

Media Release and ASX Announcement



11 May 2021

CARDNO RELEASES MODERN SLAVERY ACT STATEMENT

Global infrastructure, environmental and social development company Cardno has released its Modern Slavery Act Statement.

In a statement accompanying the document, Global CEO and Managing Director Susan Reisbord said:

"Modern slavery has no place in the operations or supply chains of Cardno Group and its subsidiaries. As a global company, our respect for human rights is embedded in our approach to our operations, supplier engagement, and business relationships. Cardno has a responsibility as a company and as an organisation that partners with other organisations to ensure we remain active in reducing the risk of modern slavery in our business.

Our Modern Slavery Statement outlines the steps we have taken to date and is published in accordance with Australia's Modern Slavery Act 2018. The sections of the Statement are arranged as required in the Act, following the requirements laid out in the regulation.

The fight against modern slavery requires continuous improvement, vigilance, and corporate commitment and leadership. Cardno is proud of the work we have done to date and looks forward to continuing the work ahead."

Cardno's Modern Slavery Act Statement is available on Cardno's website [here](#).

Attachment: Cardno Modern Slavery Act Statement

This announcement has been authorised by Cardno's Company Secretary.

– ENDS –

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About Cardno: Cardno is a global provider of integrated professional services which enrich the physical and social environment for the communities in which we live and work. Our team of multidisciplinary specialists around the world has over 75 years' experience in designing, developing and delivering sustainable projects and community advancement programs. Cardno is listed on the Australian Securities Exchange (ASX: CDD). www.cardno.com.



Cardno Modern Slavery Act Statement

March 2021

Making a difference.

EXECUTIVE SUMMARY

Cardno is a listed professional infrastructure and environmental services company on the Australian Stock Exchange based in Brisbane, Australia. We deliver infrastructure, environment, and social solutions to our clients across a broad range of sectors, including defense, energy, government, industry, international development, land management, mining, property and buildings, and transportation.

The company is organized into three divisions: Asia-Pacific Division (APAC), Americas Division (AME), and International Development Division (ID). Our operations generally include direct employment of workers primarily in professional service roles and sub-contracting to entities and individuals to provide supporting goods and services.

Cardno has invested in modern slavery risk assessment through commissioning an evaluation by a third party identifying our modern slavery risks and prevention program maturity. Generally, APAC and AME Divisions primarily perform and procure professional services domestically (Australia and USA) thus the risk of potential modern slavery is lower. The ID Division engages services that rely on a high proportion of labour-intensive low-skill workers including hotels, hospitality, security, cleaning, and transport in higher risk geographies, and thus the risk of potential modern slavery is higher. As such, over many years, ID has developed a modern slavery risk model and processes and procedures to address modern slavery risks. The components of ID's modern slavery program and policy framework include: Signatory to the UN Global Compact Principles on Business and Human Rights, policy updates related to modern slavery elements, supplier contracts and supplier management, modern slavery related training, and other related program components. Though challenging, Cardno has been able to adapt and adjust to the COVID-19 global pandemic, including with respect to modern slavery.

Based on the success of ID's modern slavery efforts, Cardno has since initiated its company-wide modern slavery prevention efforts, including executive sponsorship, modern slavery roadmap development and implementation, modern slavery policy framework, supporting Board governance, adoption of UN Sustainable Development Goals (SDGs), modern slavery training and awareness building, and supplier risk management.

As Cardno is in the early stage of modern slavery efforts company-wide, we are in the process of developing and implementing our processes for assessing the effectiveness of our modern slavery actions. Cardno will assess annually the effectiveness of actions taken to address modern slavery risk by comparing progress against our modern slavery roadmap objectives across our governance, policy implementation, training, and supply chain management. Because ID has been engaged on modern slavery issues longer than the other Cardno divisions, Cardno as a whole will leverage the rigor and discipline ID already applies to modern slavery prevention and risk reduction.

Cardno is proud of our company-wide efforts to date to address modern slavery risks with our operations and supply chain. In the coming period, Cardno anticipates continued implementation with focus on:

- > Developing our modern slavery risk evaluation for Cardno AME and Cardno APAC
- > Implementing mandatory modern slavery awareness training for new hires
- > Defining and enhancing our procurement work flows to further elevate modern slavery considerations in supplier screening, due diligence, monitoring, and audits
- > Further enhancing our processes regarding receipt, investigation, remediation, and reporting of modern slavery issues
- > Continuing to roll out our integrated vendor and supplier database
- > Establishing Cardno as a whole as a signatory to the UNGC

Our Modern Slavery Statement outlines the steps we have taken to date and is published in accordance with Australia's Modern Slavery Act 2018. Cardno is proud of the work we have accomplished to date regarding modern slavery and looks forward to continuing the work ahead.



Environmental, Social, Governance

Cardno Modern Slavery
Act Statement

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None of the individuals or workplaces pictured on the following slides are suggested to be involved in or associated with actual instances of modern slavery.

ACKNOWLEDGEMENT OF COUNTRY

Cardno acknowledges the Traditional Owners of the land upon which we live and work and pay our respects to their Elders past, present, and emerging.



8 Angels

8 Angels represents family, they have given me everything and have always pointed me in the right direction. They always make me want to be the best person I can be and for them I'm going to try my best to be!

About the artist: My name is Tyronne Hoerler, I'm 21 years of age. I was born in Wagga Wagga NSW, Wiradjuri county. My tribe is Wongkumarra. I started painting in year 9 and now have artwork all around the world. I have done some amazing projects with the Army, Police, and the Air Force; and I'm now working on the largest Aboriginal artwork in the world! You can see my art and follow my journey by connecting with me on Facebook.



LETTER FROM SUSAN

Cardno is a values-based organisation. Our vision is to be leaders in improving the physical and social environment for people around the world. We recognise that how we deliver services and what we do impacts the communities in which we work and live. It is vital that as we work toward our vision, we do so in a way which is safe, ethical, and equitable. Operating in alignment with our Cardno values ensures we are focused on meeting our purpose of **Making a Difference**. We live by this purpose and it underpins our pursuit to shape a better world now and into the future.

Modern slavery has no place in the operations or supply chains of Cardno Group and its subsidiaries. As a global company, our respect for human rights is embedded in our approach to our operations, supplier engagement, and business relationships. Cardno has a responsibility as a company and as an organisation that partners with other organisations to ensure we remain active in reducing the risk of modern slavery in our business.

Our Modern Slavery Statement outlines the steps we have taken to date and is published in accordance with Australia's Modern Slavery Act 2018. The sections of the Statement are arranged as required in the Act, following the requirements laid out in the regulation.

The fight against modern slavery requires continuous improvement, vigilance, and corporate commitment and leadership. Cardno is proud of the work we have done to date and looks forward to continuing the work ahead.

Susan Reisbord

Cardno CEO and Managing Director



01

IDENTIFY THE REPORTING ENTITY



Cardno is a global infrastructure, environmental, and social development company that provides integrated professional services which enrich the physical and social environment for the communities in which we live and work.



Cardno is a global infrastructure, environmental and social development company operating in more than 100 countries and powered by a talented 4,000-strong workforce. We're united by a shared purpose to deliver exceptional professional services to improve physical and social environments that make a difference to people's lives around the world. Established in Brisbane Australia in 1945, Cardno celebrated our 75th anniversary in 2020.

We deliver infrastructure, environment, and social solutions to our clients across a broad range of sectors, including defense, energy, government, industry, international development, land management, mining, property and buildings, and transportation.

Our diverse team of talented technical experts and professionals builds on a 75-year track record of experience in designing, developing, and delivering sustainable projects and community advancement programs.

We are committed to conducting our business ethically and in accordance with high standards of corporate and sustainable governance. Our corporate governance strategy demonstrates our commitment to providing appropriate levels of disclosure and accountability, and reflects our company values, mission, and purpose.

Cardno has been a listed professional infrastructure and environmental services company on the Australian Stock Exchange since 2004 under the symbol CDD. The company's head office is in Fortitude Valley, Brisbane, Australia.

OUR VISION:

To be leaders in improving the physical and social environment for people around the world.

OUR PURPOSE:

As a global organisation of talented people, we are united by our purpose: **Making a difference.**

OUR VALUES:

Cardno delivers value to clients and shareholders through its key asset, its people. In order to attract and retain the very best talent, we are committed to a set of core values that not only guide the results we achieve, but also shape how we do it.

SAFETY

| SAFETY COMES FIRST

INTEGRITY

| WE DO THE RIGHT THING

PEOPLE

| WE CARE ABOUT OUR PEOPLE & COMMUNITIES

EXCELLENCE

| WE DELIVER HIGH QUALITY SERVICES

02

STRUCTURE, OPERATIONS, AND SUPPLY CHAINS



Cardno's divisions, Asia-Pacific (APAC), Americas (AME), and International Development (ID), are the three primary components of Cardno, Inc. They each provide an array of services highly valued by our clients and the communities we serve.



Cardno is organised into three primary business divisions (Figure 1): an Asia-Pacific (APAC) business division, an Americas (AME) business division, and an International Development (ID) business division.

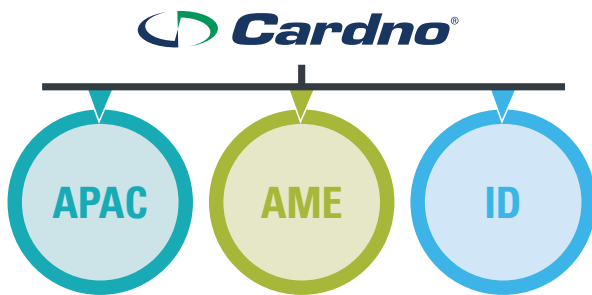


Figure 1: Cardno organizational structure

Cardno's operations include:

- > Direct employment of workers, primarily in professional services roles, with provision of management services and specialist advisory staff
- > Sub-contracting to entities and individuals to provide goods and services in support of our work

Our operational service categories include:

- > Professional services
- > Sub-contracted labour services (including some seasonal labour)
- > Tax, legal, and other accounting
- > Banking, payroll, insurances, and financial
- > Office property occupancy, office consumables, and facility usage including security, cleaning, maintenance, and waste management
- > Security services including personal, asset, and cyber security
- > Hardware, software, and information technology (IT) services
- > Telephone, internet, and office equipment
- > Travel, logistics, courier, transportation, hospitality, and motor vehicles including rental and leased vehicles
- > Housing accommodations
- > Health and insurance
- > Construction and construction management services
- > Technical advisory assistance

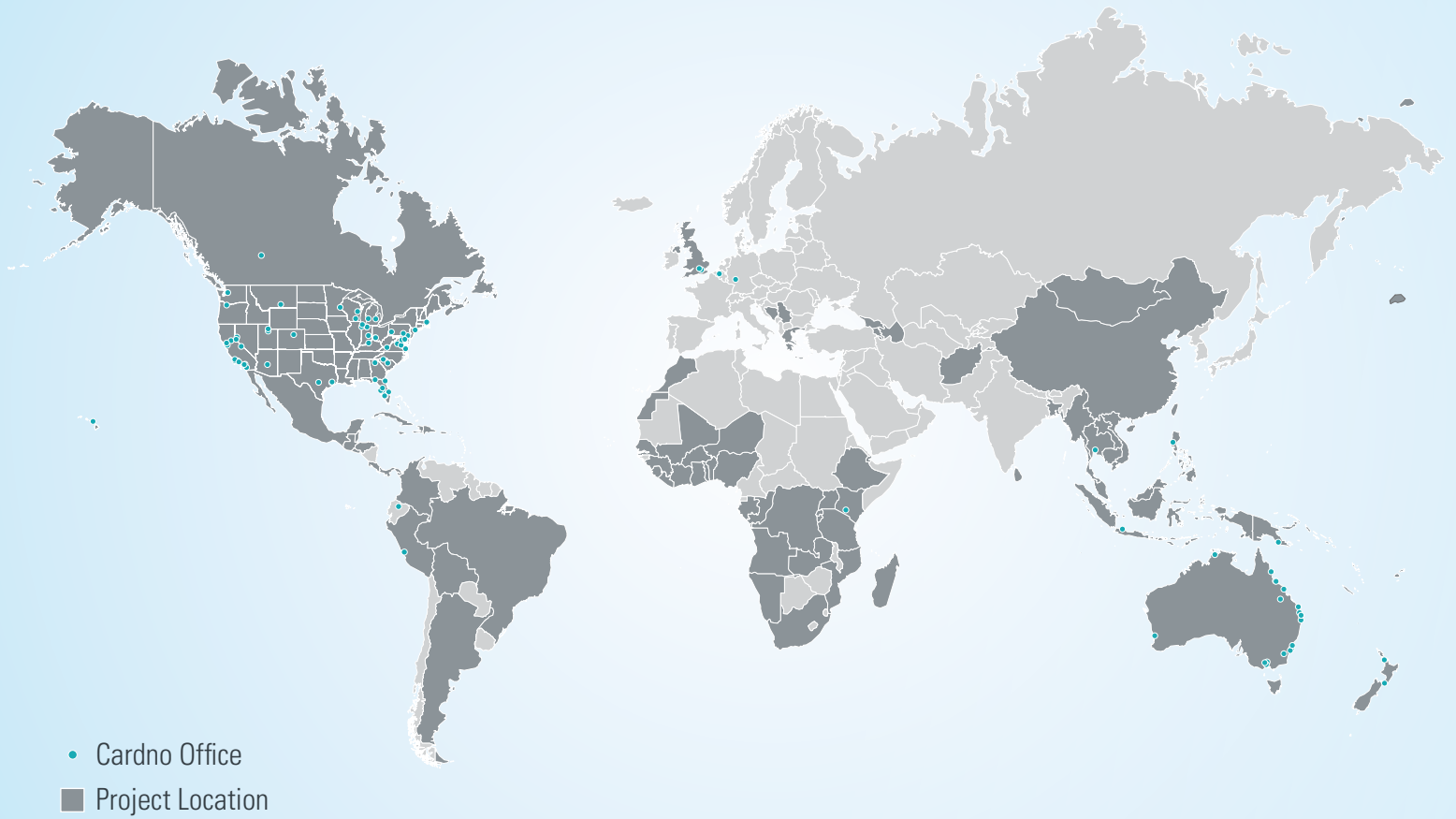
Cardno's Asia Pacific Division (APAC) provides integrated services to public and private sector clients, including: engineering solutions for civil, structure, water & waste water, utilities, geotechnical, traffic and transport, town planning; provision of surveying, asset planning and management, geographical information systems and mapping; environmental services; and project and contract management, site supervision, and advisory services.

Business units are located across the region serving local communities, and delivering services for regional, state, and federal government programs.

Cardno's Americas Division (AME) provides integrated environmental, engineering, infrastructure, scientific consulting, and field services for public and private sector clients. Services include environmental assessment and remediation, permitting, health sciences, data acquisition, asset management, planning, engineering and design, construction management, and consulting advisory services. The AME Division operates across the Americas, working collaboratively to support our clients. Cardno also has an office in Germany.

Cardno's International Development Division (ID) specialises in international development and project management services to governments, international financial institutions, and private companies. Projects typically involve institutional reform and capacity building within and in support of government agencies; and the provision of grants and funding to civil society organisations who provide a benefit to local communities.

ID Division supports work in more than 90 countries to deliver technical assistance, project financing, procurement of goods and services, and a range of other activities related to financial, technical, and social safeguards in complex working environments across multiple sectors. This is primarily for government contracted and multilateral donor services.



Cardno office and project locations



03

RISKS OF MODERN SLAVERY ACTIVITIES IN CARDNO'S OPERATIONS AND SUPPLY CHAINS



Cardno has invested in identifying and addressing modern slavery risks in our operations and supply chain. We will continue to assess our modern slavery risks to inform our program and actions.

Modern slavery risks are determined by a number of factors including sector, geography, products, services, and business model. Key to understanding these factors is evaluation of risks across the operations and supply chain of a company.

CARDNO WHOLE OF COMPANY RISK SUMMARY

Cardno commissioned a Modern Slavery Assessment and Issues Review to better understand our risks. This review by a third party evaluated Cardno on a scaled maturity model along a number of modern slavery related categories, including our human rights commitment, our modern slavery management systems and controls and, our modern slavery grievance and remedy procedures. The review identified areas where Cardno had defined and managed modern slavery prevention practices as well as where Cardno had *ad hoc* and informal practices. It provided recommendations for advancing our posture in identifying and preventing modern slavery across our operations and supply chains. The review also provided recommendations for how our firm could have more consistent modern slavery prevention processes across our three business divisions.

The third-party review included an evaluation of Cardno's modern slavery risk factors potentially present in operations and supply chains, including vulnerable populations, business models structured around high-risk work practice, high-risk product and service categories, and engagement in high-risk geographies. Four key modern slavery risks were identified:

- > Overseas operations and ID projects
- > Direct procurement
- > Indirect procurement
- > Procurement of building services

While Americas (AME) and Asia-Pacific (APAC) primarily perform and procure professional services domestically (Australia and USA) and thus the risk of potential modern slavery is lower, ID engages services that rely on a high proportion of labour-intensive low-skill workers including hotels, hospitality, security, cleaning, and transport in higher risk geographies. Workers in these services often migrate for work and may be engaged via labour hire or third-party arrangements. Cardno has limited visibility of working conditions or leverage to influence labour hire practices. Thus, there is a higher risk of modern slavery through our third-party services.

At this point in our modern slavery roadmap journey, we have prioritized the assessment of modern slavery risks to our ID division, and plan to perform additional risk assessments for our AME and APAC operations and supply chains in the coming year.

Cardno's significant and most immediate modern slavery potential risk lies with our ID division. Based on our International Development project experience, ID had previously progressed risk identification and management processes related to modern slavery and other risk types. As such, priority emphasis on modern slavery risk reduction at Cardno has been centered with the ID division. We are now leveraging this modern slavery work progressed by ID across Cardno's APAC and AME divisions.



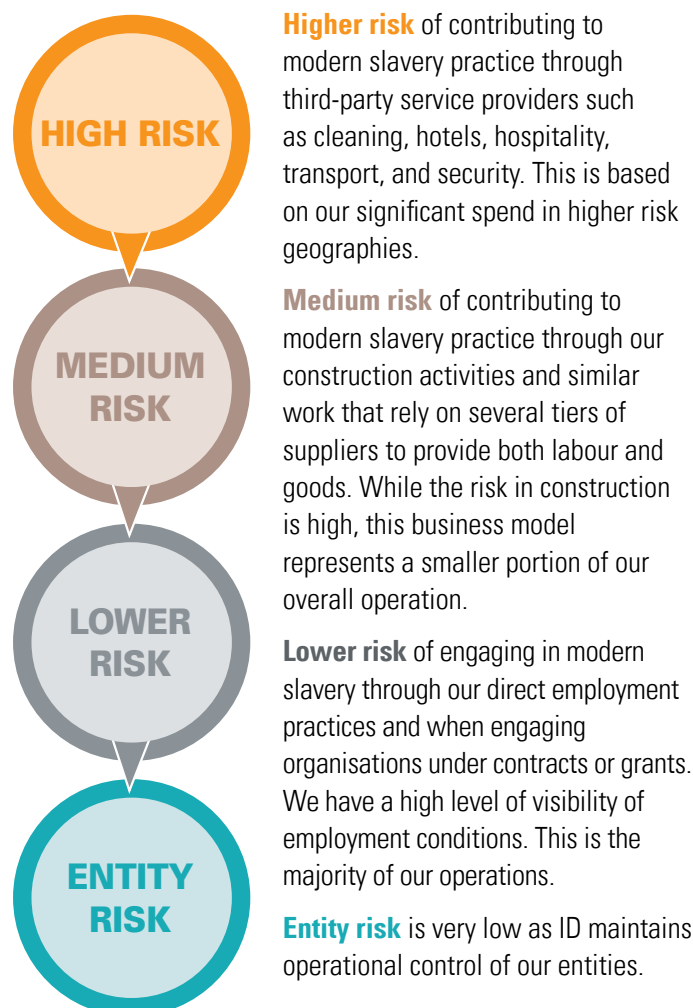
INTERNATIONAL DEVELOPMENT DIVISION RISK SUMMARY

To address modern slavery in its operations and supply chain, ID has developed a risk model that includes evaluation of geographic risk, services risk, supplier risk, and product risk.

These risk components determine our response and the risk controls we implement across our operations and supply chain.

Risk Profile

Cardno ID's modern slavery risk profile:



Specific Risk Areas

Employment (low risk)

The majority of our workforce is employed directly by ID entities on permanent or fixed term contracts. In some instances, we use third-party providers to engage staff in order to ensure we comply with local labour, tax, and social benefit obligations. In these instances, Cardno ID retains visibility over employment conditions of staff and implements strong human resources procedures such as wage reviews, leave allowances, and health and wellness benefits implementation. Therefore, our operational risk assessment is focused on contracted organisations and suppliers to Cardno where we have less direct visibility of employment terms.

Direct contracts and grants (lower risk)

Cardno ID typically engages professional services, Non-Governmental Organizations (NGOs), and universities.

These commercial relationships are through direct contracts or grants with organisations providing highly skilled advisory services or technical assistance. Grants may be used to support organisational capacity building. This risk is typically lower as we have visibility of the organisation, direct oversight of the work and funding, conduct due diligence, and maintain the right to audit if required or as part of an ongoing audit risk management program.

Third party services (higher risk based on level of pre-COVID activity):

In order to conduct international business activities, ID engages services that rely on a high proportion of labour-intensive low-skilled workers including hotels, hospitality, security, cleaning, and transport in higher risk geographies. Workers in these services often migrate for work and may be engaged via labour hire or third-party arrangements. ID has limited visibility of working conditions and limited leverage to influence labour hire practices – thus there is a higher risk of “contributing” to modern slavery practices through our third-party service providers. This risk also exists in Cardno’s domestic businesses, though likely to a lower degree.

Tier 2 suppliers and beyond (medium risk based on proportion of Cardno ID services):

Modern slavery risk increases when engaging multiple organisations who rely on tier 2 and tier 3 suppliers to provide labour, supplies, and equipment. For ID, this is primarily in construction activities but can also include any large-scale procurement or funds disbursement. The risk also potentially exists in other sub-contracted activities such as agricultural support services. ID does not have visibility of sub-contractors’ suppliers and therefore there is a risk of being “directly linked” to modern slavery practices when undertaking construction or similar activities. ID includes provisions of modern slavery and human trafficking in our sub-contract agreements.

Sector level activities (risk level unknown as Cardno ID's activities may only indirectly contribute):

ID provides resources under client contracts to support sector level activities that are considered high risk. This may include tourism, agriculture and fisheries, construction, extractives, and market systems that work in higher risk geographies. It may also include work directly with farmers, wholesalers, local business support, or work that directly benefits children, also in high risk geographies. ID programs maintain risk registries and mitigation plans that assess and monitor potential direct or indirect impact of risks associated with programmatic activities.

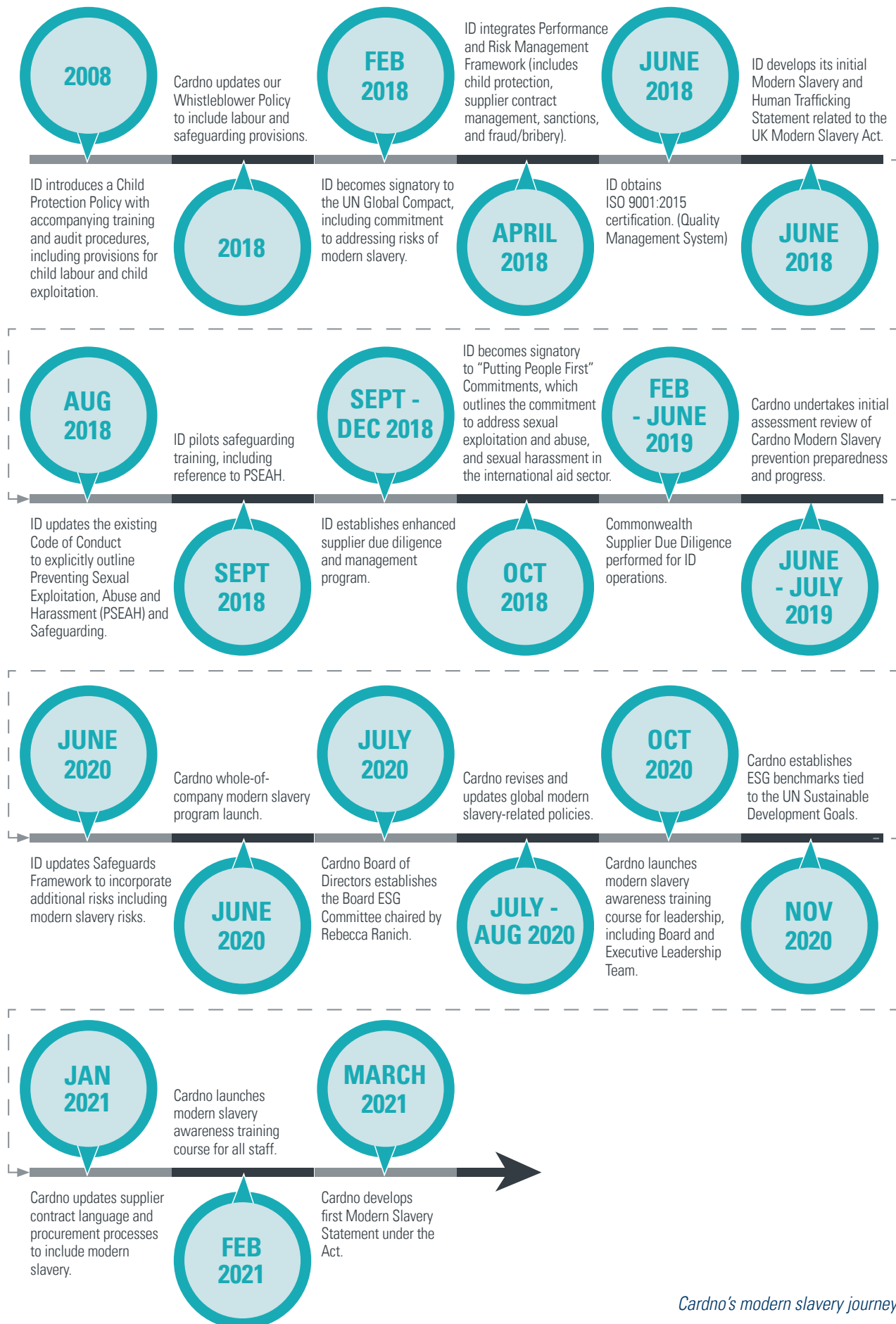
04

ACTIONS TAKEN TO ADDRESS MODERN SLAVERY RISKS



Cardno's modern slavery efforts began several years ago with our International Development (ID) Division. Cardno has since initiated its company-wide modern slavery prevention efforts, extending to our Americas Division and Asia-Pacific Division based on the efforts and success of the ID Division.

This section outlines Cardno's modern slavery journey building off the initial development of ID's work.



Cardno's modern slavery journey

CARDNO MODERN SLAVERY PROGRAM & POLICY FRAMEWORK

Cardno ID is a signatory to the United Nations Global Compact (UNGC) Principles on Business and Human Rights and supports the UN Sustainability Development Goals (SDGs). Building on Cardno ID, Cardno as a whole plans to become a signatory to the UNGC in the coming year. We report on our sustainability efforts annually through our [UNGC Communication on Progress](#), participation in the UNGC Modern Day Slavery Community of Practice, and in February 2021 released our first Cardno global Sustainability Report.

ID's supplier risk management and due diligence program has been in place for several years, and has evolved year-on-year as the understanding of risk in the business has

matured, incorporating modern slavery prevention program elements. As described below, key components including robust, well communicated policies, clear contracts, open supplier engagement, staff awareness and training, due diligence, and disclosures are some of our key program controls used to manage potential or actual risks of modern slavery in our operations.

Building on ID's progress, the whole of Cardno has adopted a policy framework to support governance and implementation of modern slavery efforts. Cardno's global policies are supplemented by Division-level policies and procedures relevant to each business context, all of which are centrally available and accessible by staff. Scheduled, periodic reviews and update requirements are included with each individual policy.

The policy framework is shown in the table below:

Cardno Global Policy Framework Relevant to Modern Slavery

Procedure / Code	Purpose
Cardno Way Code of Conduct	Cardno's code of conduct which sets expectations of how our staff and suppliers must behave towards each other, our clients, and the communities in which we operate.
Human Rights Policy	Captures Cardno's commitment to protecting the human rights of key stakeholders with which our business interacts, aligned with international frameworks and standards.
Safeguarding Policy	Sets out the governing principles and safeguarding approach for our employees and independent consultants, and the employees of our partners and suppliers, particularly when operating in higher risk countries. It outlines our commitment to comply with laws in the jurisdiction in which we operate and provide remediation if a breach occurs.
Child Protection Policy and Procedure	Additional safeguards against child exploitation.
Modern Slavery Policy and Procedure	Additional safeguards to address the risks of slavery and human trafficking.
Supplier Risk & Performance Management	Outlines the requirements for supplier management including due diligence, open and transparent procurement for market rates, and value for money (not lowest price).
Due Diligence Checklist for Partner Organisations	Provides guidance on conducting risk-based due diligence and supplier slavery risk assessments.
Fraud Procedure	Recognises modern slavery is facilitated by fraud and corruption. This may include, for example, payments to government officials to facilitate illegal migration; payments to win labour intensive contracts; or bribes to divert law enforcement activities. It may occur within organisations where corrupt practices may be used to: circumvent migration or labour laws; falsify records to hide poor labour hire or sourcing practices; or obscure company ownership through complex corporate structures.
Sustainability Policy	Defines sustainability for Cardno and links our actions to key global frameworks including the UNSDGs and the UN Guiding Principles on Business and Human Rights.
Conflict of Interest Procedure	Outlines requirements to manage conflicts of interest in order to reduce market distortion and poor hiring and procurement practices.
Whistle-blower Policy	Anonymous reporting channel for suppliers, staff, and community members to report concerns.
Supplementary Code of Conduct	Sets additional expectations of staff and suppliers when operating in high-risk locations.
Compliance Training	Foundational training on modern slavery risk and other safeguards provided to all staff as part of induction then annually thereafter.

Cardno provides mandatory training on modern slavery, anti-corruption, and bribery to all staff. In addition, ID provides supplemental mandatory training to staff, subcontractors, and partners on fraud, safeguarding, child protection, and other related topics. Training is delivered in multiple formats,

including on-line and in person, available in English and other operating languages, and sub-titled for accessibility. Attendance is recorded and tracked. Cardno also has policies related to Health, Safety, Security, and Environment (HSSE) as well as Inclusion, Diversity, and Equity.

Specifically ID works with government agencies and communities to minimise the risk of modern slavery and trafficking.

ID [works with government agencies and communities](#) to minimise the risk of modern slavery and trafficking. For almost 20 years, Cardno has supported the Australian Government Department of Foreign Affairs and Trade's counter-trafficking efforts through our work in bilateral and regional TIP focussed interventions, policy and cooperation support via the ASEAN Secretariat, and ensuring training and support for seasonal labor including a focus on rights and Gender-Based Violence (GBV) prevention. ID actively supports frontline workers from different justice agencies and victim support organisations across the ASEAN region, strengthening their ability to successfully and justly identify and punish traffickers while realising the rights of victims of trafficking.

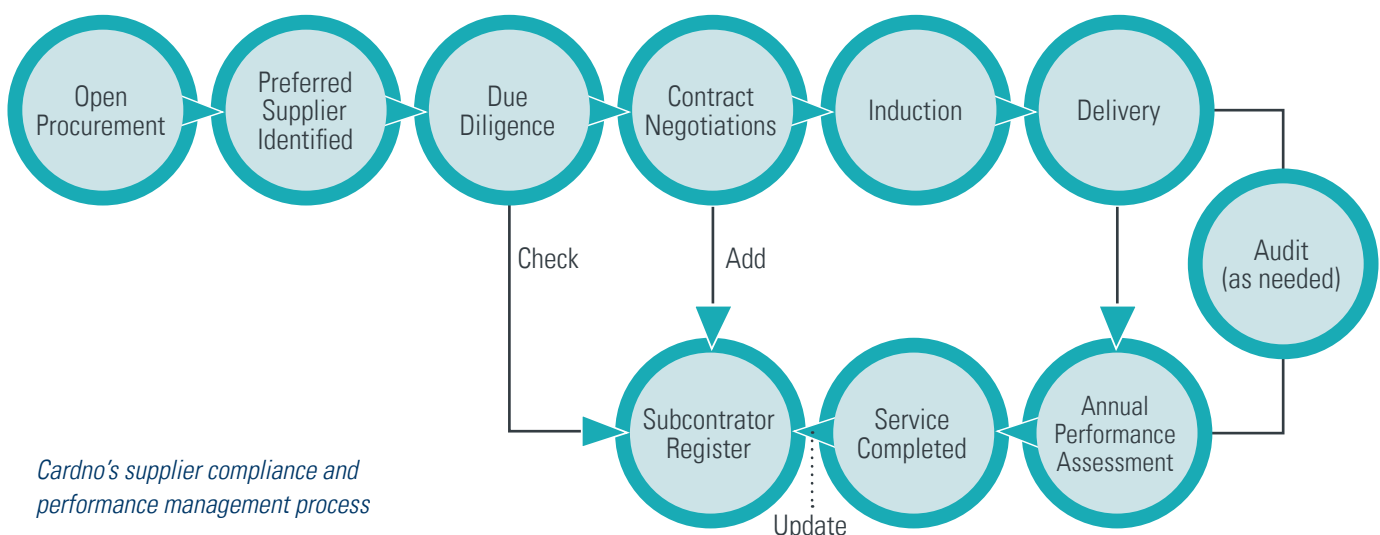


Supplier Contracts & Management

Moving forward on our modern slavery response, Cardno will leverage the suppliers and contracts management program ID developed and deployed across the business. The strength of the ID program is that it outlines the policy framework expectations to our suppliers during identification, procurement and contracting, and then closely monitors and documents supplier performance and compliance.

- > **Procurement and Supplier Identification:** Supply chain management tools include reference to modern slavery in our procurement toolkit and supplier management procedure.

- > **Due Diligence:** Supplier due diligence assessments are required. These were recently updated to include reference to slavery-risk and additional surveys for high-risk suppliers. Due diligence is not intended to preclude suppliers; rather it is used to identify gaps in a supplier's ability to meet policy requirements including those relating to slavery risk. Gaps may be closed through the use of controls, additional contract clauses, adjustments to scopes of work, performance guarantees, commitments to adopt policy, or additional resources. Cardno's approach emphasises supplier engagement and awareness raising.



Cardno's supplier compliance and performance management process

- > **Risk Assessments:** New projects are required to conduct risk assessments to cover a range of safeguards and human rights issues. This requirement is passed onto our suppliers who are also required to conduct fraud and corruption risk assessments upon entering into a contract with ID. These assessments are also conducted during implementation.
- > **Contract Templates:** All Cardno contract templates include explicit reference to modern slavery along with inherent requirements regarding supplier induction and policy acknowledgment; disclosures and reporting; due diligence; interlinkages with fraud and bribery; and warranties.
- > **Supplier Induction:** Supplier inductions are required prior to commencing work and cover ID's mandatory requirements including safeguards and slavery, codes of conduct, and risk management.
- > **Auditing:** Our internal audit program adopts a sample-based assurance methodology to monitor that due diligence practices are followed. Audits are conducted and reported at least annually as part of management review and under third party ISO9001:2015 certification. The Australian Government's due diligence of ID assessed us as low risk for supplier management during the reporting period.

As new practices and legislation are introduced, Cardno incorporates those considerations into our reviews and updates of our modern slavery practices.

For third-party suppliers, ID project teams and offices are required to establish vetted lists of preferred suppliers where there is regular use of a particular venue or service. Due diligence is required on an annual basis for existing suppliers.

COVID-19 Considerations

Modern slavery risk was heightened at the onset of the COVID-19 pandemic from pressure for rapid expenditure through grants and sub-contracts as governments responded to the threat of COVID-19 and pandemic-associated challenges. Working remotely reduced prior visibility in performing face-to-face, on-site, and in-person review activities and cross-border travel restrictions elevated risks related to health and safety, resource mobility, and work oversight conducted in person during non-COVID times. ID teams were required to ensure compliance training remained current, undertake additional safeguards training, and ensure inductions were undertaken with suppliers and remobilised staff. Managers were asked to set timeframes to revisit due diligence that may have been undertaken during the period of remote working. Health and safety standards and safeguards were communicated and reinforced. Cardno's rapid transitions to automated online systems and processes continued, and in many cases were accelerated.

ID also commenced rollout of enhanced procedures to reduce risk in our supply chain including (planned pre-COVID):

- > Requiring suppliers to undertake fraud risk assessments
- > Codifying control testing and procedural updates following resolution of an incident
- > Monitoring, mitigating, and managing IT-related fraud including business email compromise
- > Requiring enhanced controls when third-party agents are engaged
- > Updating conflict of interest declaration and management requirements



CARDNO'S PROGRESS AND PATH FORWARD

Cardno made great progress in 2020. Cardno has designated our most senior executive, Susan Reisbord, the Global CEO and Managing Director, as the executive in charge of Cardno's Modern Slavery efforts as well as Seth Yoskowitz, Vice President for Strategy and Transformation to lead the initial whole-of-company modern slavery roadmap implementation efforts.

In addition, the Cardno Board of Directors established a committee of the Board for Environmental, Social, and Governance (ESG) under which responsibility for Cardno's modern slavery efforts resides. The inaugural chair of Cardno's ESG Board Committee, Rebecca Ranich, is one of Cardno's external Board members. The Board Chairman, Michael Alscher, and Global CEO and Managing Director, Susan Reisbord, are also inaugural ESG Committee members.

Cardno established an ESG senior working group made up of the Global CEO and Managing Director, Susan Reisbord, Global Senior Principal for Sustainability, Chris Kline, Vice President for Strategy and Transformation, Seth Yoskowitz, and Lead Supervising Health Scientist Dr. Natalie Egnot. Working with an ESG Task Force of Cardno staff from across our various businesses, the ESG Working Group, working closely with the chair and members of the ESG Board Committee set goals and priorities for calendar year 2021.



Cardno has adopted the [UN Sustainable Development Goals \(SDGs\) framework](#), recognizing that our work supports advancement towards all 17 of the SDGs. Based on results from a global staff materiality assessment of key sustainability issues and a subsequent process of prioritization based on these findings, Cardno has identified the following five SDGs for particular focus where we feel the opportunity for meaningful impact is greatest:



SDG5:
Gender Equality



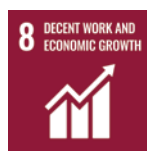
SDG13:
Climate Action



SDG7:
Affordable and
Clean Energy



SDG16:
Peace, Justice
and Strong
Institutions



SDG8:
Decent Work
and Economic
Growth

Note that SDGs 5, 8, and 16 have particular relevance and alignment with Cardno's modern slavery efforts.



Modern Slavery awareness building and training:

Cardno is early in its journey to enhance its efforts to reduce the risk of modern slavery in our operations and supply chains. Thus, as part of our roadmap, our efforts this past year have been focused on raising awareness among our staff for what modern slavery is; the possible ways in which modern slavery may manifest itself within Cardno's operations and supply chains; what our newly developed and updated policies regarding modern slavery include; and communicating to our leaders, supervisors, and staff their responsibilities regarding reducing the risk of modern slavery.

We developed and rolled-out two compulsory, on-line, on-demand modern slavery awareness training modules through our Learning Management System. The first learning module is targeted to Cardno's senior leadership and Board of Directors and the second is for all Cardno staff worldwide. The content of the e-learning modules includes: definition of modern slavery, categories of modern slavery, how modern slavery manifests in supply chains, the scope and impacts of modern slavery, modern slavery legislation, modern slavery reporting requirements, Cardno's policies regarding modern slavery, and employee responsibilities.

Course completion rates have been excellent with 100 percent of Cardno Board of Directors, 100 percent of Cardno's Executive Leadership Team, and over 90 percent of Cardno's senior leaders completing the leadership course.

The all-staff learning module is still open for Cardno staff to complete and to date over 2,000 staff have completed the training. The training will be required annually as well as for new Cardno staff.

In addition to the training sessions, Cardno also focused on modern slavery awareness raising through webinars and other communication, including:

- > At an all-staff monthly CEO webinar
- > Communication to staff on National (US) Anti-Trafficking and Slavery Month and National Freedom Day.
- > Communication to staff on Human Rights Day

Each of these communications highlighted Cardno's efforts and policies regarding modern slavery.



Stand up for Human Rights



Each person in every slice of the world, no matter location or size, are born free and equal in rights and dignity.

On December 10 1948, the [Universal Declaration of Human Rights \(UDHR\)](#) was adopted. The milestone document proclaims the inalienable rights everyone is entitled to as a human being – regardless of race, colour, religion, sex, language, political or other opinion, national or social origin, property, birth or other status. **December 10** now marks [International Human Rights Day](#).

The COVID-19 crisis has been fuelled by deepening poverty, rising inequalities, structural and entrenched discrimination and other gaps in human rights protections. In light of this, the theme for 2020 is **Recover Better: Stand Up for Human Rights**. It focuses on the need to build back better by ensuring human rights are central to recovery efforts.



Human rights encompass many elements including the right to life and liberty, freedom from slavery and torture, access to health services, the right to work and education, and much more. [Our International Development teams from around the world work on projects to ensure people in developing countries are afforded the same Human Rights as those in developed countries.](#)

ASEAN-Australia Counter Trafficking (ASEAN-ACT)



Trafficking in persons is a heinous crime that exploits the most vulnerable in society and strips marginalised people of their rights. We are actively supporting frontline workers from different justice agencies and victim support organisations across the ASEAN region; strengthening their ability to successfully and justly identify and punish traffickers while realising the rights of victims of trafficking.

Australia Indonesia Partnership for Justice (AIPJ2)



Prison overcrowding is a critical health and human rights issue in Indonesia. AIPJ2 is supporting the Indonesian government to mitigate the potential COVID-19 outbreak in prisons by providing specialist support and advocating for strategies to reduce overcrowding. This has limited infections, prevented deaths to date and accelerated advocacy to shift focus from a punitive to a restorative approach to justice. Restorative justice has now been included as one of Indonesia's national planning priorities.

Together, let's stand up for Human Rights. Let's END discrimination, OPPOSE inequality and PROMOTE sustainable development.

Regards,

Susan Reilsbord
CEO & Managing Director
Cardno

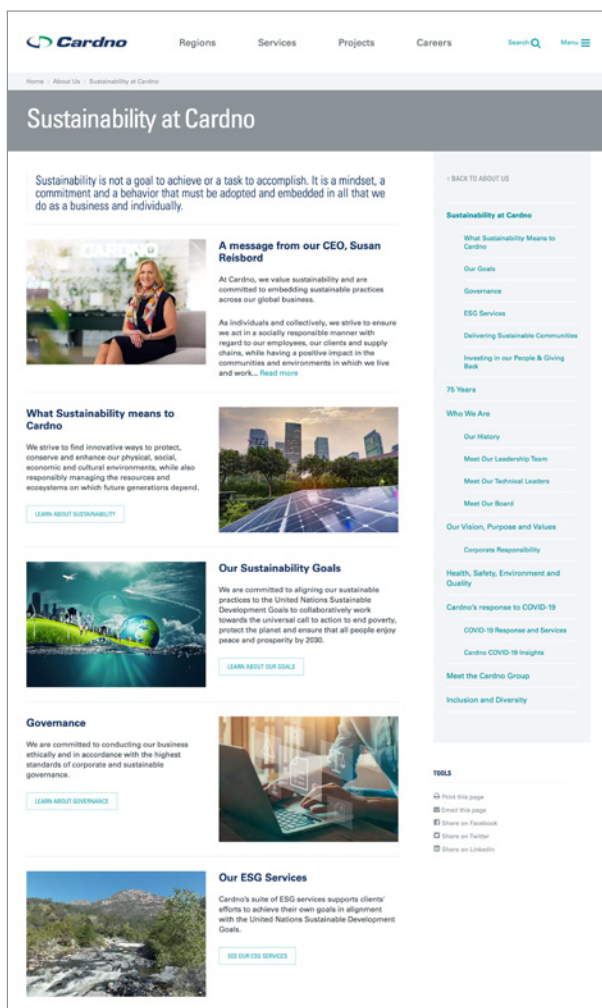
Seth Yoskowit
CEO Cardno International Development
(Interim)

Making a difference.

In December 2020, Cardno also signed on to the [Solar Industry Forced Labor Prevention Pledge](#) that reads:

We, the undersigned companies and organizations, state our firm opposition to the use of forced labor within the solar supply chain. We hereby commit to helping ensure that the solar supply chain is free of forced labor and raising awareness within the industry on this important issue. To assist in these efforts, we support the development of an industry-led solar supply chain traceability protocol as a tool for identifying the source of primary raw materials and inputs and tracking their incorporation into finished products, including solar modules.

Cardno's [website](#) was redesigned to highlight Cardno's commitment to Environmental, Social, and Governance (ESG) areas, including modern slavery. Projects and community impacts in these areas are now highlighted more visibly, demonstrating Cardno's significant engagement and contribution to these critical areas.



Cardno supplier risk assessment and risk management:

For 2021, significant work lies ahead in supplier risk assessment and risk management across the company. Cardno recognises the importance of understanding and responding to potential risks of modern slavery in our supply chains, specifically the vendors and service providers with whom we have contracts that support our ability to deliver our services.

As part of engaging with our supply chain partners and establishing expectations regarding modern slavery, Cardno reviewed our contract clauses and added modern slavery requirements language to all contract forms across the company.

As new contracts are signed and as existing contracts are renewed, an increasing number of contracts will be executed with modern slavery expectations confirmed. This change in Cardno's contracting process signals our commitment to not only address the potential risks of modern slavery in our own business delivery activities but also to recognise and proactively seek to mitigate modern slavery risk with those with whom we do business.

In the first few months of making this contractual change, Cardno procurement staff have had the opportunity to engage in meaningful dialogue with our suppliers around modern slavery risks. Cardno is pleased to be able to help raise not only our own staff awareness around this vital issue but also the awareness of our business partners.



05



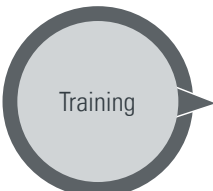
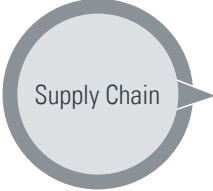
HOW CARDNO ASSESSES THE EFFECTIVENESS OF ACTIONS TAKEN TO ADDRESS MODERN SLAVERY RISKS



Cardno's governance structure supports assessment, tracking, and reporting on the progress of our modern slavery efforts. Cardno will continue to assess the impacts of our actions and use that information to make adjustments and improvements.

As Cardno is in the early stage of modern slavery efforts company-wide, we are in the process of developing and implementing our processes for assessing the effectiveness of our modern slavery actions. Cardno will assess annually the effectiveness of actions taken to address modern slavery risk by comparing progress against our modern slavery roadmap objectives. Through this process, we will establish key performance indicators to enable us to measure the effectiveness of our actions and identify gaps or where additional focus is needed.

2020 Work activities and assessment methods

Work Activity Area	Work Activity	Assessment Method
 Governance	Securing Cardno senior executive sponsorship and establishing corporate governance for modern slavery efforts	<ul style="list-style-type: none"> > Engagement with ESG Board Committee > Quarterly report of progress to the Cardno Board
 Policies	Developing and updating Cardno global policies related to modern slavery (Cardno Code of Conduct, Anti-slavery and Human Trafficking, Human Rights, Safeguarding, Child Protection, Whistleblower, and Sustainability)	<ul style="list-style-type: none"> > Policies finalised > Policies posted to Cardno intranet > Policies rolled out to Cardno staff
 Training	Developing and rolling-out staff training and awareness building on modern slavery	<ul style="list-style-type: none"> > % of leadership completing the required trainings > % of staff completing the required trainings
 Supply Chain	Enhancing Cardno supplier risk assessment and risk management efforts	<ul style="list-style-type: none"> > % of new contracts incorporating modern slavery language > % of contract amendments incorporating modern slavery language > Supplier engagement opportunities on topics related to modern slavery

Because ID has been engaged on modern slavery issues longer than the other Cardno divisions, Cardno as a whole will leverage the rigor and discipline ID already applies to assessment, including:

- > Audits, including analysing instances of non-conformances
- > Supplier engagement
- > Complaint management and feedback mechanisms
- > Monitoring context changes in the operating environment
- > Analysing trends analysis from risk event registers
- > Reviewing and adopting relevant recommendations from management review meetings



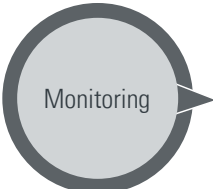
The audit process includes sample-based reviews and verifications of:

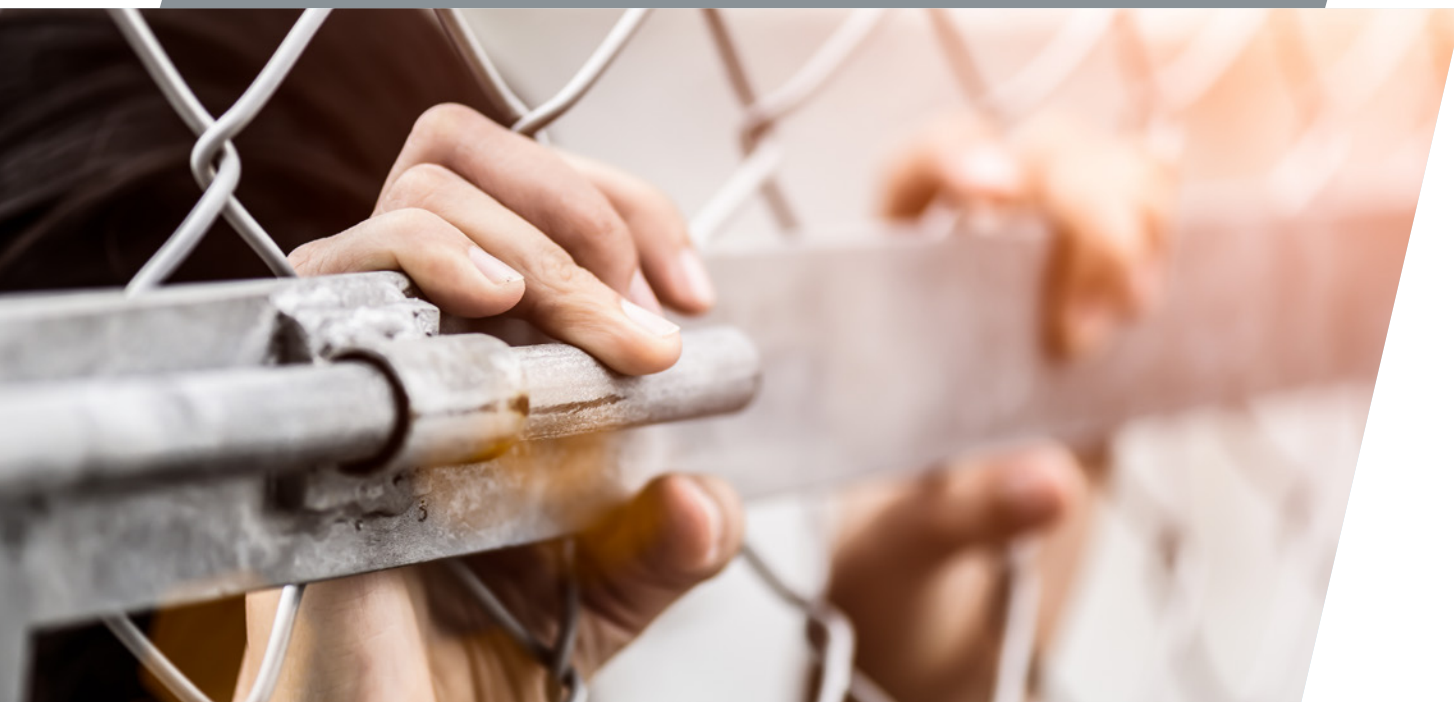
- > Completion of supplier and staff inductions
- > Use of current contracting templates that contain safeguard clauses
- > Tracking of instances of sole sourced versus open or competitive procurement
- > Due diligence completion rates
- > Documentation and evidence of compliance

Audit reports are reviewed by senior management annually and actioned during the year by ID's operations team. Our annual ISO9001:2025 external audit includes, among other things, review and verification of ID's governance arrangements as outlined above.

During this reporting period, no actual or suspected instances of modern slavery were reported to Cardno.

2021 Modern Slavery Roadmap priorities for work activities and areas

Work Activity Area	Work Activity	Assessment Method
	<ul style="list-style-type: none"> > Board reporting and Risk Committee > Policy framework and reviews > Executive sponsorship and leadership steering team 	<ul style="list-style-type: none"> > Quarterly report of progress to the Cardno Board > Number of policy reviews in line with plan
	<ul style="list-style-type: none"> > Supplier due diligence > Contracting clauses and policy acknowledgment > Codes of Conduct and procedural requirements > Training and induction > Supplier performance monitoring and registration 	<ul style="list-style-type: none"> > % of due diligences assessments completed > % of contracts awarded with clauses > % of staff trained and suppliers inducted > % of suppliers registered on database
	<ul style="list-style-type: none"> > Audits / visits / spot checks (internal/ external) > ISO9001:2015 certifications > Risk event registers > Complaints and feedback mechanisms > Mandatory reporting and disclosures > Investigations 	<ul style="list-style-type: none"> > Audit findings > Certification maintained > Number of interventions to support suppliers meet minimum standards > Number of reports and disclosures made



06-07

**06. THE PROCESS OF
CONSULTATION WITH
ENTITIES OWNED AND / OR
CONTROLLED BY CARDNO**

**07. OTHER RELEVANT
INFORMATION**



Cardno is proud of the work we have accomplished to date regarding modern slavery and looks forward to continuing the work ahead.

06. THE PROCESS OF CONSULTATION WITH ENTITIES OWNED AND / OR CONTROLLED BY CARDNO

As described in the sections above, the Cardno company is made up of three divisions, Asia-Pacific, Americas, and International Development. The work of the International Development Division has served as a foundation for expanding Cardno's modern slavery policies and procedures company-wide.

No other entities are owned or controlled by Cardno outside of those already described.



07. OTHER RELEVANT INFORMATION

Cardno has described our modern slavery efforts in the above sections of this Statement and is proud of our company-wide efforts to address modern slavery risks in our operations and supply chain.

In the coming period, Cardno anticipates continuing our efforts as described above and will focus on:

- > Developing modern slavery risk evaluation for Cardno AME and Cardno APAC
- > Implementing mandatory modern slavery awareness training for new hires
- > Defining and enhancing our procurement work flows to further elevate modern slavery considerations in supplier screening, due diligence, monitoring, and audits
- > Further enhancing our processes regarding receipt, investigation, remediation, and reporting of modern slavery issues
- > Continuing to roll out our integrated vendor and supplier database
- > Establishing Cardno as a whole as a signatory to the UNGC

Our people have been making a difference to the law and justice sector for more than 50 years.

Cardno

National Slavery and Human Trafficking PREVENTION MONTH

Trafficking in persons (TIP) is a heinous crime that exploits the most vulnerable in society and strips marginalized people of their rights. It tears apart communities, fuels criminal activity, and threatens the national security of the United States.

January is **National Slavery and Human Trafficking Prevention Month** in the United States. It's a time dedicated to raising awareness about the different forms of human trafficking. Human trafficking affects tens of thousands of people every year in this country, with women and children more likely to be victims.

At Cardno, every one of us can be proud to know about our extensive history in advancing counter-TIP efforts around the world. Our people have been making a difference to the law and justice sector for more than 50 years.

For the past two decades, Cardno has been managing and implementing substantial counter slavery and TIP programs in the ASEAN (Association of Southeast Asian Nations) region.

<p>2000-02</p> <p>Project Against Trafficking of Women and Children in ASEAN</p>	<p>2003-06</p> <p>Asia Regional Cooperation to Prevent People Trafficking Project (ABCPPT)</p>	<p>2006-13</p> <p>Asia Regional Trafficking in Persons Project (ARTIP)</p>	<p>2013-18</p> <p>Australia Asia Programme to Combat Trafficking in Persons (AAPCTIP)</p>	<p>2018-23</p> <p>ASEAN Australia Counter Trafficking Initiative (AACTI)</p>
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These Cardno-implemented programs have delivered some of the most innovative and impactful approaches contributing to the closure of trafficking routes in Southeast Asia. Cardno's teams helped to establish influential peak bodies and collaborative groups, set landmark laws, policies, standards, and systems for transnational cooperation. Cardno's teams ensure that government actors and law enforcement officials are sufficiently armed with the skills required to stop traffickers from operating without impunity.

In partnership with the U.S. Agency for International Development (USAID), Cardno researched, designed, and developed a sector-specific toolkit and pilot training course for USAID staff. The toolkit enables USAID employees to effectively integrate state-of-the-art gender-based violence (GBV) prevention and response efforts into U.S.-funded development projects.

View the Toolkit

The toolkit – aptly named *Building a Safer World* – assists USAID technical and program teams in identifying how GBV impacts:

- Project outcomes
- Gender gaps
- Differential effects (including unintended or negative consequences) on women, men, LGBTI persons, and others

Learn more about our commitment to identify and counteract modern slavery around the world by reviewing our [Cardno Anti-Slavery and Human Trafficking Policy and Modern Slavery Statement](#).

Thank you for your support of this global effort.

Susan Reissbord
CEO & Managing Director

Seth Yoskowitz
Interim CEO, International Development

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Environmental, Social, Governance





ABOUT CARDNO

Cardno is a professional infrastructure and environmental services company, with expertise in the development and improvement of physical and social infrastructure for communities around the world. Cardno's team includes leading professionals who plan, design, manage, and deliver sustainable projects and community programs. Cardno is an international company listed on the Australian Securities Exchange [ASX:CDD].

