

Introduction

At Cardno, we are committed to operating sustainably, responsibly, and in a way that produces positive impact for our stakeholders; including our clients, the communities we work in, employees, suppliers, and our shareholders.

A core component of this commitment is identifying and counteracting modern slavery in global supply chains with the end goal of ending modern slavery.

The *Modern Slavery Act 2018 (Cth)* and the Australian Government's Explanatory Memorandum defines **modern slavery** as trafficking in persons, slavery, slavery-like practices (including forced labour and forced marriage) and the worst forms of child labour. Slavery-like practices can include underpayment of wages, excessive working hours, debt bondage and confiscation of personal documents.

Modern slavery practices are major violations of human rights. We consider modern slavery as a crime and a morally reprehensible act that deprives a person's liberty and dignity for another person's gain. It takes various forms, such as slavery, servitude, forced and compulsory labour and human trafficking, all of which have in common the deprivation of a person's liberty by another in order to exploit them for personal or commercial gain. Tens of millions of people today are in situations of slavery, including in nearly all industries and countries. Every company is at risk of being involved in this crime through its own operations and its supply chain. Every company has a role to play to end this tragedy, including Cardno.

We have a zero-tolerance approach to modern slavery and are fully committed to preventing slavery and human trafficking in our operations and supply chains. We are taking concrete steps to tackle modern slavery, as outlined in this statement which sets out actions we are taking to see where we may be exposed to modern slavery, and to help protect the people in our supply chains. This statement looks at our actions and activities during the financial year 2019/2020 and will be updated annually.

We establish a relationship of trust and integrity with all our suppliers, which is built upon mutually beneficial factors. Our supplier selection and on-boarding procedure includes due diligence of the supplier's reputation, respect for the law, compliance with health, safety and environmental standards, and references.

To date, Cardno has not identified or become aware of any instances of human trafficking or slavery within our operations or supply chain. Should this happen, we will act immediately to report our findings to all relevant authorities and work with the supplier to protect the people involved. We acknowledge that rapid offboarding of suppliers involved in human rights violations may not be in the best-interest of vulnerable people within that supply chain, and therefore we use this as a measure of last resort.

The following are Cardno's core elements of our actions to prevent modern slavery and human trafficking:

Supply chain risk assessment

We carry out risk assessments of our supply chain by measuring all the following:

- > **Geographic risk:** we use global data sets to evaluate geographic risk within our supply chain, including the Global Slavery Index
- > **Product risk:** we use global data sets to create a risk profile of products we purchase and include this in our supply chain risk assessments
- > **Services risk:** we use global data sets to create a risk profile of services we purchase and include this in our supply chain risk assessments
- > **Watchlists:** while onboarding suppliers we cross-check them against databases of global watchlists to see if they have been flagged for any illegal conduct

These assessments determine our response and the risk controls that we implement across our purchases and supply chain.

Policies

Cardno operates the following policies for identifying and preventing slavery and human trafficking in our operations:

- > **Anti-slavery and Human Trafficking Policy** – this articulates Cardno's commitment to identifying and countering modern slavery in global supply chains. This aligns Cardno with the United Kingdom Modern Slavery Act and the Australian Modern Slavery Act, as well as other counter-slavery legislation
 - > **Whistleblowing Policy** - we encourage all employees, customers and suppliers to report any suspicion of slavery or human trafficking without fear of retaliation. We provide a confidential helpline to protect the identity of the whistleblowers.
 - > **Code of Conduct** - our Code of Conduct encourages employees to do the right thing by clearly stating the actions and behaviour expected of them when representing the business. We strive to maintain the highest standards of employee conduct and ethical behaviour when operating abroad and managing our supply chain.
 - > **Safeguarding Policy** – we encourage all employees, customers and suppliers to ensure they follow best practice to protect the health, safety, security and well-being of everyone who is encompassed within the scope of Cardno's business.
 - > **Child Protection Policy and Procedure** – this reflects a zero-tolerance approach to all forms of child exploitation and abuse including those that constitute human rights abuses. All personnel including employees, contractors, subcontractors and suppliers are required to undergo awareness training of child protection matters and commit to our Child Protection Policy and procedures, which also deals with how to report incidents if they occur.
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Supplier due diligence

Cardno 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 checklist to ensure they conform to Cardno's policies and procedures, and we check them against international watchlists.

This includes:

- > Assessing risks in the provision of particular services

We require subcontractors and suppliers to attest that:

- > They do not use any form of forced, compulsory or slave labour
 - > Their employees work voluntarily and are entitled to leave work
 - > They provide each employee with an employment contract that contains a reasonable notice period for terminating their employment
 - > They do not require employees to post a deposit/bond and do not withhold their salaries for any reason
 - > They do not require employees to surrender their passports or work permits as a condition of employment
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Awareness

Cardno raises awareness of modern slavery issues by ensuring the Anti-Slavery and Human Trafficking Policy that is focused specifically on modern slavery is made available to staff which explains:

- > Our commitment in the fight against modern slavery
 - > Red flags for potential cases of slavery or human trafficking
 - > How employees should report suspicions of modern slavery
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Training

Cardno provides e-learning training to employees which covers:

- > Various forms of modern slavery in which people can be held and exploited
 - > How employees can identify the signs of slavery and human trafficking, including unrealistically low prices
 - > How employees should respond if they suspect slavery or human trafficking
 - > How suppliers can escalate potential slavery or human trafficking issues to the relevant people within their own organisation
 - > What terms and guidance should be provided to suppliers in relation to slavery policies and controls
 - > What steps Cardno will take if a supplier fails to implement anti-slavery policies or controls
 - > An attestation from employees that they will abide by Cardno's Anti-Slavery and Human Trafficking policy
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Measuring how we are performing

Cardno has defined a set of key performance indicators and controls to combat modern slavery and human trafficking in our organisation and supply chain. These include:

- > How many employees have completed mandatory training?
- > How many suppliers have rolled out an awareness and training programme that is equivalent to ours?