modern slavery risks. The guidelines also seek to educate Palladium's representatives on identifying and reporting modern slavery, including links to the UK Home Office website's 'Truth and Myth' section on modern slavery and human trafficking, as well as recommending links to leading anti-slavery organisations.

4.4. Reporting

We have long established reporting mechanisms outlined in Palladium's investigation standard operating procedures. These include the requirement to immediately report any suspected or alleged instances of modern slavery, human trafficking or Code of Conduct non-compliance directly to management, or by using our Whistleblower Hotline.

In April 2024, we launched a new Integrity Hotline using the Navex EthicsPoint system, replacing our previous whistleblower mechanism. The Navex system provides a clear and accessible grievance mechanism for individuals to report human rights violations or concerns. And further strengthens our reporting mechanisms with improved features including:

-  **Increased language capabilities:** we will be able to receive reports in 28 languages.
-  **Additional local toll-free phone numbers:** this will increase from 5 countries, to 38.
-  **Improved accessibility for reporting:** Navex provides reporting capabilities via a contact center staffed 24/7/365, an online form, and a mobile app.
-  **Reporting anonymity:** Users can now submit anonymous reports via the hotline. We still encourage reporters to provide their details to allow a thorough investigation.












The Integrity Hotline is advertised in all offices from which Palladium conducts business, on our public-facing website and internal communication channels, and is available to be used by our own people, as well as clients, contractors, suppliers, people in the communities we serve, and anyone else who encounters us. Palladium takes any report received seriously and the organisation has a zero-tolerance policy towards retaliation.

4.5. Other Relevant Initiatives

Business Development: We have strengthened our risk assessment policy to ensure that we assess the potential risk of modern slavery and human trafficking in our business development pipeline. Risk assessment is widely based – assessing country risk, industry, or product risk as well as supply chain risk.

Training: We undertake an internal training package on the risk, effect, and methods of uncovering modern slavery, for use within Palladium and our Business Partners.

KPIs: Our corporate Key Performance Indicators include training employees and raising corporate awareness of modern slavery; improving internal reporting mechanisms of incidents of modern slavery; and building the capacity of our supply chain to improve their modern slavery policies. In 2023 we sought to increase the ambition of these KPIs

-  **KPI 1:** Training and capacity building of UK employed staff on modern slavery issues and awareness.
 -  **Target:** 80% of UK employed permanent staff attend online training, completing a test before and afterwards to record whether their understanding of the issues and awareness has increased.
 -  **Achievement to Date:** Modern slavery is covered within our mandatory annual code of conduct training module available on our Learning Hub. As of June 2024, 1026 (83%) of our APAC partnership staff and 2697 (84%) of Palladium global employees have undertaken the modern slavery training as part of this code of conduct mandatory annual training.
 -  The training modules were also adapted for projects and specifically for downstream grantees to use. This was piloted and tested with UK funded programme teams and 26 grantee organisations in Colombia, Mexico, South Africa, Malaysia, Indonesia, and Kenya under Palladium's UK Partnering for Accelerated Climate Transitions (UK PACT) programme funded by the UK Foreign, Commonwealth and Development Office (FCDO). The training was modified in response to feedback, with the main revision being the inclusion of the reading list for further research.
 -  The training includes an overview of the global situation of modern slavery, training on how to identify those at risk; it emphasises the responsibility to report and provides instructions on how to report. The training also provides resources that trainees can use to find data on the prevalence of modern slavery in specific countries, as well as the national legislation and context-specific vulnerabilities.
-  **KPI 2:** Whistle-blowing hotline and reporting mechanisms monitored for cases involving modern slavery and cases dealt with appropriately and efficiently.
 -  **Target:** 100% of cases recorded through reporting procedures handled appropriately and efficiently.
 -  **Achievement to Date:** All safeguarding incidents reported were investigated and none of these incidents reported to the hotline were attributed to Modern Slavery.
-  **KPI 3:** Capacity building our major suppliers to develop modern slavery policies.
 -  **Target:** 80% of Tier 1 suppliers, without a modern slavery policy or guidelines develop these documents within the first year of being contracted by Palladium.
 -  **Achievement to Date:** All suppliers and contractors are required to complete our due diligence assessment before being contracted. Suppliers submit their due diligence through our online tool which allows for the instant monitoring of supplier due diligence for the entirety of their contracts. Through 23/24 we continued to support grantees and subcontractors to develop and refine modern slavery policies and guidelines. As part of the due diligence assessment at the

beginning of the supplier/contractor contracting process and during the contract term, we ask suppliers/contractors to confirm their compliance with the Act. We share a link to our policies as standard during the contracting process when suppliers are asked to accept compliance with our Business Partner Code of Conduct.

- Alongside this we are also working closely with grantees on our projects to improve their awareness of modern slavery in their supply chains. One example of such collaboration is demonstrated on our UK PACT programme where, as of December 2023, 20 grantees have developed modern slavery policies with Palladium's guidance and 35 grantees have used our modern slavery training to either develop their own training or use ours to train all project staff, including their consortium partners.

5. Assessing Effectiveness

Palladium assesses the effectiveness of its actions to deal with modern slavery risks by:

- Regularly reviewing our policies and processes to identify, assess and address modern slavery.
- Monitoring the number of personnel who have completed training on Codes of Conduct and modern slavery.
- Monitoring our progress against our established KPIs.
- Monitoring the modern slavery complaints received and resolved.
- Conducting audits and reviews of our supply chain to ensure compliance.

6. Next Steps

In FY2024/2025 we will continue to take a risk-based approach in building our global program.

We will be updating our Global Code of Conduct, enhance our expectations of our suppliers to comply with global human rights principles by implementing robust due diligence requirements, training and certifications. We will also be developing and implementing a new human rights policy which will further demonstrate our commitment to upholding human rights standards.

A key principle of human rights and ensuring compliance with modern slavery laws in employee working conditions and wages, we are confident that our employment practices protect employees against poor working conditions. Through our work in the field of international development, Palladium delivers job creation programming to educate communities about fair wages and employment rights internationally and in Australia. As part of our contracting with suppliers we confirm each organisation's commitment to our Business Partner Code of Conduct. This includes our expectations for upholding and protecting the rights of employees. In FY2024/2025 we will continue to carry out spot-checks and gather further information about suppliers and their supply chains.

7. Consultation

This statement has been compiled in consultation and collaboration with representatives of Palladium's regional business units for Asia Pacific, Europe, Middle East and Africa and the Americas; Palladium's Global Senior Director of Ethics, Risk and Compliance, the Asia Pacific Regional Safeguarding Lead, and the APAC Contracts and Compliance team. Prior to review and approval by the Board of Palladium, this statement was considered and reviewed by Palladium's Executive Officer and the APAC Managing Director.

8. Approval

This statement was approved by the board of Palladium Holdings Pty Ltd on 19 December 2024.



John Dalgarno
Director, Palladium Holdings Pty Ltd