



COMMUNICATION ON PROGRESS

Submitted by Cardno International Development
to the United Nations Global Compact

13 February 2021



COMMUNICATION
ON PROGRESS



This is our **Communication on Progress**
in implementing the Ten Principles of the
United Nations Global Compact and
supporting broader UN goals.

We welcome feedback on its contents.




In the spirit of reconciliation, Cardno acknowledges Traditional Custodians of country and their connections to land, sea and community. We pay our respects to elders past, present and emerging.

Tyronne Hoerler, an Indigenous artist, was commissioned to design the artwork for our Reflect Reconciliation Action Plan – 8 Angels, which represents a family.

The opinions expressed are those of the authors and do not necessarily represent the views of any government or donor agency associated with the content of this report.

Cover Photo: USAID Avansa Agrikultura Program, Timor-Leste
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Statement from the CEO

Pivoting for Progress



Preparing this Communication on Progress has provided a timely opportunity to pause and reflect on the year that has passed; a year like no other, with the COVID-19 pandemic impacting our communities, governments, businesses and all aspects of life as we know it.

The pandemic has challenged businesses to adapt and re-focus on employee safety, well-being and supply-chain resilience. It has compounded the impacts of fragility, conflict and violence in certain geographies, accelerating economic downturn, increasing under- and unemployment, and pushing an estimated additional 88 million people into extreme poverty¹. The impacts have been felt disproportionately by women, children and vulnerable populations, and in low and middle-income countries. Progress resulting from decades of development aid investment in health, education and economic growth has been eroded.

In this period of unprecedented uncertainty and instability, more so than ever the United Nations Global Compact's (UNGC) Ten Principles serve as a guiding

compass for companies to navigate operational pressures whilst maintaining value systems and principles-based approaches to doing business. Meeting fundamental responsibilities relating to human rights, labor, environment and anti-corruption has never been more critical.

I am proud to report that Cardno International Development has utilized these uncertain times to increase investments and accelerate our sustainability efforts. Employee health and safety continues to be a major priority. As the scale of the pandemic set in, we:

- > swiftly relocated more than 400 advisers and their dependents in under 72 hours
- > simultaneously initiated robust protocols to support local staff remaining in-country
- > shifted plans and protocols to include remote work arrangements
- > established COVID-safe office plans
- > ensured access to physical and mental well-being services.

Our corporate offices in Africa and the Asia-Pacific Region continue to provide a global springboard essential to real-time, on-the-ground support for our stakeholders as we respond to the crisis and maintain critical operations.

Working with clients and partners, our programs also pivoted to support those most impacted by the pandemic. We are pleased to provide examples of these responses in the first section of this report, which include:

- > efforts to ensure a continuous supply of fresh produce for communities impacted by lockdowns in Timor-Leste
- > work with government officials in Indonesia to develop COVID-safe work practices for the construction-sector
- > actions to mitigate increases in family and sexual violence in Papua New Guinea.

We have used this time to accelerate our efforts with executive-level sponsorship from Cardno's CEO, Board and newly established Board-level Environmental, Social and Governance Committee to support global sustainability. In this reporting period, we:

- > established a company-wide Sustainability Task Force
- > benchmarked and aligned our efforts with the UN Sustainable Development Goals

- > developed and rolled out our first-ever global Human Rights Policy.

Many of our policies and practices are now being adopted globally across Cardno. In 2021, Cardno will advance our efforts in alignment with the UNGC, furthering our commitment across multiple areas.

Despite the complex, and uncertain trajectory of the COVID-19 crisis, we plan to build on our momentum and achievements in 2021; focusing on sustainable and responsible operations to produce positive results for our stakeholders. I am pleased to reaffirm Cardno International Development's commitment to the UNGC and its Ten Principles, and look forward to reporting on our progress in the coming year.

With best wishes,

Seth Yoskowitz
Interim CEO – Cardno International Development

¹ Source: 2020 Year in Review: The impact of COVID-19 in 12 charts, <https://blogs.worldbank.org/voices/2020-year-review-impact-covid-19-12-charts>

Company overview

Cardno International Development

Cardno ID is a social development and physical infrastructure firm dedicated to sustainable and inclusive value creation.

For more than 50 years, we have worked with multilateral and bilateral agencies, businesses, governments, and communities to build and implement sustainable solutions to complex challenges.

Strengthened by our geographic and market diversity in over 90 countries, we are committed to creating lasting change in emerging economies in Asia, the Pacific, Africa, the Americas, Europe and Australia.



AGRICULTURE AND RURAL DEVELOPMENT

In response to the specific needs of communities, we deliver programs that improve access to training and resources in agricultural technologies and natural resource management to enrich rural development.



GENDER AND SOCIAL INCLUSION

Promoting gender equality and social inclusion is integral to achieving significant and sustainable advancements in health, education, governance, the environment and the economy. We are committed to achieving these goals in each of our programs.



GLOBAL HEALTH

Our health team focuses on health systems strengthening and private / non-profit sector solutions to local access and global health issues.



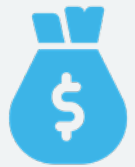
EDUCATION

Our dedicated education specialists design and implement programs to increase access to education and life-long learning. Our educational support services are targeted for maximum impact.



GOVERNANCE

Our experience in governance spans a range of initiatives aimed at sustainably improving public and private sector development; strengthening law and justice, and; protecting human rights.



PUBLIC FINANCE MANAGEMENT

We provide support for strategic social institutional and public sector expenditure reforms to gain the trust of communities and, through decentralisation, increase their participation.



ECONOMIC GROWTH

We work with businesses and governments to facilitate activities that have meaningful and broad economic impact for communities.



POST-CONFLICT AND FRAGILE STATES

We have demonstrable experience working with senior lawmakers and government officials to engage in public sector reform and rule of law as well as improving state and civil society engagement globally.



MARKET LINKAGES AND TRADE

We have more than 30 years' experience in helping businesses and governments work together to implement reforms that have meaningful and wide economic impact.



CLIMATE CHANGE

We provide a complete portfolio of services designed to establish sustainable climate change adaptation, mitigation and integration measures.



SOCIAL & ENVIRONMENTAL IMPACT MANAGEMENT

We help businesses to conceptualise, deliver and review their social investment initiatives, providing support to align business and societal benefits and measure return on investment and positive community impact.



INFRASTRUCTURE AND ENVIRONMENT

We have extensive experience in providing project design, consultation, and construction with a focus on sustainability and environment.

SUSTAINABLE DEVELOPMENT GOALS



Our commitment to the United Nations Sustainable Development Goals – our project work

For more than 50 years, Cardno ID has partnered with public and private sector clients to promote sustainable development and improve the well-being of people in emerging markets. Fundamentally, every aspect of our project work aligns with and supports progress towards the 17 United Nations Sustainable Development Goals (SDGs) and their foundational aim to achieve a better and more sustainable future for all.

Prior to COVID-19, despite gains in some areas, global progress towards achieving the SDGs was uneven and largely deemed insufficient to achieve Agenda 2030. The recent Annual Stocktaking Report indicates that with the poorest and most vulnerable being hit hardest by the pandemic and its effects, as well as by climate change impacts, the achievement of some SDGs will be an even greater challenge in the years to come.

Facing the first rise in global poverty since 1998, the coming decade must be one where we adapt our approaches swiftly in order to serve the most vulnerable and at risk, and pursue transformative pathways that promote sustainable, equitable change.

In this context, we present a sample of our projects that reflect our work across all 17 of the SDGs, as well as additional commentary where appropriate to demonstrate how we have pivoted in response to the pandemic.





By boosting social protection systems and frameworks in Indonesia, MAHKOTA directly supports global efforts to achieve SDG 1 – No Poverty

MAHKOTA

The impact of COVID-19 on the Indonesian economy is expected to be severe, bringing a previously projected five per cent economic growth down to zero or lower. This economic downturn may see an additional five million people pushed below the poverty line, disproportionately affecting vulnerable groups.

Since 2015, Cardno ID has implemented MAHKOTA (Towards a Strong and Prosperous Indonesian Society), an Australian Government Department of Foreign Affairs and Trade (DFAT)-funded program supporting the Government of Indonesia to improve its social protection system and reduce poverty and inequality.

At the onset of COVID-19, MAHKOTA adapted quickly, pivoting to provide advice on high-level policy responses, monitoring and evaluation and strengthened poverty data management. MAHKOTA conducted policy analysis and made recommendations to the Government of Indonesia based on anticipated economic impact on the elderly, people with disabilities, women and children. The program also further promoted cash transfer programs to reach the most impoverished, in an effort to mitigate the pandemic's economic impact.





With its focus on securing access to produce and reducing food insecurity for vulnerable populations in Timor-Leste, AVANSA directly supports SDG 2 – Zero Hunger

Avansa Agrikultura Project

From 2015 to early 2021, the United States Agency for International Development (USAID)-funded Avansa Agrikultura Project (AVANSA) in Timor-Leste strengthened market linkages and transformed subsistence farming practices across key horticulture value chains to improve nutrition, food security and household incomes.

With the onset of COVID-19, the Timorese government announced a state of emergency, limiting daily transport and impacting access to agricultural produce. Within a few days, markets and shops experienced shortages of fresh vegetables and given the reliance of Timorese households on wet markets to purchase food daily, these food shortages and market disruptions had an immediate impact on food security.

The Cardno ID-managed AVANSA Project quickly responded, supporting the Prime Minister’s Office to authorise essential suppliers to safely and legally travel to distribute produce. The project connected buyers and suppliers via WhatsApp groups, reporting available produce in real time. These project-connected digital platforms will support the transition for Timor-Leste through the pandemic recovery phase and into an evolving future, offering improved planning and coordination among stakeholders to reduce food waste and improve food security.





Strengthening health systems and supporting universal health coverage—a key program goal of VHP—is supporting progress towards SDG 3 – Good Health and Well-Being

Vanuatu Health Program

The DFAT-funded Cardno ID-managed Vanuatu Health Program is supporting improved health services to achieve the Government of Vanuatu’s health priorities, working across all levels of the health system—national, provincial and local—to build capacity and provide services to ensure a healthy, secure and productive population.

VHP has already seen early success, working with the Ministry of Health and Provincial Health Authorities to avert a measles outbreak in 2019 and 2020 by increasing vaccination coverage on Efate island. These efforts resulted in an increased vaccination rate from 82 per cent to 96 per cent, thus averting an outbreak.

COVID-19 has put a significant strain on healthcare systems globally, draining resources and placing pressure on limited numbers of healthcare workers essential to maintaining services. The pandemic has reinforced the need for strong, broad-based health sector governance mechanisms, particularly to align health development partners in emerging markets like Vanuatu. VHP has supported national responses to the pandemic, providing technical advice to the Ministry of Health’s Emergency Operations Center to develop and implement a national preparedness plan and rapidly mobilising an epidemiologist to support the Ministry’s Surveillance Unit.





Increasing access to equitable and quality education is key to achieving sustainable development. Our monitoring and evaluation work on the Decentralising Funding to Schools Programme and support for improvements to educational policy on My-EQIP has a direct, positive impact on SDG 4 – Quality Education

Decentralising Funding to Schools Programme Myanmar Education Quality Improvement Program

Since 2017, Cardno ID has supported the Myanmar education system through extensive monitoring and evaluation activities through the World Bank-funded Decentralising Funding to Schools Programme. During this reporting period, program teams travelled to 50 townships and hundreds of schools across Myanmar, meeting with Township Education Officers, teachers, parents and local communities to build the case for better support for children, particularly those most at risk of missing out on education. These activities demonstrated that the schools have active improvement plans, increased community and parent engagement and increased support to students that enable them to stay at school longer,

This monitoring and evaluation work is complemented by the DFAT-funded Myanmar Education Quality Improvement Program (My-EQIP), which works towards the improvement of education policy, planning and budgeting. My-EQIP is Ministry of Education (MoE) led program which aims to improve education policy, planning, budgeting and management. The My-EQIP team work with MoE to identify priority areas to improve education delivery.

Despite restrictions on in-person gatherings and trainings due to COVID 19, My-EQIP has swiftly adapted its implementation model through the use of online technologies. The project recently supported the launch of the Basic Education School Quality Assurance Standards Framework policy via a webinar hosted by the Ministry of Education. Subsequent policy trainings were modified from in-person to e-learning to support ongoing delivery.





Our work in the Pacific—on both Women’s Leadership Initiative and Pacific Women Support Unit—supports progress made towards gender equality, which is not only a fundamental human right but necessary for a peaceful and prosperous world. We are proud to support efforts towards SDG 5 – Gender Equality

Women’s Leadership Initiative Pacific Women Shaping Pacific Development – Support Unit

The Pacific region has higher numbers of women in parliament and in the workforce than ever before, yet inequity in women’s leadership continues to impede meaningful development.

The DFAT-funded Women’s Leadership Initiative promotes a future generation of exceptional women leaders in Papua New Guinea and the Pacific region. It does this by identifying emerging female leaders and exposing them to new ideas, providing coaching, and connecting them with influential Australian women who mentor them to develop leadership skills. Women’s Leadership Initiative helps these emerging leaders to build coalitions and networks to support and sustain their pathways to leadership.

Crises such as COVID-19 disproportionately impact vulnerable populations, particularly women. Recognising the impact of the pandemic, the DFAT-funded and Cardno ID-managed Pacific Women Shaping Pacific Development Support Unit has examined the pandemic’s social and economic impact on women – including increased instances of family and sexual violence – and responded by developing communication campaigns and supporting safe spaces and crisis centers to provide services to survivors of family and sexual violence.





KIAT is an example of immediate and direct action to improve Water, Sanitation and Hygiene for All; a key component of SDG 6 – Clean Water and Sanitation

Indonesia–Australia Partnership for Infrastructure

In Palembang, Indonesia, more than 30 per cent of people do not have access to basic sanitation. The people of Palembang are reliant on the Musi River for water, however, due to the mismanagement of rubbish and waste, it is extremely polluted.

With support from the Governments of Indonesia and Australia, the Indonesia–Australia Partnership for Infrastructure (KIAT) is supporting Palembang City to construct a new sewerage treatment system to collect and treat wastewater from households and businesses, providing clean water and sanitation to benefit 100,000 people. More broadly, KIAT targets priority infrastructure reform areas, partnering with a range of stakeholders across government to achieve high quality infrastructure policy, planning, and delivery, focused on water, sanitation and transport.

Cardno ID is working with the Government of Indonesia and Ministry of Public Works and Housing to respond to COVID-19. This effort has included developing decision-making and scenario plans for budget reprioritisation of infrastructure works. At a practical level, KIAT has developed protocols for the construction sector to ensure COVID-safe work practices. KIAT is also working with the Directorate of Water Supply to help local governments in their immediate responses to secure reliable and safe water supply, developing chlorination guidelines and procedures to improve water quality and reduce the transmission of water-borne diseases.





ESIP is supporting the development of reliable, uninterrupted, and sufficient energy production in Papua New Guinea, a cornerstone of SDG 7 – Affordable and Clean Energy

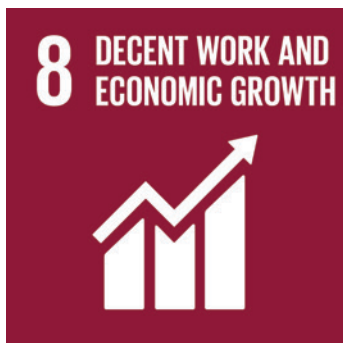
Economic and Social Infrastructure Program

Whilst Papua New Guinea is rich in energy resources with abundant renewable energy, it has one of the lowest electricity access rates in the Asia-Pacific Region, with only 13 per cent of households estimated to have access to reliable electricity. The Government of Papua New Guinea has set a goal of connecting 70 per cent of the population to electricity by 2030.

To empower Papua New Guinea to reach this goal, Cardno ID implements the DFAT-funded Economic and Social Infrastructure Program (ESIP). The program helps stakeholders deliver electricity solutions beyond current on-grid network availability. One example is ESIP’s design and launch of Pawarim Komuniti (Papua New Guinea Off-grid Electrification Program), an off-grid grant funding mechanism for electrification projects implemented by community groups, NGOs, international organisations and the private sector.

Energy services are key to fighting pandemics like COVID-19 – powering healthcare facilities and supplying clean water for essential hygiene. However, the pandemic has caused both supply and demand shocks across Papua New Guinea, stressing existing energy systems and plunging communities and essential services into darkness. In response to COVID-19, ESIP has adapted the Pawarim Komuniti Program to identify promising projects which will provide reliable renewable electricity supply to communities, local hospitals and aid posts.





Efforts focused on labour productivity and employment are critical to bolstering global economic recovery post-COVID-19. EMPOWER and the Kosovo Compete Activity are contributing to these efforts, linked to SDG 8 – Decent Work and Economic Growth

EMPOWER Private Sector Activity

Kosovo COMPETE

By virtue of its economic size and population, Kosovo is a relatively minor player in the global economy. However, Kosovo has many economic advantages: a multi-lingual, young workforce; an active diaspora in North America and Europe; and an advantageous position on the doorstep of the Europe’s large market.

Against the backdrop of Kosovo’s struggle with high unemployment, a small export sector and reliance on imports, Cardno ID helped local small and medium-sized enterprises (SMEs) to become more competitive and generate jobs through the USAID-funded Kosovo EMPOWER Private Sector Activity, completed in 2020. By increasing competitiveness of SMEs and individuals, EMPOWER created more than 5,100 jobs – with a focus on women, youth and minorities – yielding more than US\$100 million in exports and nearly US\$215 million in sales increases of partner businesses.

Cardno ID is currently implementing the USAID Kosovo Compete Activity, which continues efforts to bolster Kosovo’s economic growth and job creation. In response to COVID-19, the project is helping businesses adopt new technologies to stabilise, sustain and support growth in spite of dramatic market changes. Kosovo’s domestic market is adapting as COVID-19 forces faster adoption of digital services, remote work, delivery of services, ecommerce and digitalisation. The project is supporting this transformation, helping Kosovar companies tap into new markets and empowering the workforce with in-demand market skills.





With its innovative focus on increasing access to information and communications technology, CFG is supporting Serbia's progress towards achievement of SDG 9 – Industry, Innovation and Infrastructure

Serbia Cooperation for Growth

Innovation and digital infrastructure have proven to be critical to expanding industries' access to markets, shared prosperity and growth. In Serbia, digital infrastructure is swiftly expanding, with online business transactions growing more than 150 per cent between 2018 and 2019, with a 92 per cent increase in transaction value.

Cardno ID implements USAID/Serbia's Cooperation for Growth (CFG) Project, which recognised early on that technology and e-commerce could democratise access to markets and global trade, especially for SMEs and industry. The project also supports the National Bank of Serbia's efforts to strengthen e-commerce, online payments, and a cashless economy.

CFG's assistance has trained businesses on the benefits of online sales, as well as educating consumers and mainstreaming online shopping. These foundational activities, put in place as a direct result of CFG efforts, are now paying off in the wake of COVID-19. While many global industries are struggling during the pandemic, Serbia has emerged as an example of how early interventions are improving resilience. With the project's promotional support, commerce sites are offering Serbian enterprises an online platform to list their products and services. The project has further adapted its support to industry by holding webinars to advise on doing business during crisis.





Incarceration disproportionately targets poor and marginalised individuals, further increasing social inequality, sometimes with intergenerational impacts. AIPJ's work in this space—to increase access to the justice system—supports SDG 10 – Reduced Inequalities – by ensuring equal opportunity through reduction of discriminatory laws, policies and practices

Australia–Indonesia Partnership for Justice

Human rights are standards that allow all people to live with dignity, freedom, equality, justice and peace. Limited access to basic civil services, including the formal justice systems, challenges the realisation of these rights.

Over the past decade, Cardno ID has implemented the DFAT-funded Australia Indonesia Partnership for Justice (AIPJ) program, a partnership between the Australian and Indonesian Governments aimed to increase equitable access to the justice system. AIPJ supports justice institutions and legal services to promote greater accessibility and enhance gender equality to fulfil the rights to justice of women and people with disabilities.

Prison overcrowding is a critical health and human rights issue in Indonesia. Urgently addressing the overcrowding problem due to the heightened risk of COVID-19 has accelerated the advocacy to shift from a paradigm of punitive to restorative justice. AIPJ is supporting the Indonesian government to mitigate potential COVID-19 outbreaks in prisons by providing specialist support and advocating for strategies to reduce overcrowding. This has limited infections, prevented countless deaths, and restorative justice has now been included as one of Indonesia's national planning priorities.





Almost every facet of CIG programming contributes to making cities and human settlements inclusive, safe, resilient and sustainable – SDG 11. Alignment of Kampala's Five Year Strategic Plan with the UN SDGs will ensure that sustainable development remains at the centre of urban development in the city for years to come

Cities and Infrastructure for Growth

Cardno ID implements the UK Government-funded Cities and Infrastructure for Growth (CIG) program, which works to improve Ugandan public sector capacity in urban management, power sector development and infrastructure service delivery. The program works to promote investment and attract capital to urban infrastructure projects to improve the standard of living for urban communities.

CIG supported the recent launch of the Kampala Capital City Authority Five Year Strategic Plan, which aims to help Kampala's transformation and development, aligning to the UN SDGs, Uganda's Vision 2040, the National Development Plan III and the Greater Kampala Economic Development Strategy.

As a result of COVID-19, Cardno ID's programs have adapted to provide infrastructure relief and support at the community level. The CIG program has supported vulnerable communities in the most densely populated areas in Kampala, providing personal protective equipment and shelter to some 900 market vendors, as well as public sanitation facilities, benefiting nearly 2,000 people in informal settlements.





CAVAC's focus on sustainable and resilient agriculture directly supports the overarching goal of SDG 12 – Responsible Consumption and Production – to promote lifestyles that are in harmony with nature and management and efficient use of natural resources

Cambodia–Australia Agricultural Value Chain Program

Agriculture accounts for 22 per cent of Cambodia's economy, employing about three million people. Cambodian agriculture is in the midst of rapid change, transforming from being a subsistence activity to a modern, commercial activity. Growth is being driven by the use of more modern systems and practices, as well as the diversification of agricultural output.

Cardno ID has been supporting this transformation, implementing the DFAT-funded Cambodia–Australia Agricultural Value Chain Program (CAVAC) to promote commercially viable, sustainable and resilient agriculture production. The program has also been at the forefront of innovative technology, promoting the use of new production techniques and technologies to increase agriculture production. Greater irrigation and mechanisation have improved yields, and promoted domestic food security, while also improving farmers' incomes.

CAVAC has supported the Government's desire to boost domestic food production in response to COVID-19. CAVAC swiftly scaled up its public-private partnership efforts by introducing laser land levelling machinery and drone technology to the Cambodian agriculture industry. The program provided subsidies to local service providers to encourage investment in the technologies. These efforts support food production during the COVID pandemic and support the modernisation of the agriculture sector in the long run.





Cardno ID's support for ReCAP and the Cyclone Pam Road Reconstruction Project directly supports SDG 13 – Climate Action. This work covers both climate change policy and planning, as well as response and recovery support after natural disasters

Research for Community Access Partnership

Cyclone Pam Road Reconstruction Project

The effects of climate change are likely to produce more natural disasters, including droughts and increased intensity and frequency storms. The short- and long-term impacts of these changes are devastating for communities. Transport infrastructure, a fundamental component of economic growth and critical to the delivery of basic services, is not only impacted by these events but key to the ability of communities to recover. Responding to these climate-related challenges demands the adoption of robust climate change policy and planning measures, as well as immediate post-disaster recovery support.

Cardno managed the DFID-funded Research for Community Access Partnership (ReCAP), a program designed to address the challenges of providing safe and sustainable access to poor, rural communities in Africa and Asia. ReCAP focused on collecting, generating, analysing and disseminating high-quality, applied research to assist governments and local implementing partners to achieve all-weather, climate-resilient and affordable rural transport solutions. The program also facilitated partnerships between governments and international research centres to formulate and carry out this research.

Since 2015, Cardno has also been working with the Government of Vanuatu to rebuild 120km of roads and bridges affected by the devastating forces of Cyclone Pam - a category 5 cyclone and the most intense tropical storm to hit the South Pacific Ocean. This critical infrastructure serves as lifelines and connections across the island and is key to economic recovery. Under the Cyclone Pam Road Reconstruction Project, Cardno works with affected communities to understand their needs and localised impact of climate change.





Projects such as the Diagnostic Marine Study on Litter Prevention are critical to advancing policy and transforming approaches to significantly reduce marine pollution, which is a key goal of SDG 14 – Life Below Water

Diagnostic Study on Marine Litter Prevention

It is estimated that there are currently 150 million metric tonnes of plastics in the oceans worldwide, with approximately 5 to 13 million metric tonnes added annually as a result of prevailing trends in urbanisation, production and consumption. COVID-19 is likely to exacerbate this waste, with an estimated global use of 129 billion face masks and 65 billion gloves every month.

In 2020, Cardno ID completed a year-long World Bank-funded Diagnostic Study on Marine Litter Prevention related to plastics in coastal Kenya. The study concluded that roughly 6,800 tons of marine litter—representing almost 1.2 billion pieces—accumulate along the Kenyan coast each year, with more than 75 per cent made of plastic.

The study provided a set of policy recommendations and supporting measures to address plastic pollution, including promoting partnerships between the government and plastic manufacturing industry to develop plastic waste value chains and the growth of the circular economy. The team proposed establishing community-based waste management enterprises—ranging from organised collectors to processing—which would create income generating opportunities for plastic waste pickers and recyclers. These actions are anticipated to have a profound impact on the large number of out-of-work tourism employees impacted by the pandemic along the Kenyan coast.





Halting the loss of biodiversity – particularly in places such as Papua New Guinea with much of the world’s unique ecosystems – is a key component to SDG 15 – Life on Land. Our Papua New Guinea Biodiversity Program is proud to be directly supporting the achievement of this goal

Papua New Guinea Biodiversity Program

Papua New Guinea’s environmental biodiversity is among the world’s richest and most at-risk. Yet weak regulation of natural resource use and development is threatening the biodiversity fundamental to the long-term well-being of the population.

Cardno and USAID’s Papua New Guinea Biodiversity Program aims to curb unsustainable natural resource use and damage to terrestrial and marine ecosystems. The program name *Lukautim Graun* translates to ‘protect the environment’ in Tok Pisin. The program works with the government and communities in an integrated manner: strengthening government policy in coordination with landowner capacity in biodiversity conservation and sustainable land use planning and management. Through the program, we are improving transparency and accountability while building the knowledge and capacity of communal landowners for site-based management.

Working in six critical provinces, the program strengthens community-based organisations and government entities to improve and support biodiversity conservation for customary land and sea management. The program’s increased private sector engagement is building alliances for sustainable natural resource management and increased livelihood opportunities.

In 2020, the White House’s Women’s Global Development and Prosperity Initiative added funding to the program. This allowed increased efforts to strengthen women’s empowerment across PNG’s economy, including women farming in rural PNG, women entrepreneurs, and women employees in the formal sector.

Providing alternative sources of income to traditional landowners and clans reduces incentives for them to convert current natural resources for immediate incomes at the expense of future generations.





Our work on ASEAN–ACT directly supports the building of effective, accountable and inclusive institutions at all levels, supporting victims of trafficking to seek justice and realise their rights. This work is directly aligned with SDG 16 – Peace, Justice and Strong Institutions

ASEAN–Australia Counter-Trafficking

Trafficking in persons is a heinous crime that exploits the most vulnerable in society and strips marginalised people of their rights. It is estimated that 20.9 million people are trafficked worldwide, generating an estimated US \$150 billion in illegal profits per year.

For the past 20 years, Cardno ID has worked to combat trafficking in persons through our support for frontline workers from various justice agencies and victim support organisations across the ASEAN region. Our current project, the DFAT-funded ASEAN–Australia Counter-Trafficking (ASEAN–ACT), is working to strengthen institutions’ ability to successfully and justly identify and punish traffickers while realising the rights of victims of trafficking.

While closed borders and restricted travel due to the pandemic would seemingly discourage trafficking, it in fact has likely worsened the problem. New vulnerability factors are emerging as a result of lost livelihoods and a breakdown in social structures. In response, ASEAN–ACT is developing a resource portal for ASEAN governments, policy makers and institutions to implement policy responses to COVID-19’s impact. It includes policy papers, toolkits and resources, research, events (webinars, online training, roundtables), news and contacts for assistance.





Our P4 program epitomises the spirit of SDG 17 – Partnerships for the Goals, drawing on inclusive partnerships between governments, donors, and the innovation of the private sector to enhance and accelerate sustainable development

Public Private Partnerships in PEPFAR Countries

The UN SDGs will only be achieved through inclusive partnerships. To achieve Agenda 2030, stakeholders and beneficiaries need to unite towards a shared vision and shared goals, and collaborate and coordinate to achieve development objectives.

Cardno ID implements the US Centers for Disease Control and Prevention’s Public Private Partnerships in PEPFAR Countries (P4) Project. P4 creates and manages public-private partnerships to strengthen HIV and AIDS prevention, TB and cervical cancer care, and treatment efforts to improve health and well-being across 15 countries in Africa and Asia. Our teams manage and implement 20 public-private partnerships, bringing together global leaders to innovate and improve public health outcomes.

In Tanzania, P4 worked with more than 50 partners to develop and deploy mHealth digital solutions promoting infectious disease control, and maternal, newborn, and child health. These partnerships included the US and Tanzanian Governments, technology developers and private sector actors. P4 developed content and messaging in partnership with health ministries and mobile network operators to disseminate vital and timely health messaging, resulting in over 126.5 million health messages sent. The platform was subsequently adapted in response to the COVID-19 crisis, utilising mobile technology for patient self-screening, recommended course of action, syndromic surveillance and contact tracing.





Environmental, Social, Governance

Our corporate sustainability commitments

Advancing Agenda 2030

In addition to our portfolio of project work—a selection of which is profiled on previous pages—Cardno ID is deeply committed to advancing progress towards the SDGs as part of its broader, global sustainability agenda.

During the reporting period we made significant progress in this space, including the development of key, foundational frameworks which will guide our sustainability journey for years to come. Cardno ID was deeply involved in this work, which included the following tasks:

- > Establishment of a Global Sustainability Taskforce including representatives from across the company.
- > Supporting Cardno's Board of Directors newly established ESG Committee with briefings on our ESG initiatives.
- > Development of a global Sustainability Policy capturing commitments across various environmental, governance and social topics.
- > Completing an internal materiality assessment to support the identification

and prioritisation of key materiality topics and alignment with SDG Goals and targets.

- > Drafting of Cardno's first Sustainability Report (to be published in March 2021), capturing benchmarking data, targets and indicators for sustainability topics closely aligned with the UNGC Principles.

As a result of this work, we are pleased to have prioritised the following five SDGs as part of our global sustainability efforts, and look forward to sharing our efforts to support and advance these Goals in our next COP and in our future, annual Sustainability Reports.

- > SDG 5 – Gender Equality
- > SDG 7 – Affordable and Clean Energy
- > SDG 8 – Decent Work and Economic Growth
- > SDG 13 – Climate Action
- > SDG 16 – Peace, Justice and Strong Institutions.





HUMAN RIGHTS



LABOUR



ENVIRONMENT



ANTI-CORRUPTION

Our commitment to the 10 Principles

We are pleased to reaffirm Cardno International Development's commitment to the United Nations Global Compact and the Ten Principles through submission of this Communication on Progress.

Herewith we outline the practical actions that we have taken during the reporting period to implement the Ten Principles in each of the four areas (human rights, labour, environment and anti-corruption), key outcomes from our efforts, and our plans to advance progress during the next reporting period.

Human Rights Principles

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights

Principle 2: Make sure that they are not complicit in human rights abuses

Assessment, policy and goals

As a fundamental way of doing business, Cardno ID respects and protects the human rights of people in the communities in which we live and work. This underpinning approach has become even more critical in the past 12-months, as the public health emergency, economic and social crisis of COVID-19 has swiftly transformed into a human rights crisis disproportionately impacting already marginalised communities.

Cardno ID puts people and their human rights at the front and centre of all that we do – particularly important when working in emerging markets with heightened risks associated with human rights violations. We continue to draw on our vast experience working within these contexts to develop and strengthen our policies, procedures, and monitoring and evaluation tools to ensure that we are operating within a ‘respect, protect and remedy’ framework and upholding fundamental human rights.

Implementation

Our commitment to human rights is embedded in our policies and procedures which we review and update regularly to ensure accuracy and relevance with international best practice. Respecting and protecting the human rights of our employees, business partners and communities in which we live and work is integral to the way that we operate at Cardno ID, and our personnel, partners and sub-contractors must commit and adhere to these policies and procedures, which are listed below:

The Cardno Way is our overarching, global Code of Conduct Policy detailing our commitment to Cardno’s four core values: safety, integrity, people and excellence. This policy was recently updated as part of the biannual review process, and provisions relating to human rights and labour laws were strengthened, supported by associated training.

Human Rights Policy is an overarching, global policy developed and rolled out this reporting period across Cardno’s business. It captures Cardno’s commitment to protecting the human rights of key stakeholders with which our business interacts. Once this policy was finalised, we updated a number of other policies to reflect our increased focus on human rights.

Safeguarding Policy sets out the governing principles and safeguarding approach for our employees and independent consultants, and the employees of our partners and suppliers. This global policy—developed and rolled out during the reporting period—aims to protect the people and communities Cardno interacts with, and is accompanied by a mandatory Preventing Sexual Exploitation, Abuse and Harassment training.

Child Protection Policy, Procedure and Risk Assessment reflects a zero-tolerance approach to all forms of child exploitation and abuse. All personnel including employees, contractors, subcontractors and suppliers are required to undergo awareness training of child protection matters and commit to our global Child Protection Policy and Procedure, which also deals with incident reporting. All projects undergo child protection risk assessments, which are documented and submitted for review and retention. This policy was updated this year to reflect our increased focus on human rights.

Modern Slavery Policy and Procedure articulates Cardno’s commitment to identifying and countering modern slavery in our global supply chains. This aligns Cardno with both the United Kingdom Modern Slavery Act and Australia’s Modern Slavery Act, in addition to other anti-slavery legislation. This reporting period, an Anti-Slavery and Human Trafficking Procedure was also rolled out globally across the business to provide guidance on the risk to our operations, in addition to mandatory modern slavery training for our staff.

Due Diligence Checklist for Partner Organisations requires all subcontractors and suppliers to

complete a due diligence checklist to ensure they conform to all of Cardno’s policies and procedures, including those relating to human rights.

Inclusion, Diversity and Equity Policy details Cardno’s ongoing commitment to celebrate and encourage diversity, and ensures our workplaces promote respect, fairness and equity for all. A global committee—established this year with the backing of executive leadership and sponsorship from Cardno’s CEO—is looking to further develop and strengthen this policy in the coming year.

Sustainability Policy states Cardno will act in a socially responsible manner with regard to our employees, clients, and supply chains, and have a positive impact in the communities in which we live and operate.

Reconciliation Action Plan outlines Cardno’s commitment to Indigenous reconciliation and identifies clear actions and targets that will strengthen our existing relationships and create respectful new relationships with Aboriginal and Torres Strait Islander peoples.

Digital Solutions for Development is a strategy that provides a framework and methodology to guide the approach we take to all things digital, both in terms of technology and non-technology driven solutions.

Measurement of outcomes

Over the past year, we have focused on reflecting our increased commitments to human rights—as captured in our global Human Rights Policy—in updates to all of our policies and procedures. Explicit references to human rights and modern slavery are now included in our standard terms and conditions, ensuring that these commitments now extend to our subcontractors, suppliers and partners. Key outcomes achieved during the reporting period are captured below.

Modern slavery

We have been keenly focused on our efforts to disrupt and end modern slavery, with an ambition to move beyond compliance with legislation. Reflecting these efforts, we:

- > Developed and rolled out a Modern Slavery Policy and Procedure to not only the Cardno ID division, but globally across the company.
- > Created robust supplier management tools including a procurement toolkit, Subcontractor Management Procedure, Compliance Pack, and

subcontractor and grantee contract templates. We also updated existing Due Diligence tools to include criteria on modern slavery risk in the Due Diligence Assessment and Supplier Anti-Slavery and Trafficking Assessment stage.

- > Updated Cardno's staff Policy Acknowledgement Form to include modern slavery policy and procedures; and we updated employment contracts to include obligations relating to all Safeguards including modern slavery.
- > Continued to foster executive-level buy-in to our human rights and modern slavery efforts and developed a mandatory Board / Leadership Modern Slavery awareness online training course for all Cardno Board members and senior leadership. In addition to this, an all-staff mandatory modern slavery awareness raising online training course was developed and rolled out in early 2021.

Safeguarding

Dovetailing with our increased focus on human rights and modern slavery was a significant amount of work completed relating to safeguarding, where we have worked to not only align but extend ourselves beyond our client and stakeholder expectations and standards. Reflecting these efforts, we:

- > Developed and rolled out an overarching Safeguarding Policy which applies not only to Cardno ID but globally across the company. This policy is accompanied by a Preventing Sexual Exploitation, Abuse and Harassment Procedure outlining behaviour protocols to protect children and vulnerable adults, and provides guidance on risk measures that can be implemented.
- > Circulated the Safeguarding Policy to subcontractors, suppliers and grantees to ensure understanding and compliance with the policy across all of Cardno’s global project portfolio.
- > Updated Cardno’s staff Policy Acknowledgement Form to include Safeguards Policy and Procedures and updated employment contracts to include obligations relating to all safeguards including modern slavery. We have developed and plan to roll out online training in the next reporting period that will be mandatory for all Cardno staff.
- > Continued to be a member of the Safeguards Lead Network in the United Kingdom which develops measures to reduce sexual exploitation and abuse in the international aid sector. This

- network reports to the UK Government Foreign and Commonwealth Development Office and is overseen by the Commons Inquiry Committee.
- > Appointed a Safeguarding Focal Point to review and assess Cardno’s policy and procedures, with a view to establishing a single global posture.

Next steps

We look forward to building on the momentum of the previous reporting period and accelerating our progress relating to human rights in the coming year. Some key actions planned include:

- > Develop and publish Cardno’s first Modern Slavery Statement in March 2021, outlining the foundational steps that we have taken to address and mitigate modern slavery risks across our business, and planned next phases.

- > Appoint a Global Safeguarding and Sustainability Lead, responsible for advancing progress across Cardno ID and more broadly, across Cardno globally.
- > Update existing due diligence tools to include criteria on safeguarding risks.
- > Continued celebration of various International Days marking events or topics, aimed to promote awareness and also invite action and activism. These include International Human Rights Day; International Day for the Elimination of Violence Against Women; International Day of Persons with Disabilities; Pride Month; RU OK Day.
- > Continued leadership and input into Cardno’s global sustainability agenda, including contribution to benchmarking, target setting and tracking of progress towards key sustainability goals relating to human rights and linked to the UN SDGs.

Labour Principles

Principle 3: Business should uphold the freedom of association and the effective recognition of the right to collective bargaining

Principle 4: The elimination of all forms of forced and compulsory labour

Principle 5: The effective abolition of child labour

Principle 6: The elimination of discrimination in respect of employment and occupation

Assessment policy and goals

In the past year, the critical role that our employees play in maintaining and sustaining our business operations has never been clearer and more valued. Faced with a global health pandemic, we have been challenged to rapidly secure and ensure safe working environments for our globally dispersed workforce, whilst simultaneously pivoting program implementation to serve those most disproportionately impacted in collaboration with our clients.

Outside of immediate responses to the pandemic, we continue to support our employees’ right to freedom of association and collective bargaining and are rigorous in ensuring that our business and daily operations remain free from all forms of compulsory and forced labour. We have aligned our labour policies and procedures with internationally recognised labour standards, abiding by local legislation where we operate and where there are legislative gaps, applying international standards. We are dedicated to achieving our goal of zero harm by continually improving our health, safety and environmental performance.

Inclusion, diversity and equity are core to our corporate identity. Our global team comprises people from all walks of life, ages, races and religions; and speaks over 100 languages; a fact that we proudly celebrate. Nonetheless, we continue to actively seek opportunities to improve diversity across our teams.

Implementation

Our commitment to labour rights is embedded in our policies and procedures which are reviewed and

updated regularly to ensure accuracy and relevance with international best practice. All employees, contractors, subcontractors and suppliers must read and acknowledge a commitment to these policies and procedures, and this commitment is complemented with mandatory training covering labour-related issues. Key policies and procedures are listed below.

[Inclusion, Diversity and Equity Policy](#) details Cardno’s ongoing commitment to celebrate and encourage diversity and ensure our workplaces promote respect, fairness and equity. During the reporting period, a global Council was established with the backing of executive leadership and sponsorship from Cardno’s CEO, focused on driving the 2019–2020 strategy and deepening our commitments. The policy was also updated to increasingly encourage equal access to opportunities, support targeted recruitment and ensure transparent communication.

[Cardno ID Gender Equality Commitment](#) recognises the importance of gender equality and details Cardno ID’s commitments to achieving this across our organisation and within our programs.

[Global Health, Safety and Environment \(HSE\) Framework and Protocols](#) outlines our structured HSE program which is implemented throughout all facets of the business to ensure we achieve our goal of Zero Harm on every job, every day. Our HSE Framework and supporting management system was audited in July 2020, and certification of our system was maintained for our program management and construction supervision scope in Papua New Guinea. We also reviewed and improved our focus on occupational health and implemented new protocols to improve work-related transport safety.

Employee Assistance Program assists the resolution of personal and work-related problems. Cardno offers a confidential and voluntary counselling service to our employees and their immediate family members.

Global Privacy and Record Retention Policy for employees articulates Cardno’s commitment to safeguarding the privacy of personal information we gather concerning our prospective, current and former employees for management, human resources and payroll purposes. This policy applies to any worker engaged to perform work or services on behalf of Cardno.

Purchased Leave Policy acknowledges Cardno’s value for flexible working arrangements to enable employees to strike a balance between work responsibilities and personal commitments. This policy provides guidance for staff to purchase leave in addition to their legislative leave requirements.

Domestic and Family Violence Leave Policy recognises that domestic violence is a widespread issue that does not discriminate in who it can affect. In addition to the support services provided through our Employee Assistance Program, this policy enables staff affected by domestic violence to access additional leave if necessary.

Parental Leave Policy outlines the entitlements to parental leave for eligible Cardno employees. We are proud to note that within the reporting period, a revised version of this policy was extended to Cardno ID’s corporate staff in Papua New Guinea, offering entitlements and benefits extending well beyond what is offered in Papua New Guinea’s national parental leave provisions.

Women in Cardno is a program providing opportunities for women across the business to advance and grow their careers in a supportive environment. Cardno aspires to be a global leader in terms of how women are engaged in the workforce.

Employee Resource Group is a safe space for employees to share their experiences and challenges related to sexual orientation or gender identity in the workplace.

LGBTQ Employee Resource Group reinforces our core value of ‘people’ and champions a supportive and inclusive work environment for all. Cardno offices around the world also celebrated the vibrant and diverse LGBTQ community in June as the internationally recognised Pride Month.

Mental Health First Pilot, focused on removing stigma around mental health issues and promote healthy practices, continued to be rolled out.

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Sustainability Policy reiterates Cardno’s commitment to diversity and inclusion as well as a safe, healthy and culturally aware workplace

Measurement of outcomes

This reporting period has seen significant progress made relating to labour rights at Cardno, particularly relative to health and safety responses; progress on our Reconciliation Action Plan; and inclusion, diversity and equity across our business. Key outcomes achieved during the reporting period are captured below.

Inclusion, diversity and equity

We continued our commitment to Inclusion, Diversity and Equity (ID&E), seeking opportunities for improving diversity in recruitment, work practices and flexible work arrangements, training and development. Reflecting this:

- > Under the leadership of the global ID&E Council, Cardno’s ID&E Policy was updated.
- > New working groups—made up of employees, regional Human Resources leads and an Executive Sponsor—were introduced, focused on implementing ID&E changes across our business. These working groups are: Inclusion – LGBTQ+; Inclusion – Mental Health and Wellbeing; Inclusion – Veterans; Women in Cardno; Racial Diversity / Indigenous Engagement; Age Diversity; and Accessibility.
- > In response to the Black Lives Matter movement, we rolled out leadership awareness training for Black Lives Matter / Anti-Racism, to be extended to all US-based staff in the coming year. An online resource library was developed to support this training.
- > We are currently developing an ID&E Dashboard to report and track progress of various initiatives across the business. The concept for this dashboard was developed by an ID employee in their winning submission for an internal Cardno scholarship.
- > Following on from a gender pay gap analysis (which revealed little to no gender pay gap), we implemented strategies to maintain the current level, including unconscious bias training, salary banding and benchmarking, and review of job classifications. Efforts are now being explored to move to annual measurement of the pay gap and to investigate methods for ensuring other factors, such as ethnicity, are not contributors to a pay gap.

Reconciliation Action Plan

We are deeply committed to supporting the reconciliation movement across Australia with Aboriginal and Torres Strait Islander peoples. During this reporting period

we continued to advance key action items in our first Reconciliation Action Plan (Reflect RAP), including:

- > We joined Supply Nation, a non-profit organisation that aims to grow the Aboriginal and Torres Strait Islander business sector through the promotion of supplier diversity in Australia. We hope to encourage engagement with and growth of Indigenous suppliers to Cardno.
- > A number of undergraduates were engaged through Career Trackers, a national non-profit creating pathways and support systems for Indigenous young adults.
- > We provided Indigenous cultural awareness training to managers and leaders.
- > Introduced Acknowledgement of Country language and protocols into meetings, correspondence and events, and have extended this practice to events which occur outside of Australia to include acknowledgement of first nations peoples wherever Cardno is working or meeting.

Health and safety

With an unprecedented focus on health and safety during the reporting period, resulting from COVID-19, we implemented a large number of initiatives focused on keeping our employees, partners and stakeholders safe. These included:

- > Launched Zero Harm training to empower all staff to be leaders in safety and build our ‘safety comes first’ culture.
- > Rolled out a ‘Wellness Difference’ page as part of the My Cardno Village intranet site, focused on physical, social and mental wellness in recognition of the strain placed on these health aspects by COVID-19.
- > Provided Mental Health First Training, supporting Cardno managers to identify, understand and respond to signs of mental illnesses and substance use disorders amongst its employees.
- > Supported staff to work safely at home, including provision of health and safety advice, home safety checklists and individual assessments with OHS professionals via videoconference.
- > Implemented COVID-safe plans to return to partial operations for essential workers, including provision of personal protective equipment and enhanced health and hygiene practices such as entry screening, increased cleaning schedules, improved ventilation and physical distancing protocols.

- > Provided capacity building for subcontractors, partners and other personnel through COVID-19 awareness and prevention training, and workplace inspection and advisory services to promote healthy workplaces.
- > Provided outreach service for personnel in quarantine or isolation.
- > Provided case management services to support staff and families affected by COVID-19 illness.

Employee engagement

Finally, during the reporting period we rolled out an employee ‘Pulse’ survey to better understand and respond to employee engagement and satisfaction levels. In response to survey feedback, we are rolling out three initiatives:

- > Project Management Improvement Initiative Working Group—led by our Chief Operating Officer and focused on improving processes across the full project management cycle.
- > Interconnections Working Group—intended to support networking across divisions.
- > Professional Development and Growth Working Group – which has already completed a training needs analysis and is supporting the identification of key capacity gaps and training needs across the division.

Next steps

We will continue to focus on and advance our progress relating to labour rights in the coming year. Some key actions planned include:

- > Advancing progress on our Reflect RAP, in consultation with Reconciliation Australia, planning to progress to the next phase of the process, ‘Innovate’. Key Policies and Plans under development are:
 - Aboriginal and Torres Strait Islander Recruitment Strategy
 - Indigenous Procurement Policy
 - Communications and Awareness Plan
 - Establishing an Indigenous Awareness Resource intranet site.
- > In 2021 we will be introducing comprehensive diversity data collection to gather and maintain statistics about employees’ ethnic or cultural backgrounds, veteran status, types of disability, gender identity and sexual orientation. A voluntary process, this information will be used in aggregate form to understand diversity at Cardno and develop initiatives and interventions to enhance inclusiveness in our workplace.
- > Benchmarking successful ID&E initiatives in order to understand our performance to date, and areas where we can potentially do more in this space.
- > Continued leadership and input into Cardno’s global sustainability agenda, including contribution to benchmarking, target setting and tracking of progress towards key sustainability goals relating to labour and linked to the UN SDGs.

Environment Principles

Principle 7: Businesses should support a precautionary approach to environmental challenges

Principle 8: Undertake initiatives to promote greater environmental responsibility

Principle 9: Encourage the development and diffusion of environmentally friendly technologies

Assessment policy and goals

We are deeply committed to operating sustainably and building a culture that respects, protects and enhances the social and physical environment. The focus on environmental sustainability is becoming increasingly urgent as our world faces a growing climate emergency, with climate-related natural disasters disproportionately impacting populations in emerging markets.

Cardno ID provides a complete portfolio of services designed to establish sustainable climate change adaptation, mitigation, and integration measures. We deliver sustainable infrastructure, development and transportation projects that prioritise resilience to climate change and disasters triggered by natural hazards; incorporate elderly, women, children and disabled-friendly features; and contribute to gender equality and encourage benefits for women.

Our international development specialists, environmental and social scientists, engineers and natural resource economists work with our clients to address complex scenarios brought to the forefront of development by climate change. Increasingly, we are utilising this expertise and looking for opportunities to integrate more robust and environmentally sound approaches across our corporate offices; throughout our internal policies and procedures; and to better track and reduce our environmental footprint as a business.

Implementation

Cardno ID is serious about operating sustainably and collaborating with clients and other organisations that share our environmental values, and as part of our Due Diligence procedures, comprehensively screen and vet our contractors and subcontractors against environmental blacklists. We adhere to comprehensive environmental

and social safeguarding policies advanced by our clients, and follow a risk-based approach to avoid adversely impacting the communities and environments we are engaging with. Our key policies and procedures are:

[Global Health, Safety and Environment Framework and Protocols](#) outlines our structured HSE program which is implemented throughout all facets of the business to ensure we achieve our goal of Zero Harm on every job, every day. Our Safety and Environment Framework and supporting management system was audited in July 2020, and certification of our system was maintained for our program management and construction supervision scope in Papua New Guinea.

[Sustainability Policy](#) states Cardno ID’s commitment to promoting environmental equity and minimising our impact on the environment. The policy also recognises the challenges brought about by global climate change, and states Cardno ID will adopt science-based targets and then develop and implement strategies to reduce our greenhouse gas production, water use, and waste generation.

Measurement of outcomes

This reporting period has seen significant activity relating to environmental principles, led largely by our Physical Infrastructure team. Key outcomes achieved during the reporting period include:

Technical excellence in environmental and social safeguarding

Increasingly, our clients and partner communities demand that both social and environmental safeguards are seamlessly integrated into program design and implementation. Key activities during the reporting period include:

- > Creation of a specialist advisory group focused on Environmental and Social safeguard policies, impact assessment and management, and implementation support – the Impact & Safeguards Advisory. The focus of the Impact & Safeguards Advisory will be on:
 - Supporting social and environmental sustainability at the project level – including technical excellence in project implementation, and robust engagement with our clients and partners. This team has already provided meaningful advice to projects being screened, funded and / or implemented by the Australian Government and the Asian Development Bank.
 - Contributing to environmental and social outcomes at an organisational level – providing technical advice to Cardno ID to support the success of corporate initiatives being designed and rolled out.
- > Deployment of the Impact & Safeguards Advisory on a range of client assignments, including peer reviews of environmental and social documentation for proposed projects in the Asia-Pacific Region. Specific to peer review processes, our team provided advice and guidance to clients across the following key areas:
 - Ensuring that project environmental preparatory documentation was comprehensive.
 - Checking that methodologies, processes and safeguard policies were followed diligently and that that controls were not just sufficient but appropriate and practical.
 - Undertaking an assessment of whether best practice, contemporary methods were used to maximise benefit realisation and to avoid negative impacts to the environment and communities.
- > Creation of a working group focused on climate change and disaster risk reduction. This working group—interdisciplinary in nature—aims to strengthen our project processes to account for and proactively consider climate impacts in a more integrated manner across our projects.
- > Sponsorship and support of an ‘Humanitarian Innovation Hackathon’, a two-day virtual event designed for university students to work collaboratively in cross-discipline teams to create technology-driven solutions for the most pressing humanitarian challenges. Our teams supported and provided mentorship in climate change, disaster resilience, and social and environmental matters on a climate-related challenge, with a number of the mentored teams winning awards.

- > A comprehensive review and expansion of our health, safety and environment management system to further integrate environmental considerations from ISO14001.

Next steps

We will continue to focus on and advance our progress relating to environmental sustainability in the coming year. Some key actions planned include:

- > The development of an Impact & Safeguards Advisory community of practice and corresponding calendar of events to support ongoing professional development and capacity building of local and international consultants. This will include content specific to our clients’ social and environmental frameworks, including the following:
 - International Finance Corporation Performance Standards
 - World Bank Environmental and Social Framework
 - Asian Development Bank Safeguard Policy Statement.
- > The working group on climate change and disaster risk reduction—currently in early inception—will continue to advance its strategy to support better integration of climate impacts and considerations across our project portfolio. This may include providing strategic advice on climate change vulnerability, risk and adaptation assessments and on the ground support, with a focus on participatory engagement and delivering locally led solutions.
- > Continued leadership and input into Cardno ID’s global sustainability agenda, including contribution to benchmarking, target setting and tracking of progress towards key sustainability goals relating to environment and linked to the UN SDGs. Having global commitments in place—specifically those referencing climate change—is expected to provide an added impetus for internal action and change on this front.

Anti-Corruption Principles

Principle 10: Businesses should work against corruption in all forms, including extortion and bribery

Assessment policy and goals

Yet another impact of COVID-19 is a heightened risk of bribery and corruption for businesses – particularly those with global operations and supply chains like Cardno ID’s. Economic hardship, disruption to ‘business as usual’ and financial stress has increased the risk that individuals or organisations may act improperly or take advantage of systems and processes under pressure.

During the reporting period we have been finely attuned to, and responding to this increased risk. We remain committed to ethical operations and our zero-tolerance approach towards corruption in all forms, including fraud, bribery, and extortion. Everyone at Cardno ID has a part to play and responsibility to combat corruption, including extortion and bribery.

Our personnel, contractors, and consultants have an obligation to act diligently to prevent fraud and ensure that if fraud is detected or suspected, it is reported. We escalate and investigate any reported incidences in a confidential, respectful, private, professional, and prompt manner until resolved.

Implementation

Cardno ID focuses on ensuring all employees, contractors, and subcontractors are equipped with the knowledge and tools needed to recognise fraud and corruption, and also understand how to access and utilise our robust reporting mechanisms. We have established annual mandatory fraud and anti-bribery training; an anonymous whistle-blower hotline; and a requirement to acknowledge acceptance of all of our policies including our anti-fraud and anticorruption policies. Key policies and procedures in this area are listed below:

[Whistle-blower Policy](#) and hotline enables staff, contractors, subcontractors, and suppliers to report suspected, probable, or certain acts of fraud or corruption anonymously and safely.

[Fraud Policy](#) provides guidance and outlines the obligations of all Cardno ID staff, contractors,

subcontractors, and suppliers relating to the prevention, detection, and reporting of fraud.

[Global Anti-Bribery Policy](#) sets out Cardno ID’s responsibilities and those of our staff, contractors, subcontractors, and suppliers in observing and upholding Cardno ID’s zero tolerance position on bribery and corruption.

[Blocked Parties Screening Policy](#) provides guidance for the proactive screening of all potential recipients of funds—individuals, organisations and companies—to ensure Cardno ID actively manages and mitigates risk, and meets its contractual obligations with all donors, private and public sector clients and charitable foundations.

[Due Diligence Checklist](#) for Partner Organisations is Cardno ID’s due diligence checklist that all subcontractors and suppliers must complete to ensure they conform to all of Cardno ID’s policies and procedures.

[Conflict of Interest Procedure](#) provides guidance as to what may constitute a conflict; guidance on managing conflicts; and a mechanism for declaring and registering that conflict.

[Electronic Signature Procedure](#) supports the management of corruption and other related risks associated with e-signatures across our business.

[Digital Solutions for Development](#) is a strategy that provides a framework and methodology to guide the approach we take to all things digital, both in terms of technology and non-technology driven solutions.

Measurement of outcomes

This reporting period has seen significant activity relating to anti-corruption at Cardno ID. Key outcomes achieved are captured below:

Increased focus on compliance, in light of heightened COVID-related risks

In light of heightened risks of corruption and bribery as a result of COVID-19, we swiftly increased our focus

on compliance across our operations and projects.

This has included the following key actions:

- > Ensuring that compliance training remains current across our global project portfolio.
- > Requiring our employees, contractors, and subcontractors to take additional safeguarding training with added emphasis on bribery and corruption.
- > Undertaking inductions and necessary trainings for any partners and remobilised staff and contracts where travel restrictions were eased.
- > Rolling out an Electronic Signature Procedure to support management of heightened risks associated with e-signatures across our business.
- > Requesting that our teams set clear timeframes to revisit any due diligences that may have been undertaken during the period of remote working.
- > Continuing and in many cases, accelerating transitions to automated online systems and processes.
- > During the reporting period we finalised the appointment of a Global Risk Manager, responsible for oversight and management of risks across our business and leadership in the area of anti-corruption and bribery.
- > Finally, we appointed a Global Cyber Security Manager in an effort to secure data, manage risk and ensure corporate governance.

Integration of human rights considerations

In alignment with our other efforts relating to human rights, key anti-corruption policies and procedures were updated to include specific references to labour exploitation.

Successful Quality Management System Audit

Cardno ID successfully underwent its annual ISO9001:2015 surveillance audit, covering Australia and Indonesia operations, including the Physical Infrastructure group. The audit was successful, with no non-conformances identified.

Rollout of enhanced procedures

We commenced rollout of enhanced procedures to reduce corruption risk in our supply chains, including the following key actions:

- > Requiring all suppliers to undertake fraud risk assessments.

- > Codification of control testing and procedural updates following resolution of an incident.
- > Managing IT-related fraud, including business email compromise.
- > Requiring enhanced controls when third party agents are engaged.
- > Explicit reference to modern slavery risk in supplier due diligence.

Focus on digital solutions for development

Cardno ID strengthened our approach to adoption of technology and non-technology driven development solutions through the following key actions:

- > Releasing our Digital Solutions for Development Strategy which provides a framework and methodology in the approach we take to all things digital. We have committed to promoting replicable, sustainable, cost-effective digital solutions for clients and beneficiaries, adaptable to meet local development challenges safely and securely. In line with our commitment to cybersecurity and privacy, we are upholding standards of digital safeguarding, including responsible use of digital tools and ensuring data security and privacy.
- > Endorsing the Principles for Digital Development; nine principles designed to help digital development practitioners integrate established best practice into technology-enabled programs. We continue to utilise innovative digital solutions across our programs as the world’s access continues to grow.

Next steps

During the next reporting period, we will continue to focus on and advance our progress relating to anti-corruption, including the following key actions:

- > A Global Audit Procedure is being developed to support adherence to corporate policies. The procedure will include spot audits of sites and offices to ensure that we maintain our high standards of compliance.
- > Continued leadership and input into Cardno ID’s global sustainability agenda, including contribution to benchmarking, target setting and tracking of progress towards key sustainability goals relating to anti-corruption and linked to the UN SDGs.



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 almost 75 years' experience in designing, developing and delivering sustainable projects and community advancement programs. Cardno is listed on the Australian Securities Exchange (ASX: CDD).

Cardno's approach to international development

Cardno believes innovation is informed by the past; not limited by it. We have decades of experience in over 100 countries working on projects ranging from expanding trade and investment opportunities to increasing girls' enrolment in schools to improving access to healthcare to rehabilitating water systems and roads. Every project—no matter the size, donor or country—receives a rigorous approach informed by past work but tailored for a sustainable and effective solution.

www.cardno.com/internationaldevelopment

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Making a difference.