

This policy regulates dealings in the Company's Securities by Directors, Executive Officers and Employees. The Directors will monitor and review the application of the policy to ensure its appropriateness as the Company develops.

The fundamental principle of the policy is that Directors, Executive Officers and Employees are not permitted to trade in the Company's Securities while in possession of information that is not generally available in the public domain in order to ensure compliance with the insider trading provisions of the Corporations Act. In addition, this policy applies to advisers, contractors and consultants who may obtain confidential or price sensitive information in relation to the Company.

Insider trading occurs when a person trades in a Company's shares while the person is in possession of information that is not generally available to the public and which if it were, a reasonable person would expect it to have a material effect on the price or value of the Company's shares. This extends to passing on price sensitive information to family, friends or other persons who may use that information to trade in the Company's securities.

**The penalty for breach of the insider trading provisions of the Corporations Act includes fines and, in some circumstances, a jail term.**

It is the responsibility of the individual to ensure they do not buy or sell or trade or provide relevant information or advice to third parties while in possession of price sensitive information. This responsibility remains with the individual and cannot be varied or absolved by seeking to rely on statements by any Executive Officer or Director of the Company.

### **Directors**

Directors are not permitted to buy or sell or trade in the Company's shares from the end of the relevant accounting period (31 December & 30 June) until the day of the release of the Appendix 4D Half Year Report or the Appendix 4E Full Year Report (as applicable) to the ASX.

At all other times, the Directors must obtain a "No Objection" notice which will be issued by the Company Secretary, after consultation with the Chairman and Managing Director or in the case of the Chairman, the Chairman of the Audit, Risk & Compliance Committee. The Company Secretary will advise all Directors that a "No Objection Notice" has been approved at the time of approval. The notice will only be considered after the Director confirms in writing, on a "No Objection Request" form, that they are not in possession of any price sensitive information. The "No Objection Request" form should be submitted to the Company Secretary.

Directors may trade once a "No Objection" notice has been issued but only until the earlier of 10 business days after issue of the notice, the date they become aware of unpublished price sensitive information or the date the "No Objection" notice is withdrawn by the Company.

### **Executive Officers**

Executive Officers and relevant Employees involved in the preparation of the Company's financial results are not permitted to buy or sell or trade in the Company's shares from the end of the relevant accounting period (31 December & 30 June) until the day of the release of the Appendix 4D Half Year Report or the Appendix 4E Full Year Report (as applicable) to the ASX.

At all other times, the Executive Officers must confirm in writing that they are not aware of any unpublished price sensitive information prior to being issued with a "No Objection" notice. Such written confirmation must be on the "No Objection Request" form attached to this policy and submitted to the Company Secretary. A "No Objection" notice will be issued by either the Managing Director or the Company Secretary.

Executive Officers may buy or sell Securities in the Company once a “No Objection” notice has been issued but only until the earlier of 10 business days after issue of the notice, the date they become aware of unpublished price sensitive information or the date the “No Objection” notice is withdrawn by the Company.

### **Employees**

Employees are expected to comply with the law. Employees shall comply with the rules set out in this policy in regard to “insider trading” but do not need to apply for a “No Objection” notice.

### **Exceptional Circumstances**

When considering a “No Objection” notice, the Chairman, the Chairman of the Audit, Risk & Compliance Committee, the Managing Director and Company Secretary, will take into consideration any exceptional circumstances that may apply to an individual. In this context, exceptional circumstances includes any financial hardship, compulsion by court order or any other circumstance that is deemed exceptional by the Chairman, the Chairman of the Audit, Risk & Compliance Committee, the Managing Director or the Company Secretary.

### **Directors, Executive Officers and Employees**

General Restrictions on the ability of Directors, Executive Officers and Employees to trade in Securities, notwithstanding the above:

- **Directors, Executive Officers and Employees** are prohibited from buying or selling Securities at any time if they are aware of any information of a potentially price sensitive nature which has not been released to ASX or has not otherwise been made public.
- **Directors, Executive Officers and Employees** shall in all circumstances be prohibited from:
  - “short-selling” Securities (or an interest in Securities) - that is selling Securities, or an interest in Securities, beyond the level of the Employee’s holdings;
  - trading in Securities which operate to limit the economic risk associated with an Employee’s holding of unvested Securities which are to be issued, subject to the Employee having satisfied certain performance conditions, under the Company’s Performance Equity Plan or the Employee Tax Exempt Share Acquisition Plan; or
  - trading in Securities which enable an Employee to profit from a decrease in the market price of Securities.

The responsibility for trading in the Company’s Securities remains with the individual at all times.

### **Exclusions**

The requirement to lodge a “No Objection” notice does not apply in circumstances where the Securities are being acquired through the exercise of options granted under Cardno’s share plan, through the exercise of options granted under Cardno’s performance equity plan, through the acceptance of a takeover offer, through a Share buy-back or under an acceptance of offers made to all shareholders.

### **Margin Loans**

A Director and those persons who directly report to the Managing Director must advise the Company Secretary if they are intending to take out a margin loan and use Cardno Securities as collateral. If such an arrangement involves a material number of Shares, the Company may be required or may otherwise decide to notify the ASX of the arrangement.

**For the Purpose of this Policy:**

**Chairman** means the Chairman of the Board of Cardno Limited.

**Chairman of the Audit, Risk & Compliance Committee** means the Chairman of the Audit, Risk and Compliance Committee of Cardno Limited

**Company** means Cardno Limited.

**Company Secretary** means the Company Secretary of Cardno Limited

**Convertible Notes** mean convertible notes of Cardno Limited

**Director** means a Director of Cardno Limited.

**Employee** means a person employed by Cardno Limited (or one of its subsidiaries) not being a Director or Executive Officer or, for the purpose of this policy, an advisor, consultant or contractor who may be in possession of price sensitive information.

**Executive Officer** means a person reasonably considered to be an Executive Officer of Cardno Limited and includes persons nominated who may not be Employees but have a contractual agreement in respect of personal services offered to the Company. The Company may from time to time nominate persons deemed to be Executive Officers for the purposes of this Policy. It includes but is not limited to General Managers, Division Managers, Business Unit Managers and directors of subsidiary companies.

**Managing Director** means the Managing Director of Cardno Limited.

**Policy Document** means the document restricting the times and circumstances in which Directors, Executive Officers and Employees may buy or sell Securities in the Company.

**Securities** includes Shares, Convertible Notes and options of Cardno Limited and financial products issued or created over and/or Convertible Notes by third parties as well as structured financial products, swaps, futures contracts, contracts for difference, spread bets, options, warrants, depositary receipts or other derivatives over, or related to the performance of, Shares and/or Convertible Notes.

**Shares** mean ordinary shares of Cardno Limited.