



# Cardno Modern Slavery Act Statement

December 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. Cardno's 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.

This Modern Slavery Act Statement builds upon Cardno's first Statement submitted in March 2021. We highlight the continued progress of developing, implementing and improving our processes for assessing the effectiveness of our modern slavery actions. This Statement is published in accordance with Australia's Modern Slavery Act 2018.

During this period, Cardno has continued to develop our company-wide approach to advance human rights. We have adopted governance, policies and operational rigor to support minimizing the risk of modern slavery in our operations and supply chains. This focus has included:

- > Continuing mandatory modern slavery awareness training for all staff – achieving 90% compliance.
- > Continued roll-out of supplier/subcontractor contractual clauses including Modern Slavery provisions and language.
- > Enhancing procurement work flows for modern slavery considerations in our supply chain, including compliance screening, due diligence, monitoring and audit.
- > Establishing Cardno as a company-wide signatory to the United Nations Global Compact (UNGC), committing to the Ten Principles for responsible business (including human rights, labour, environment and anti-corruption) and adopting the UN Sustainable Development Goals (SDGs) as a principled framework for global sustainability.
- > Completing a whole-of-company risk assessment against the UNGC principles, including labor-related issues.
- > Continued progress for Cardno's commitment to Inclusion, Diversity & Equity (ID&E) initiatives: pay equity review, parental leave, health equity and mental well-being.

Up until early December 2021, the company was organized into three divisions: Asia-Pacific Division (APAC), Americas Division (AME), and International Development Division (ID). In early December 2021, Cardno's APAC Division and AME Division were acquired by Stantec. The ID Division remains in place and continues to be a publicly traded company on the ASX.

Cardno is proud of the work we have accomplished together regarding modern slavery and human rights. We look forward to carrying this legacy forward and continuing the work ahead.



**Environmental, Social, Governance**

# Cardno Modern Slavery Act Statement

## TABLE OF CONTENTS

<b>Section 01: Identify the Reporting Entity</b>	<b>Page 1</b>
<b>Section 02: Structure, Operations, and Supply Chains</b>	<b>Page 3</b>
<b>Section 03: Risks of Modern Slavery Activities in Cardno's Operations and Supply Chains</b>	<b>Page 6</b>
<b>Section 04: Actions Taken to Address Modern Slavery Risks</b>	<b>Page 9</b>
<b>Section 05: How Cardno Assesses the Effectiveness of Actions Taken to Address Modern Slavery Risks</b>	<b>Page 15</b>
<b>Section 06: The Process of Consultation with Entities Owned and / or Controlled by Cardno</b>	<b>Page 18</b>
<b>Section 07: Other Relevant Information</b>	<b>Page 18</b>

*None of the individuals or workplaces pictured on this document 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 & SETH

As a global values-based company, Cardno remains committed to reducing the risk of modern slavery in our business. Our vision is to be leaders in improving the physical and social environment for people and communities 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.

Modern slavery has no place and no sanction in the operations or supply chains of Cardno Group and its subsidiaries.

We continue to embed human rights as key principles in our approach to responsible operations, supplier engagement and business relationships. This Modern Slavery statement outlines the continued improvements and steps we have taken to further minimize the risk of modern slavery in our operations and supply chains.

Since our last report, Cardno has continued to make significant strides to promote our inclusive and values-based culture. We elevated our participation in the United Nations Global Compact (UNGC) and expanded our implementation of United Nations Sustainable Development Goals (UNSDGs).

As we cope with the impacts of the COVID-19 pandemic, we continue to promote the physical and mental health and well-being of our staff. We are proud of the work we have progressed for inclusion, diversity and equity in our workplace, the promotion of human rights and labour principles, and the awareness that has been raised in the company regarding modern slavery issues.

In December 2021, the Cardno Board approved the sale of the AME and APAC divisions of Cardno to Stantec. Cardno's International Development division continues as an independent company, serving our key donors and working to deliver positive impact globally. This Modern Slavery Statement reflects that for all but the last few weeks of the calendar year, the AME, APAC and ID divisions worked together to improve Cardno's efforts relative to modern slavery.

Cardno has made significant strides to raise our staffs' awareness and commitment to addressing the risk of Modern Slavery, and we have made progress to ensure our processes, compliance and due diligence are aligned to national laws and industry leading practice. We continue to operate focusing on our purpose of Making a Difference. We have embedded and instilled the importance of human rights and the prevention of labour exploitation among all our staff – an important legacy as we move towards a new and exciting future.

This Modern Slavery Statement outlines the steps the company has taken 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.

We are proud of the work we have accomplished together, and look forward to continuing this important work.



A blue ink signature of Susan Reisbord.

Susan Reisbord  
CEO and Managing Director of Cardno



A blue ink signature of Seth Yoskowitz.

Seth Yoskowitz  
Interim CEO of Cardno International  
Development Division

# 01

## IDENTIFY THE REPORTING ENTITY



Established in Brisbane Australia in 1945, Cardno is a global infrastructure, environmental, and social development company offering professional services in over 70 countries.



Environmental, Social, Governance

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

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. 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 was established in Brisbane Australia in 1945. We have 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), have been the three primary components of Cardno, Inc. up until the start of December 2021. They each provide an array of services highly valued by our clients and the communities we serve. As of December 2021, the AME and APAC divisions have been acquired by Stantec.

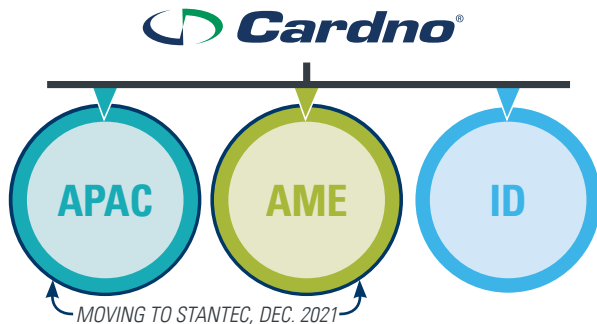


Environmental, Social, Governance



Cardno until December 2021 has been organized by three primary business divisions (Figure 1): an Asia-Pacific (APAC) business division, an America (AME) business division, and an International Development (ID) business division.

As of December 2021, the AME and APAC divisions have been acquired by Stantec.



**Figure 1:** Cardno organizational structure.

**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.

**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.

**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.

The ID Division supports work in more than 70 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.

The company provides collective operational services across the three divisions, including:

- > 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
- > Health and insurance
- > Construction and construction management services
- > Technical advisory assistance



**Figure 2:** Cardno office and project locations



# 03

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



Cardno continues to invest in identifying and addressing modern slavery risks in our operations and supply chain. We continue to assess our modern slavery risks to inform and improve our programs and actions.



Key to understanding modern slavery risk factors is evaluation of risks across the operations and supply chain of a company, evaluating a number of factors including sector, geographies, products, services and business models.

## UNITED NATIONS GLOBAL COMPACT SELF-ASSESSMENT

The company elevated its participation in the United Nations Global Compact (UNGC) when Cardno Inc. became a signatory of the UNGC in August 2021, building upon the initial and continuing commitment ID initiated in 2018. As part of the company approach to promote the UNGC Ten Principles for responsible business, all three Cardno divisions utilized the UNGC Self-Assessment Tool to review across the four issues areas: human rights, labour, environment, and anti-corruption. While Cardno provides Group Mandatory Requirements (GMRs – corporate policies and governance, see Section 4 below), the divisional assessments provide additional division-specific areas of potential risk and continued improvement.

APAC and AME noted parallel findings from the UNGC self-assessment. While both APAC and AME primarily employ full-time staff in Australia and the US, the assessment noted the recommendation to conduct a review of labour/employment contracts for less common, but higher-risk employment mechanisms (i.e., temporary, seasonal, conditional, part-time and off-shore employees). This review would assess compliance with labour and human rights principles across various types of employment contracts and circumstances. Additionally, while corruption risk has been determined to be low at a business unit and operational level, the assessment noted the recommendation to review at both central office and project levels to assess localised risk and identify improvements.

The ID division’s decentralised business structure across multiple, higher-risk geographies reflect the specific needs for the ID business, including the need to assess human rights, labour and anti-corruption principles and legislative compliance within corporate country offices (i.e., non-central offices). Additionally, through this localised assessment and review, offices and geographies identified as higher-risk are recommended to develop action plans with localised messaging, training, and examples regarding human rights, labour and anti-corruption principles.

In addition, across the three divisions (APAC, AME and ID), the UNGC self-assessment noted a common finding – the recommendation to standardize and collect data regarding environmental considerations (GHG, water, waste, air

emissions). Creating a more standardized process will enable these entities to create a baseline for these indicators supporting future reporting and monitoring.

The results of the UNGC self-assessment will be used as an input to modern slavery improvements in the coming period..

Cardno previously commissioned a Modern Slavery Assessment and Issues Review to assess company modern slavery risk. 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

This Modern Slavery Assessment and Issue Review continued to guide the company’s modern slavery efforts since the last Statement was submitted.

Given the varied nature of the work and geographic focus areas, each Cardno division has different risk potentials. AME and APAC primarily perform and procure professional services domestically (Australia and USA) and the risk of potential modern slavery is lower. ID engages services that rely on a higher proportion of labour-intensive low-skill workers including hospitality, security, cleaning, and transport in higher risk geographies. With more limited visibility of working conditions or the ability to influence suppliers’ labour hire practices, ID is thus at a higher risk of modern slavery through our third-party services.



## INTERNATIONAL DEVELOPMENT DIVISION RISK SUMMARY

Cardno's most immediate modern slavery potential risk continues to lie with the ID division. Based on our international development project experience, ID has progressed risk identification and management processes related to modern slavery and other risk types.



**Higher risk** of contributing to modern slavery practice through third-party service providers such as cleaning, hotels, hospitality, transport, and security. This is based on our significant spend in higher risk geographies.

**Medium risk** of contributing to modern slavery practice through our construction activities and similar work that rely on several tiers of suppliers to provide both labour and goods. While the risk in construction is high, this business model represents a smaller portion of our overall operation.

**Lower risk** of engaging in modern slavery through our direct employment practices and when engaging organisations under contracts or grants. We have a high level of visibility of employment conditions. This is the majority of our operations.

**Entity risk** is very low as ID maintains operational control of our entities.

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. Specific risk areas include:

### ***In-direct, third party services (higher risk):***

As part of service delivery, Cardno 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.

### ***Tier 2 suppliers and beyond (medium risk):***

As a proportion of its services, ID is less reliant on Tier 2 and Tier 3 suppliers to provide labour, supplies or equipment. In some instances, large-scale procurements, fund disbursement or construction activities may depend on commercial engagements beyond direct sub-contractors. ID does not have high visibility of sub-contractors' suppliers and therefore there is a risk of being “directly linked” to modern slavery; however, ID includes provisions regarding modern slavery and human trafficking in our sub-contract agreements.

### ***Direct contracts and grants (low risk)***

Cardno ID engages professional services and commercial relationships through direct contracts or grants with organisations providing technical assistance, support, administrative or advisory services. Cardno conducts due diligence reviews before commercial arrangement are finalized, including vetting/verification against international watchlists. Contractual and commercial agreements include clauses against forced/slaver labor, as well as provisions for child protection. Cardno maintains direct oversight of the work and funding, and maintains the right to audit engaged companies/organisations.

### ***Employment (lower risk)***

The ID division employs most of its workforce on permanent or fixed-term contracts. We have developed and implemented standardized human resources procedures such as wage reviews, leave allowances, and health and wellness benefits implementation. In specific instances, third-party providers may be engaged to ensure compliance with local labour, tax, and social benefit obligations. In these instances, Cardno ID retains visibility over employment conditions of staff.

### ***Sector level activities (risk unknown):***

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. Risk is largely unknown, since Cardno ID activities may only indirectly contribute to these sectors. ID programs maintain risk registries and mitigation plans that assess and monitor potential direct or indirect impact of risks associated with programmatic activities.

# 04

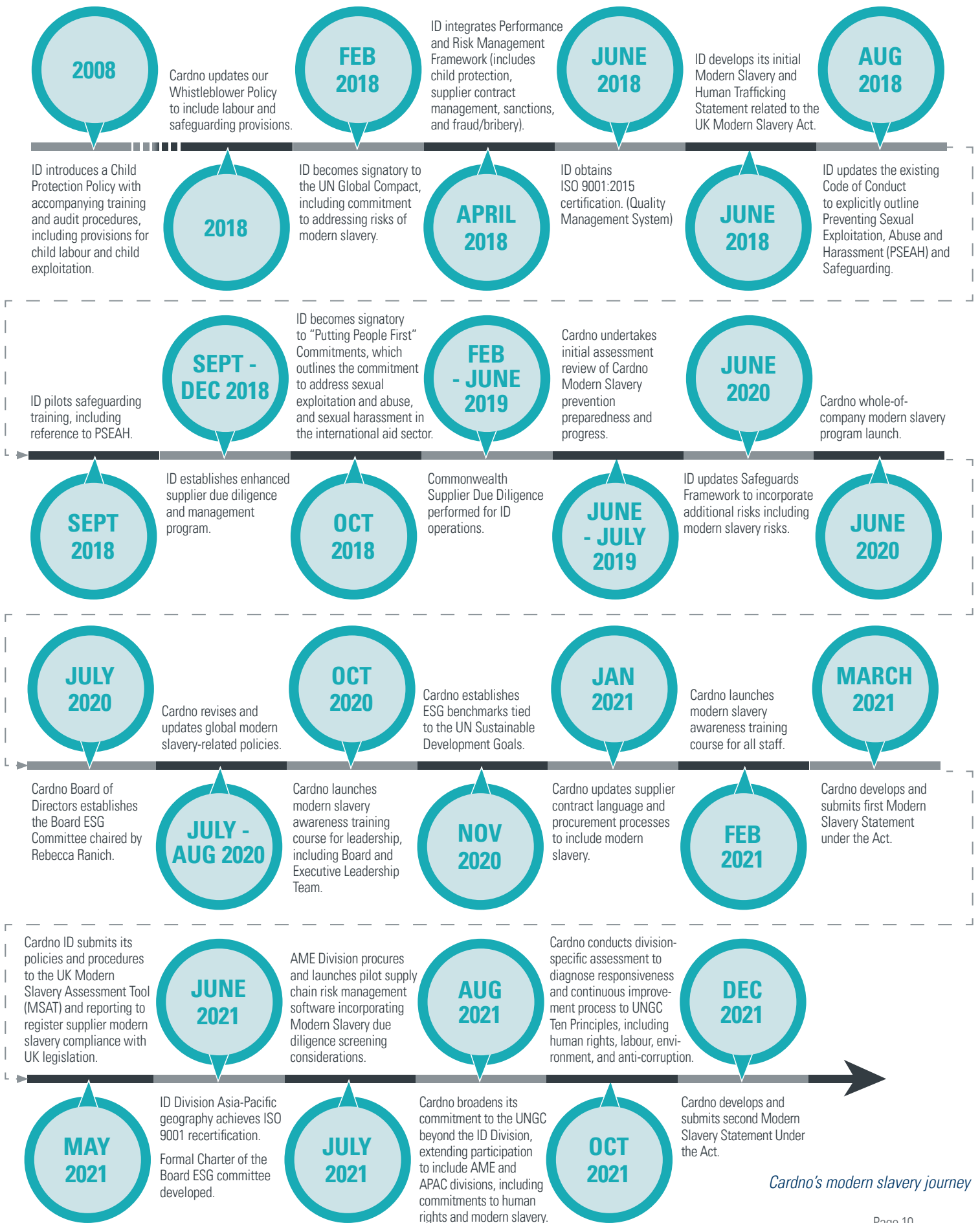
## ACTIONS TAKEN TO ADDRESS MODERN SLAVERY RISKS



Cardno's modern slavery efforts began in 2008 with our ID Division. Cardno has since broadened 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, as discussed in our previous Modern Slavery Statement (March 2021).



This timeline highlights Cardno’s modern slavery journey and progress to-date.



*Cardno’s modern slavery journey*

## CARDNO'S MODERN SLAVERY PROGRAM & POLICY FRAMEWORK

Cardno's global and division policies constitute a policy framework that supports governance and implementation of modern slavery assessment and prevention 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. Cardno updated our external website and internal intranet to enhance public and staff access to modern slavery compliance documents and policy information.

The policy framework is shown in the table below:

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 Global Policy Framework Relevant to Modern Slavery*



## SUPPLIER CONTRACTS & MANAGEMENT

As previously detailed in Cardno’s March 2021 Modern Slavery Statement, Cardno ID’s supplier and contract management processes and policy frameworks are well-established. Cardno ID conducts due diligence on new subcontractors and suppliers during on-boarding and on existing suppliers at regular intervals. We require subcontractors and suppliers to complete a due diligence assessment to ensure they conform to Cardno’s policies and procedures, and we check them against international watchlists. All Cardno ID subcontractors/supplier contracts have built in clauses for Modern Slavery, Countering Trafficking in Persons and Child Protection. Projects also complete an annual certification process as well. To date, Cardno ID has no reported instances of potential Modern Slavery through direct employment or suppliers.

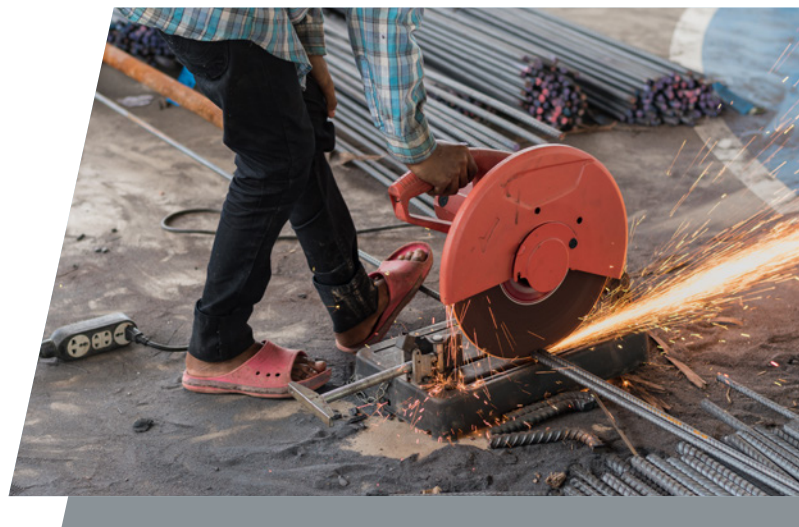
Drawing upon Cardno ID’s compliance and due diligence frameworks, Cardno AME and APAC divisions have begun adopting similar standards. In January 2021, the standard Cardno contractual template was modified to include clauses for Modern Slavery. Since our last Modern Slavery Statement, six of Cardno AME’s national supplier contracts have been modified to now include modern slavery clauses. In addition, because modern slavery language has been incorporated into our standard contract language, when individual business units execute contracts with suppliers and subcontractors, modern slavery language is included as standard.

During this period, the AME division began piloting the roll-out of an independent, third-party risk management and due diligence vendor-provided software system to monitor, manage and audit supply chain risk across its top suppliers/vendors. Cardno AME engaged Avetta, a supplier risk management software provider, to ensure suppliers conform and comply with health, safety, environmental considerations. Cardno AME worked in collaboration with the software provider to tailor the pre-qualification process and due diligence process. As a key component of the process, Modern Slavery considerations in the form of a supplier/vendor questionnaire were developed and incorporated. The incorporation of modern slavery questions into the procurement process is an important way of raising supplier/vendor awareness of modern slavery considerations. The system also provides AME with enhanced ability to screen, review, and monitor suppliers/procurements for modern slavery program

components. The Modern Slavery questionnaire provides context around modern slavery issues and includes data collection regarding:

- Existence of a supplier’s corporate modern slavery Statement or Report
- Availability of written policies against forced labour, child labour, bonded/debt labour and other instances of Modern Slavery
- Use of supplier due diligence and vetting processes regarding Modern Slavery compliance
- Adoption of procedures for documenting and reporting instances of Modern Slavery
- Presence of whistleblower or equivalent policies and staff awareness/training activities

The pilot roll-out and implementation of the vendor management software system is still in progress. As of November 2021, over 192 (approximately 84% of responding suppliers/vendors) of the company’s vendors/suppliers signed onto the system and completed the questionnaire and data submission, including the questions related to modern slavery. As new vendors/suppliers are procured by AME, they will also complete the modern slavery questionnaire.



## CARDNO'S COMMITMENT TO PROGRESSING HUMAN AND LABOUR RIGHTS

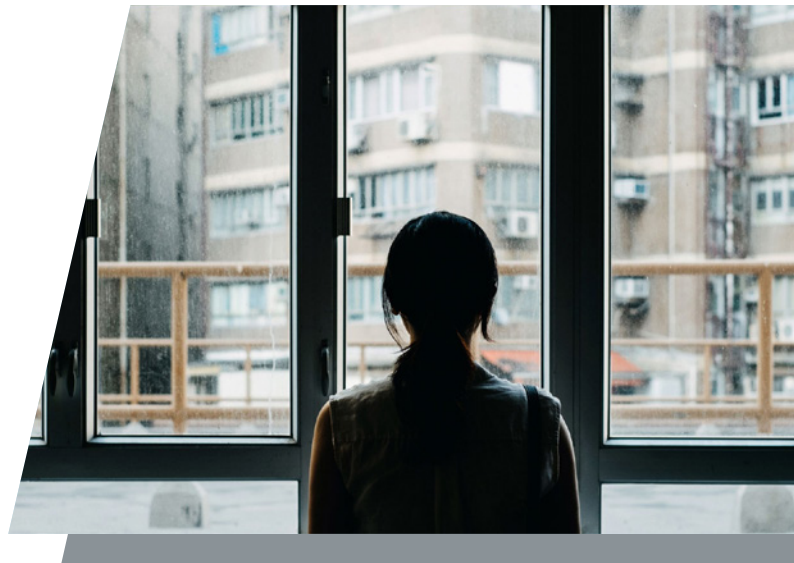
In August 2021, Cardno broadened the company's commitment to the UN Global Compact (UNGC) to encompass AME and APAC divisions in addition to the ID division that has been a UNGC participant for several years prior. Cardno's leadership, ESG, Sustainability, and ID teams broadened UNGC participation to drive awareness and action in support of setting and achieving Sustainable Development Goals (SDGs). Cardno through its participation has committed to making the UNGC and the Ten Principles part of the strategy, culture and day-to-day operations of the company. The initiative builds upon Cardno ID's participation in the UNGC since 2018, and its annual reporting on our Communication of Progress against the SDGs and the Ten Principles.

Cardno has continued to make significant progress in promoting human and labour rights during the period. Internally, as part of our commitment to fair labour and human rights, Cardno has promoted Inclusion, Diversity and Equity (ID&E) as a key initiative for all staff globally. Key achievements include:

- > Conducting a periodic, detailed wage equity assessment, which reviews wage gaps by gender, race/ethnicity, disability, sexual orientation and veteran status.
- > Reviewing and revising the family leave policy, including the corporate commitment to standard family leave regardless of location. This includes providing family leave in the USA and Papua New Guinea, two of only a handful of countries which do not have nationally mandated family leave policies.
- > Coordinating and celebrating significant international days that promote labour and human rights, including: Mental Health and Wellbeing, PRIDE, and World Day Against Trafficking in Persons, among others.
- > In AME, adding an additional floating holiday to the leave policy to further enable staff to celebrate holidays meaningful to them.
- > Helping address the challenge of student debt amongst our staff by providing a monthly loan payback support benefit to employees who qualify.

- > Participation in the Australian Workplace Equality Index in 2021. This is the national benchmark on LGBTQI+ workplace inclusion, driving best practice across Australia.
- > Launching an internal portal for ID&E, as well as our launching the company's first staff ID&E award.
- > Adding an ESG investment fund to the company's 401k program, available for staff to direct their 401k contributions.

Cardno has also continued to roll-out its Modern Slavery awareness building and training, required of all staff, including new starters upon orientation to the company. Course completion rates have been high, with 98% percent of Cardno leadership, and over 3,830 employees, or approximately 90% percent, of all Cardno staff have completed the modern slavery awareness course to date. The rollout of this compulsory leadership and staff training has significantly raised the awareness of modern slavery.



## Examples of Cardno's communication on labour-related issues.



### Cardno signs on to United Nations Global Compact (UNGC) Initiative


THURSDAY, AUGUST 19, 2021

Cardno is proud to have signed on to the [United Nations Global Compact \(UNGC\)](#) initiative. This multi-year strategy by the UN drives business awareness and action to support achieving the [Sustainable Development Goals](#) by 2030.

Cardno is dedicated to making the UNGC and its [Ten Principles](#) part of the strategy, culture and day-to-day operations of our company. We will continue to engage in and deliver projects with our clients which advance the broader goals of the United Nations, including the Sustainable Development Goals (SDGs).

Each year, Cardno will present its **Communication on Progress**. It will showcase how our projects are aligned with the SDGs, our corporate sustainability and Environmental, Social and Corporate Governance (ESG) goals and how we are upholding the UNGC Ten Principles.

*"Since 2018, Cardno International Development (formerly known as Cardno Emerging Markets) has been a participant of the United Nations Global Compact. We are pleased to now leverage, extend and implement those principles to the broader Cardno group,"* said Susan Reisbord, Cardno CEO and Managing Director.



Susan Reisbord, Cardno CEO and Managing Director

*"We support public accountability and transparency and therefore commit to report on progress annually according to the UN Global Compact COP policy,"* she said.


The UN Global Compact initiative reflects Cardno's values in what we do for our clients, stakeholders and the communities we serve. We live by our purpose of Making a difference and it is this purpose that underpins our pursuit to shape a better world for future generations.

### Talking about mental health

The month of October was full of Mental Health and Wellbeing awareness moments. From the Cardno Uncovered session to the Wake Up! Mental Health discussion. It was great to see our people share their stories in an open forum. It just goes to show the caring and compassionate culture we have at Cardno.



How is **your** **Mental Health?**



Hi everyone,


**What started as an Inclusion, Diversity & Equity (ID&E) vision, is now a reality.**

We have some exciting updates in the ID&E space that we want to share with you.


Late last year, **John Farrugia** from our **International Development** team in Melbourne won the Cardno Founders' Talent People Scholarship with his idea to create a **one-stop hub for ID&E**. A place where you could find news, initiatives and statistics about Cardno's ID&E efforts.

Over the last few months our teams have brought John's vision together to create a space which brings to life the great work being done by our ID&E Working Groups and our ERGs. There is always something happening in the ID&E space at Cardno, and there is a wealth of information on each of the pages so we encourage you to explore .


[Check it out now →](#)



**Congratulations to the winner of our first Inclusion, Diversity & Equity Award**



Austen Pepper was presented with the award at the recent ID&E Council meeting. Head to the [ID&E Award page](#) to find out why Austen was nominated.

**Cardno** 

This email and its attachments may contain confidential and/or privileged information for the sole use of the intended recipient(s). All electronically supplied data must be checked against an applicable hardcopy version which shall be the only document which Cardno warrants accuracy. If you are not the intended recipient, any use, distribution or copying of the information contained in this email and its attachments is strictly prohibited. If you have received this email in error, please email the sender by replying to this message and immediately delete and destroy any copies of this email and any attachments. The views or opinions expressed are the author's own and may not reflect the views or opinions of Cardno.

# 05



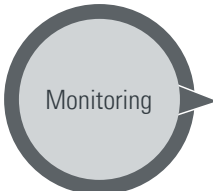
## HOW CARDNO ASSESSES THE EFFECTIVENESS OF ACTIONS TAKEN TO ADDRESS MODERN SLAVERY RISKS



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.

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

While the ID division has established processes and frameworks regarding modern slavery, AME and APAC division efforts continued to develop over the period. Key performance indicators (KPIs) help to effectively measure our actions. Over the period, we have assessed our actions against three key performance areas (as identified in Cardno’s March 2021 Modern Slavery Statement):

Work Activity Area	Work Activity	Assessment Method	Accomplishment to Date
 <p>Governance</p>	<ul style="list-style-type: none"> <li>&gt; Board reporting and Risk Committee</li> <li>&gt; Policy framework and reviews</li> <li>&gt; Executive sponsorship and leadership steering team</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Quarterly report of progress to the Cardno Board</li> <li>&gt; Number of policy reviews in line with plan</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Formal Charter of the Board ESG committee developed</li> <li>&gt; Quarterly meeting of the Board ESG committee</li> <li>&gt; Weekly meetings of the ESG leadership team</li> <li>&gt; Policies recently reviewed and rolled out during the period included: parental leave, floating holiday leave, student loan repayment, and 401k investment options</li> </ul>
 <p>Risk Management</p>	<ul style="list-style-type: none"> <li>&gt; Supplier due diligence</li> <li>&gt; Contracting clauses and policy acknowledgment</li> <li>&gt; Codes of Conduct and procedural requirements</li> <li>&gt; Training and induction</li> <li>&gt; Supplier performance monitoring and registration</li> </ul>	<ul style="list-style-type: none"> <li>&gt; % of due diligences assessments completed</li> <li>&gt; % of contracts awarded with clauses</li> <li>&gt; % of staff trained and suppliers inducted</li> <li>&gt; % of suppliers registered on database</li> </ul>	<ul style="list-style-type: none"> <li>&gt; All of ID supplier contracts and agreements executed with modern slavery language</li> <li>&gt; Over 190 AME supplier modern slavery questionnaires completed during pilot roll-out of the AME vendor management system</li> <li>&gt; Six AME national supplier contracts executed or updated with modern slavery language newly incorporated</li> <li>&gt; Over 3,830 staff completed the modern slavery awareness training (~90%)</li> </ul>
 <p>Monitoring</p>	<ul style="list-style-type: none"> <li>&gt; Audits / visits / spot checks (internal/ external)</li> <li>&gt; ISO9001:2015 certifications</li> <li>&gt; Risk event registers</li> <li>&gt; Complaints and feedback mechanisms Mandatory reporting and disclosures</li> <li>&gt; Investigations</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Audit findings</li> <li>&gt; Certification maintained</li> <li>&gt; Number of interventions to support suppliers meet minimum standards</li> <li>&gt; Number of reports and disclosures made</li> </ul>	<ul style="list-style-type: none"> <li>&gt; ID Asia-Pacific geography was recertified for ISO9001 compliance</li> <li>&gt; Submitted policies and procedures to the UK Modern Slavery Assessment Tool (MSAT) to register supplier modern slavery compliance with UK legislation</li> <li>&gt; Performed self-assessment of UNGC incorporation of Human Rights and Labour standards across ID, APAC and AME divisions</li> <li>&gt; Cardno ID risk registers maintained with monthly meetings to discuss</li> <li>&gt; No instances / disclosures of modern slavery were reported to Cardno</li> </ul>

We continue to monitor the effectiveness of Cardno's processes and procedures to address potential modern slavery risks, in line with the UN Guiding Principles, as committed under our signatory to the UNGC. Based on the results of these review processes, we will adapt and strengthen our actions and commitments to improve our response to modern slavery.

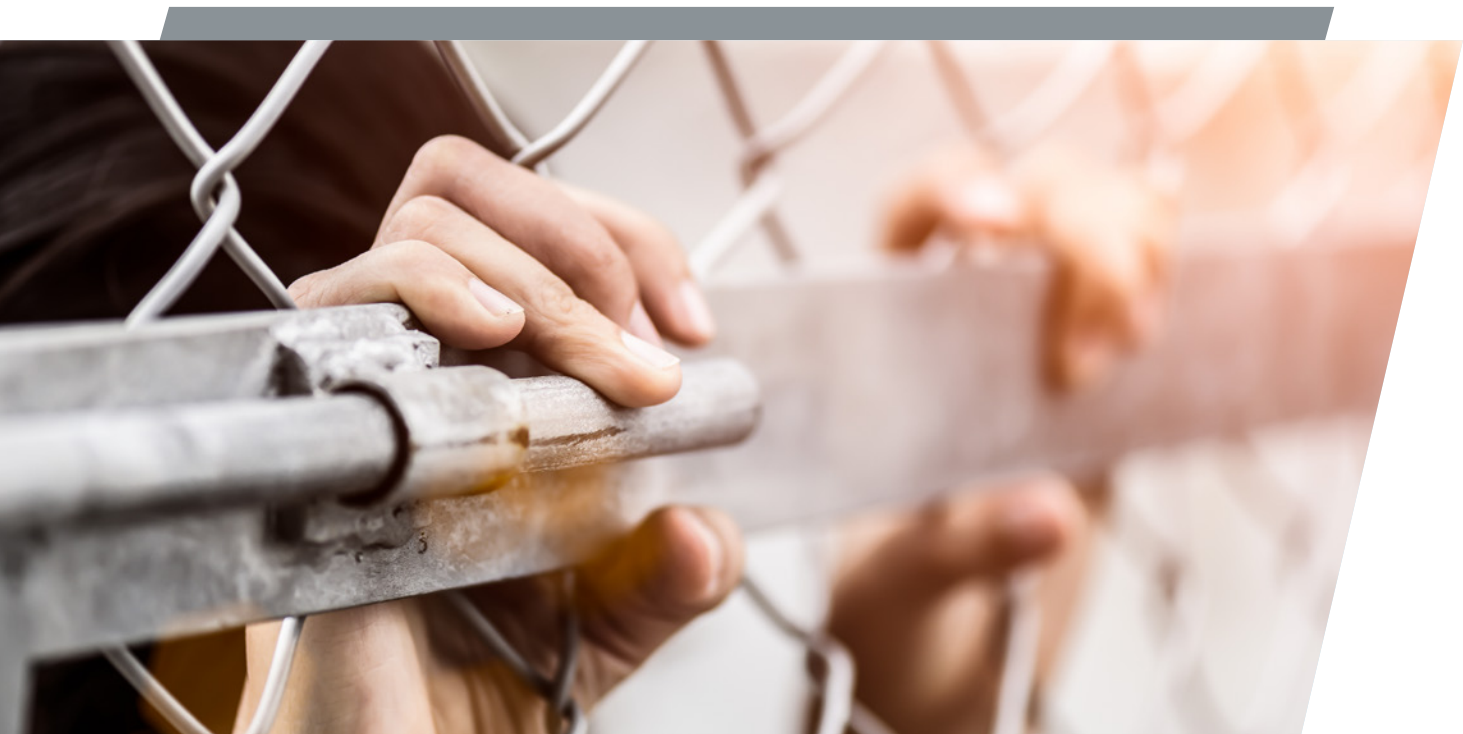
ID has been engaged on modern slavery issues longer than the other Cardno divisions, including:

- > 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.





# 06-07

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

## 07. OTHER RELEVANT INFORMATION

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

Cardno’s CEO, Executive Leadership Team and Board are actively committed to promoting human and labour rights within our corporate charter across each company Division, and under Cardno’s GMR-based policy framework.

Cardno’s three divisions – AME, APAC and ID, as well as global executive leadership– were actively engaged and consulted during the reporting period. All three divisions have worked collaboratively and collectively to address modern slavery, human rights and labor policies and procedures. Representatives from all three divisions regularly discuss the details related to these issues through Cardno’s Sustainability Task Force Working Groups. Information/ updates regarding these requirements, actions and relevant materials are circulated through Working Group representatives to operationalize within individual divisions.

### 07. OTHER RELEVANT INFORMATION

Cardno has described our modern slavery efforts in the above sections of this Statement and continues to be proud of our company-wide efforts to address modern slavery risks in our operations and supply chain. With the sale of the AME and APAC divisions to Stantec in December 2021, the ID division will make up the primary company in the coming period.

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

- > Reviewing and updating modern slavery risk evaluation for ID
- > Continuing implementation of the UNGC assessment results for ID
- > Enhancing processes regarding receipt, investigation, remediation, and reporting of modern slavery issues



## HEADQUARTERS – MELBOURNE

Level 4  
501 Swanston Street  
Melbourne, Victoria 3000 Australia

**Telephone:** +61 (3) 8415 7777

**Facsimile:** +61 (3) 8415 7788



**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].

