

GMR ANTI-CORRUPTION

Brief Description

Requirements to identify and manage the risk of anti-corruption laws being breached in all countries in which Cardno conducts business.

The purpose of this GMR is to provide the Board, senior management and all employees with a clear set of guidelines to ensure that Cardno conducts its activities in an ethical and appropriate manner, in compliance with the laws and regulations of Australia and each jurisdiction in which it operates and its Statement of Values.

Cardno's Statement of Values is contained in its Code of Conduct Policy document:

<https://www.cardno.com/media/6434/cardno-code-of-conduct-policy.pdf>

GENERAL STATEMENT

Do not offer or provide anything of value directly or indirectly to a government official to influence official action or to anyone to induce them to perform their work duties disloyally or otherwise improperly. Even if that is not the intent, the value must be moderate and appropriate to the circumstances, including the position of the recipient. Special care and scrutiny is required when dealing (directly or indirectly) with government officials (which includes employees of State owned enterprises) because special laws and considerations apply and an offer of anything of value to such an official could be viewed as improper.

1. Breach

Anti-corruption laws must never be breached. Violation is serious misconduct which may lead to disciplinary action up to and including dismissal, very serious fines for Cardno and individuals, actions for damages by third parties against Cardno, criminal proceedings and possible imprisonment.

- > All individuals (employees, agency contractors or officers) must contact their line manager and Group Internal Audit & Risk, or should they wish to do so anonymously, the Whistleblowers Hotline, if:
 - they become aware of any breaches or potential breaches of anti-corruption laws or this Group Mandatory Requirement (GMR) by any person or business partner
 - a complaint is received from anyone (with or without evidence) that Cardno's conduct, or proposed course of conduct, is, or may be, in breach of anti-corruption laws
- > If a payment has been made as a result of a direct or associated imminent threat to health or safety of any Cardno employee, agency contractor or officer, or any accompanying person, the following must be performed:
 - immediately report the payment to their line manager and Group Internal Audit & Risk
 - document the event accurately and in reasonable detail.
- > In circumstances where there is an investigation or allegation in relation to:
 - a breach of Cardno's Code of Conduct, or
 - corruption, fraud, bribery or other similar misconduct,involving a director or executive of Cardno, any investigation will be conducted under the supervision of the Audit Risk & Compliance Committee, who will recommend a course of action and process to the Board of Cardno which ensures independent review and oversight of any internal or external process underway.

2. Accountabilities and jurisdiction

All individuals (employees, agency contractors or officers) must comply with anti-corruption laws applicable in all countries which may have jurisdiction over Cardno's operations. In the event of conflict between this Group Mandatory Requirement (GMR) and anticorruption laws, the stricter obligation applies. The accountable Division President and Head of Group Function (GF) are responsible for providing the resources necessary to carry out the requirements of this GMR.

- > Co-ordinate with each Division and GF to:
 - develop and perform periodic anti-corruption risk assessments
 - identify individuals (employees, agency contractors, officers and business partners) who require anti-corruption training, and agree with Group Internal Audit & Risk on frequency and content
 - ensure identified individuals receive anti-corruption training from, or by a person, agreed with Group Internal Audit & Risk within two months of joining Cardno or moving to a new position where training is required

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- develop, maintain and enhance additional business-level anti-corruption policies and procedures to support the implementation of this GMR.
- > Assign the necessary employees and contractors and the resources within each Division and GF to implement this GMR's requirements and ensure adequate procedures are in place to manage foreign bribery risk
- > Address corruption-related risks in making decisions, including hiring and deploying employees and contractors, business planning, investments, new country entry, all interactions with government officials (which includes employees of State-owned enterprises), and all activities with business partners. Document all transactions and payments accurately and in reasonable detail and retain records
- > Each accountable Division President and Head of Group Function must report every six months to the Audit, Risk & Compliance Committee and Executive Management (CEO and CFO) on compliance with this GMR's requirements and on the adequacy of resources to achieve and maintain compliance
- > The Group Internal Audit & Risk Manager must report every six months to the Board Risk and Audit Committee and the Executive Management (CEO and CFO) on compliance with this GMR's requirements

3. Prohibited activity

Do not authorise, offer, give or promise anything of value directly or indirectly (via a business partner) to a government official to influence official action or to anyone to induce them to perform their work duties disloyally or otherwise improperly, including without limitation, the matters referred to below.

- > Do not authorise, undertake or participate in the following:
 - schemes to give any improper benefit, kick-back or secret commission to anyone
 - offering or giving Facilitation Payments (typically small, unofficial payments made to secure or expedite a routine government action by a government official), even if it is customary to make such payments
 - per diem, cash or cash equivalent payments of any kind to a government official, unless prior authorisation is received as required
 - contributions, on behalf of Cardno, to any political party, politician, elected official or candidate for public office
 - use of a business partner to do something that Cardno is prohibited from doing directly
 - providing anything of value to a business partner when there is any meaningful risk that the business partner will engage in prohibited conduct on Cardno's behalf
- > Gifts or hospitality given with the intention, effect or appearance of improperly obtaining or retaining business or securing an improper advantage are prohibited

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4. Gifts, meals, entertainment, travel, commercial sponsorship, cash and cash equivalents, per diems or anything else of value

Precautions must be taken when offering, promising or giving anything of value directly or indirectly to anyone, to ensure that applicable anti-corruption laws and this GMR are not violated and to protect against allegations of improper behaviour. Even if that is not the intent, the value must be moderate and appropriate to the circumstances, with special care and scrutiny where the contemplated recipient is a government official.

- > Ensure that anything of value that is offered or given meets the following criteria:
 - is not offered, promised or given to influence or reward action taken by a government official or to induce anyone to perform work duties disloyally or otherwise improperly or reward that person for doing so, taking into consideration any other things of value given to the recipient in the previous six months
 - is of an appropriate value and nature considering local custom, the position of the recipient and the circumstances, and would not cause embarrassment to Cardno
 - serves only legitimate business purposes.
- > Each Division, along with Group Head Office, is to maintain a gifts and entertainment register to record gifts, hospitality, donations and entertainment of all items > \$50 (given and received to external persons/entities)
 - Name of recipient
 - Name of organisation
 - Spouse (if also invited)
 - Given / Received
 - Description of gift, hospitality or entertainment
 - Date
 - Estimated value
 - Accepted / Declined.
- > Consult Group Internal Audit & Risk if there is any risk that the frequency or value to be provided (alone or when combined) to the same person(s) could be viewed as anything other than moderate and appropriate, when measured against local norms.
- > Obtain pre-approval as required and maintain a business register with records of all authorisations, for:
 - offering or giving a per diem, cash or cash equivalent payment to a government official
 - offering or giving a gift with a value > \$50
 - offering or giving a meal or entertainment > \$125 for a government official or > \$250 for a private individual
 - offering or providing travel or accommodation (excluding private sector suppliers under approved purchase orders or contracts)
 - commercial sponsorship
 - offering or giving any other thing of value to a government official

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- > Notify Group Internal Audit & Risk if actual expenditures exceed the authorised amounts by 10 per cent or more
- > Notify Group Internal Audit & Risk if actual expenditures exceed the pre-approval threshold and no pre-approval was sought (on the basis the expenditure was not expected to exceed the threshold or the event was unplanned and it was not possible to obtain pre-approval)
- > Do not use personal funds or split or divide up payments to evade compliance

5. Managing business partners

Do not engage or do business with a business partner if there is any meaningful risk that the business partner will violate anti-corruption laws or the prohibitions in this GMR when acting on behalf of Cardno with government officials or individuals in the private sector

- > Complete the Business Partner Pre-Clearance form to determine whether prior authorisation is required
- > Take reasonable steps to ensure business partners act appropriately:
 - conduct due diligence on the business partner and suppliers prior to engagement and complete periodically based on risk or context changes
 - include standard anti-corruption provisions in contracts and consult with Group Internal Audit & Risk if deviations are proposed
 - if instructed by Group Internal Audit & Risk, explain Cardno's expectations about anti-corruption compliance to the business partner and keep a record of this
- > Maintain all records related to the due diligence and engagement with business partners,