

Modern Slavery Statement

2024

About this statement

This statement discloses the actions taken by ADG to address the risks of modern slavery, forced labour and human trafficking in our business and value chain for the 2024 financial year.

This statement is prepared to comply with the requirements of the Australian *Modern Slavery Act 2018* (Cth).

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Message from the

CHIEF EXECUTIVE OFFICER



This is ADG's third Modern Slavery Statement, which sets out the actions we are taking to address modern slavery risks across our business.

Modern slavery is a complex global challenge, often embedded in social and economic systems to which we are committed to playing our role in combatting modern slavery across our supply chain.

ADG takes a risk-based approach to identifying and addressing risks of modern slavery, prioritising areas of greatest influence.

Following the publication of the Government's review of the *Modern Slavery Act 2018* (Cth) in 2023, ADG expects to continue to evolve its approach over time and is committed to social causes such as this.



Tony Edmondstone

Chief Executive Officer, ADG.

About us

Darwin-based Airport Development Group (ADG) owns and manages diverse infrastructure assets across the Northern Territory including airports, hotels, aviation and commercial buildings and has ambitious plans to expand into Western Australia and Queensland.

As part of Australia's airport privatisation program, ADG acquired leases from the Australian Government for three major Northern Territory airports—Darwin International Airport, Alice Springs Airport and Tennant Creek Airport—in June 1998. Each lease is for 50 years, with an option of a further 49-year lease.

ADG owns and operates these airports, has a significant investment portfolio across hotels, property and utilities, and will continue to invest in major infrastructure projects across the Northern Territory to improve the lives of all Territorians.

ADG is owned by Australian fund managers IFM Investors and Palisade Investment Partners.

ADG Modern Slavery Statement 2024

For the purposes of the *Modern Slavery Act 2018* (Cth) (Modern Slavery Act), the reporting entities covered by this statement are identified under our structure (Page 7) and the assessment of modern slavery risk, and the actions taken to address those risks, is applicable to ADG and the entities it owns and controls.

During the reporting period, ADG engaged and consulted with entities we own or control. We detailed our current program of modern slavery, our Modern Slavery Roadmap, as well as our expectations for alignment and compliance. We also confirmed details of the current reporting requirements in the Modern Slavery Act.

ADG'S Key Actions

2024

Development of ADG's first Modern Slavery Policy

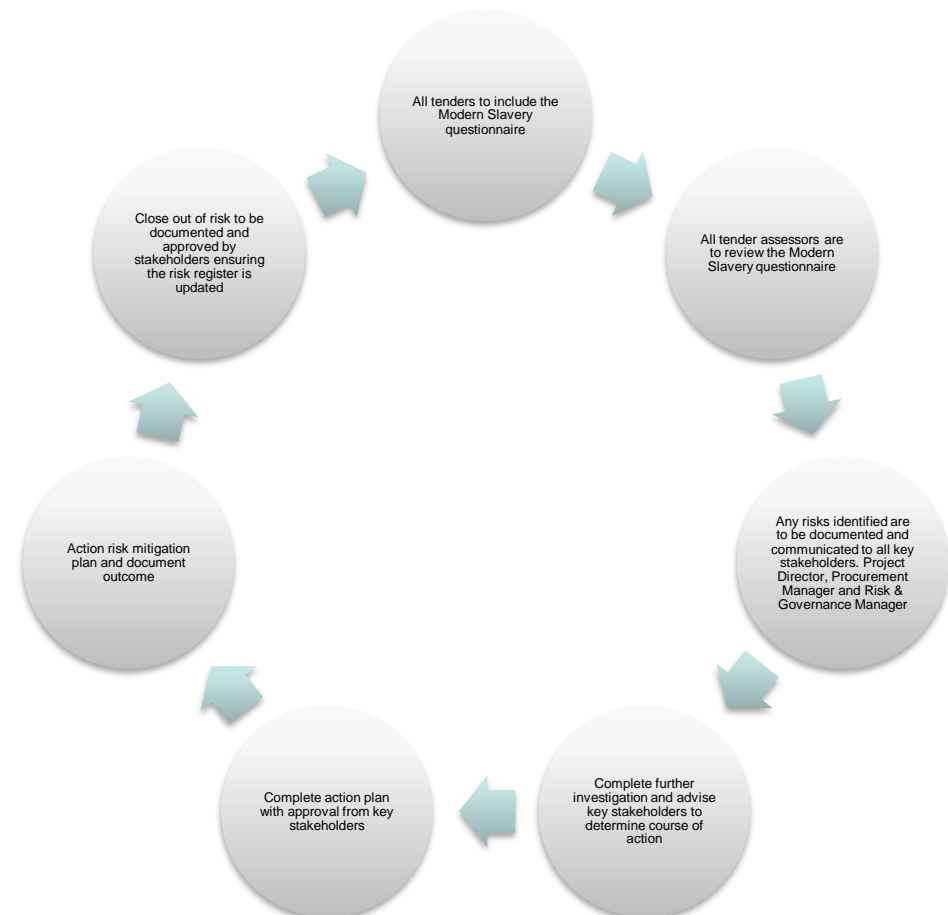
- The policy has been drafted and currently under review. The draft is due for release early 2025.

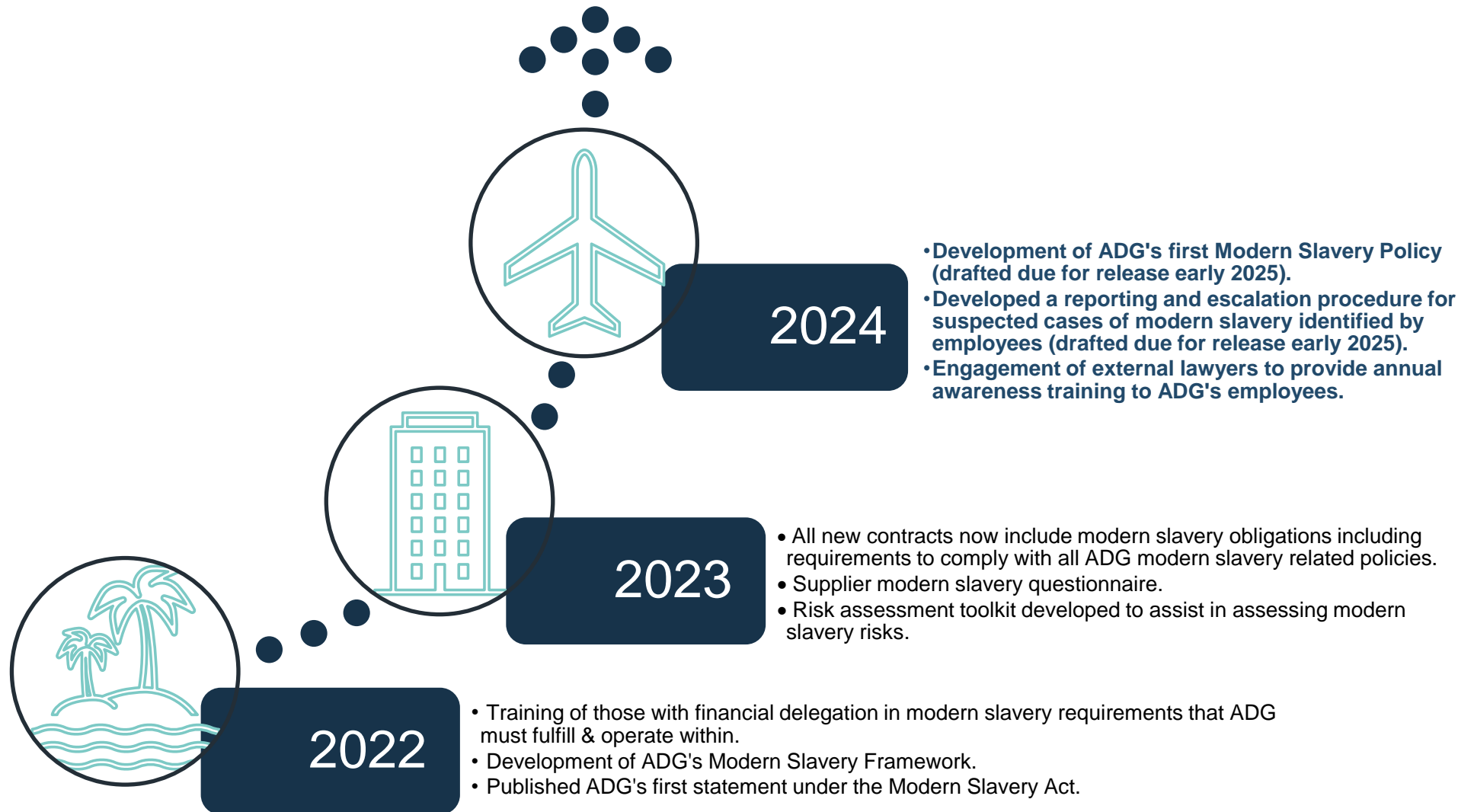
Engagement of external lawyers to provide annual awareness training to ADG's employees.

- The annual awareness training to ADG's employees covers a range of topics which include but are not limited to:
 - What is the Modern Slavery Act, ADG Modern Slavery Statement, Modern Slavery definition, Commitment made under ADG's Statement, Compliance, ADG's Modern Slavery Roadmap, Procurement requirements, identifying high risk, suppliers and assessing the risk.

Developed a reporting and escalation procedure for suspected cases of modern slavery identified by employees


The procedure has been drafted in conjunction with the policy and is currently pending approval.





Our Structure, operations and supply chain

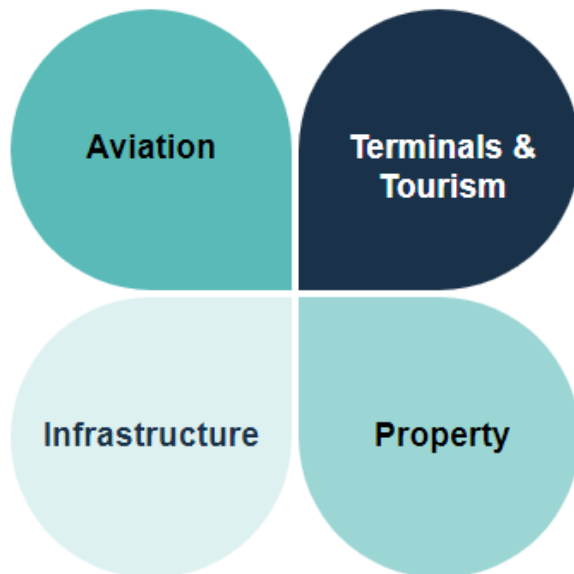
Corporate Structure

 <p>owns 77.4% of ADG</p> <p>IFM is a global fund manager owned by 17 Australian industry superannuation funds and as at 30 June 2024 had \$218 billion in funds under management.</p> <p>The ADG investment is held in the IFM Australian Infrastructure Fund, invested on behalf of institutional investors, predominantly Australian superannuation funds, representing more than nine million Australian members.</p>	 <p>owns 22.6% of ADG</p> <p>Palisade is a specialist, independent infrastructure manager that provides institutional and wholesale investors with access to infrastructure projects through tailored portfolios and co-mingled funds.</p> <p>Palisade’s multi-disciplinary and experienced team focuses on attractive mid-market assets that are essential to the efficient functioning of the communities and economies they serve.</p>	
<p align="center">Airport Development Group Pty Ltd is the ultimate holding company with the six entities highlighted below at its core.</p>		
<p align="center">Darwin Airport Resort Asset Company Pty Ltd</p> <p>is the entity that holds the land and improvements on which the Novotel Darwin Airport Hotel and Mercure Darwin Airport Resort operate</p>	<p align="center">Tennant Creek Airport Pty Ltd</p> <p>is the entity that occupies and operates the Tennant Creek Airport.</p>	<p align="center">Northern Territory Airports Pty Ltd</p> <p>is the entity responsible for employment of all ADG staff.</p>
<p align="center">Darwin Airport Resort Operating Company Pty Ltd</p> <p>is the entity that operates the Novotel Darwin Airport Hotel and Mercure Darwin Airport Resort.</p>	<p align="center">Darwin International Airport Pty Ltd</p> <p>is the entity that occupies and operates the Darwin International Airport.</p>	<p align="center">Alice Springs Airport Pty Ltd</p> <p>is the entity that occupies and operates the Alice Springs Airport.</p>

Operations

ADG is a Northern Territory based private company, established more than two decades ago. ADG owns and operates strategic and diverse assets across the Northern Territory, including major airports, hotels and resorts, utilities, and a significant property portfolio.

Airport Development Group



Aviation

- Darwin International Airport
- Alice Springs Airport
- Tennant Creek Airport



Tourism

- Darwin Airport Mercure, Novotel and Ibis Hotels
- Darwin & Alice Springs Airport Terminals (F&B, retail, car transport)
- Digital and non-digital tourism assets



Infrastructure

- 10MW renewable energy portfolio with expansion plans
- Electricity, road, water and sewer networks across Darwin, Alice Springs & Tennant Creek Airports

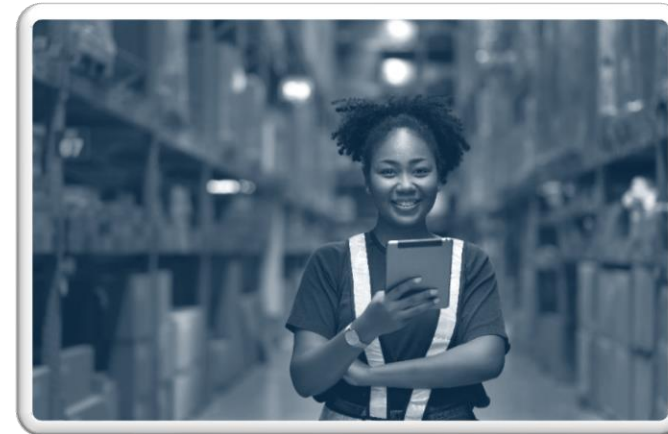







Property

- ~\$500m property portfolio across the Northern Territory

Supply chain

ADG has a global supply chain with a variety of different local, national and international suppliers across various industry sectors including aviation, construction, consultants, cleaning, energy and utilities, financial, hospitality supplies, information communication technology, office supplies, property and security. The majority of ADG’s suppliers are based locally with a “buy-local” focus being a core element of ADG’s business.



				
<p>ADG has 143 full-time employees and many other contractors providing key airport services</p>	<p>ADG generates direct and indirect jobs for 1,600 Territorians.</p>	<p>Through its shareholders, ADG directly contributes to the retirement savings of approximately 75,000 Territorians via their superannuation funds.</p>	<p>Collectively approximately 2 million passengers travel through the three airports each year</p>	<p>Injecting an average of \$270 million into the Northern Territory economy annually</p>

Our actions to address risks

What we do

Prior to entering into any contract, ADG completes an assessment to identify any potential risks of modern slavery utilising:

- supplier modern slavery questionnaires and
- a risk assessment toolkit to assist in assessing modern slavery risks.

What we ask our suppliers to do

ADG is active in ensuring that the risk of modern slavery is mitigated in its supply chain by integrating the following conditions into supply contracts to ensure that suppliers are in strict compliance with the Modern Slavery Act:

- The supplier must not permit any acts of modern slavery in its operations or supply chains.
- Modern slavery is defined in the supply contracts as *trafficking in persons; slavery; servitude; forced marriage; forced labour; debt bondage; deceptive recruiting for labour or services; or the worst forms of child labour (meaning situations where children are subjected to slavery or similar practices or engaged in hazardous work)*.
- The supplier must warrant that:
 - it is not aware of the existence of modern slavery in its own operations or its supply chain.
 - it has in place appropriate policies and procedures to assess and address risks of modern slavery in its operations and supply chain; and
 - it has not previously been investigated in relation to or received complaints about modern slavery in its operations or supply chain.

Incident reporting and remediation

- The supplier must notify ADG immediately upon becoming aware of or having reason to suspect the existence of modern slavery in its own operations or its supply chain.
- The supplier must comply with ADG's policies in place at all times relating to modern slavery and human rights as directed by ADG.
- The supplier must, if directed by ADG, take reasonable steps to ensure that its suppliers comply with any of ADG's policies.
- ADG may terminate a supply contract immediately by providing notice in writing to the supplier if ADG has reason to believe that modern slavery is occurring or has previously occurred in the supplier's operations or supply chain.

Potential risk areas

Identifying risks

To assist in identifying potential risks ADG draws on:

- Local knowledge and intelligence.
- Feedback from our contractors via questionnaires; and
- Country and regional information and reports produced by regulatory bodies such as but not limited to Global Compact Network Australia.

Assessing risks





ADG's business units will conduct:


- A risk assessment for each, supply contract entered into by ADG or its subsidiaries. These risk assessments are tailored to the risk that each supply contract presents and likelihood of modern slavery being present within the supplier's operations or supply chain.
- Based on the risk level an action plan is defined; and
- In circumstances where ADG considers there to be heightened risk of modern slavery, a copy of the risk assessment (including risk matrix) will be provided to ADG's Board for consideration and subsequent action plan for approval.



Our biggest risks

ADG recognises that mitigating modern slavery risks within its operation and supply chain is an ongoing task and requires constant attention and has identified the following modern slavery risk areas in its operations and supply chains, as its biggest risks as well as several priority actions to manage them:

	Business Activity	Risk Area	Description and Mitigants
	Operations (personnel and services)	Employees and contractor services	<ul style="list-style-type: none"> 95% of ADG employees are employed in permanent roles and are engaged directly or under collective bargaining ADG ensures compliance with all health and safety legislation. We provide a workplace free from bullying and harassment and discrimination. ADG is a values-based organisation that acts ethically and lawfully
	Operations (goods)	Procurement of PPE, uniforms, promotional items, IT equipment, furniture	<ul style="list-style-type: none"> ADG may source goods from both domestic and higher risk geographies Modern slavery risks associated with these products include child labour, forced labour and debt bondage Continued monitoring of procurement of IT equipment to observe compliance with modern slavery requirements is ongoing
	Aviation	Human trafficking	<ul style="list-style-type: none"> There is risk that ADG is potentially unknowingly used by criminals to facilitate human trafficking or forced marriage ADG works closely with the Australian Federal Police and Australian Border Force to support their work on stopping criminal activities in human trafficking
	Energy	Procurement of batteries for power storage	<ul style="list-style-type: none"> ADG is currently assessing the procurement of batteries to support our PV panels Modern slavery risks associated with these products include child labour, forced labour and debt bondage Modern slavery risk assessment exercises will be conducted in line with ADG's processes during the procurement of these goods

	Construction	Construction/development of assets	<ul style="list-style-type: none"> • ADG recognises that there may be instances in which we are indirectly exposed to modern slavery practices from within our supply chains specifically when our direct supply chain is sub-contracting part of the works • RFT documentation has been developed to incorporate an assessment of supplier risk and exposure to modern slavery
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Assessing the effectiveness of our actions

Modern Slavery is a significant global challenge for business and society in general and ADG is committed to developing an action plan and to continually revise and mature the plan and our approach. The action plan is targeted for adoption in FY25. This will include measuring the effectiveness of our actions and activities in the following ways:

- Monitoring and actioning any cases reported through our Whistleblower Policy.
- Training and awareness raising are key controls in preventing and managing modern slavery risks. We have delivered tailored training and awareness sessions to employees in key roles and have uplifted this training to build the capability of our employees to identify, manage and report potential modern slavery risks and red flags across our operations and value chains.

During the reporting period, no instances of modern slavery or labour rights concerns were reported through our internal or external whistleblower and grievance mechanisms.

Mitigation, Governance & Tools

Modern Slavery Mitigation

ADG seeks to mitigate the risk of modern slavery being present within its operations and supply chain as ADG will not tolerate modern slavery and will take allegations of slavery and human trafficking seriously. By developing and implementing this framework, ADG will set out a rigorous set of guidelines for its business and suppliers to operate within and will continue to actively encourage and require:

- individuals and employees to report modern slavery to ADG immediately upon becoming aware of, or have reason to suspect, the existence of modern slavery in ADG's business or supply chains. This is supported by ADG's engagement of **Your Call** to allow individuals to make anonymous disclosures; and
- suppliers to:
 - notify ADG immediately upon becoming aware of, or having reason to suspect, the existence of modern slavery in their operations or supply chain;
 - carry out investigations into their own supply chains to ensure modern slavery is not present; and
 - have in place appropriate policies and procedures to assess and address risks of modern slavery in their operations and supply chain.

ADG reserves the right to terminate a supply contract immediately by providing notice in writing to the supplier if ADG has reason to believe that modern slavery is occurring or has previously occurred in the supplier's operations or supply chain. To date, ADG has not been required to terminate a supply contract on the basis that modern slavery was discovered or suspected.

Actions to Assess and Address Compliance

Under ADG's supply contracts, ADG will have the right to request a Modern Slavery Statement from the supplier and at any time audit the supplier for compliance with the Modern Slavery Act. As stated above, ADG will have the right to terminate a supply contract immediately by providing notice in writing to the supplier if ADG has any reason to believe that modern slavery is occurring or has previously occurred in the supplier's operations or supply chain.

In addition to the whistleblower policy below, ADG encourages consultation with employees and suppliers by providing access through ADG Airports Intranet and at www.adgnt.com.au to a survey document which provides individuals with an opportunity to articulate ways in which the ADG or its suppliers could improve their compliance with the Modern Slavery Act and an additional avenue to report issues or possible occurrences of human trafficking or slavery.

Modern Slavery Policy (currently in development)

This policy will aim to set out the programs, processes and tools we have in place to ensure compliance with the Modern Slavery Act. It will also provide a consistent framework to effectively manage our ongoing modern slavery risks and enhance our management team's awareness and understanding of modern slavery risks.

Whistleblower Policy

The purpose of this policy is to maintain honesty and integrity by developing a whistleblowing culture which encourages individuals to:

- report misconduct or impropriety of which they become aware;
- deter misconduct or impropriety; and
- provide a transparent process on how reports by eligible whistleblowers will be handled promptly and appropriately.






The policy applies to officers, employees, contractors and employees of contractors (**Whistleblowers**). ADG has engaged **Your Call** to act as an independent intermediary for reporting of misconduct or impropriety and has been active in promoting this resource to Whistleblowers to ensure that honest and integrity underpins ADG's culture.

Governance

The Risk and Governance Manager in conjunction with third party auditors may conduct audits pertaining to ethics and modern slavery, to better anticipate associated opportunities, challenges and risks, and will therefore provide:

- issue recommendations on changes to our modern slavery framework as required;
- improvements to processes; debate any issues related to managerial ethics or the conducting of business or any conflicts of interest;
- analyse any shortcomings and introduce specific additional controls if needed; and
- assess financial and accounting procedures to prevent and identify possible fraud situations.

Future focus

				
<p>Training and Awareness</p>	<p>Engagement with third parties</p>	<p>System tools</p>	<p>Continuous Improvement</p>	<p>Third Party Audit</p>
<p>Training has and continues to be completed on an annual basis for all staff members who hold a financial delegation or a deemed to influence purchasing decisions within ADG.</p>	<p>Engage with legal professionals to provide advice on modern slavery requirements and changes from the statutory review of the Modern Slavery Act.</p>	<p>Update/reconfiguration of system tools to incorporate more detailed capture of data pertaining to modern slavery.</p>	<p>Continuous improvement of processes, taking into consideration: changing operating conditions new laws and regulations, and stakeholder research.</p>	<p>To evaluate governance arrangements and management activities (processes and controls) over ADG's modern slavery supply chain risk management activities.</p>

APPROVAL

This Modern Slavery Statement has been approved by the Directors of Airport Development Group Pty Ltd. This statement is made pursuant to section 13(1) of the Modern Slavery Act 2018 (Cth) for the year ended 30 June 2024 and was approved by the Board of the reporting entities on Wednesday, 4th December 2024.



Michael Mrdak – Chairperson of the Airport Development Group Pty Limited