



MODERN SLAVERY

Statement FY 2023

This Statement outlines ADG's commitment to reduce modern slavery risks in its supply chain and operations from 01 July 2022 to 30 June 2023.

MESSAGE FROM THE CEO

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

As a proud Territory business, ADG contributes to the retirement funds of approximately 70,000 Territorians via its ownership through Australian investment managers IFM Investors (77.4%) and Palisade Investment Partners Limited (22.6%).

As a local business and major employer, ADG is uniquely placed to partner with Federal and Northern Territory Governments and other private businesses to deliver projects that will benefit the Territory economy and improve the lifestyles of Territorians.



Tony Edmonstone
Chief Executive Officer, ADG

ACHIEVED GOALS IN FY 2023

- ✓ Ongoing training of our corporate team notable those with financial delegation in Modern Slavery Requirements that ADG must fulfill & operate within.
- ✓ Appointment of a Procurement Manager.
- ✓ All new contracts now include modern slavery obligations including requirements to comply with all ADG modern slavery related policies.
- ✓ Supplier modern slavery questionnaire.
- ✓ Risk assessment toolkit developed to assist in assessing modern slavery risks.
- ✓ Assessment of potential high-risk areas within ADG's supply chain in relation to Modern Slavery.

ADG has airport management at its core and is focused on investing in utility and energy assets, and tourism infrastructure that will benefit Territorians economically and socially.



OUR STRUCTURE AND OPERATIONS

Where we operate



Airport Development Group Pty Limited is the ultimate holding company of the group. Following are the key functions of the group.

Airport Development Group

- Owns and operates a diverse asset portfolio across airports, hotels, property and utilities;
- ADG has been a major contributor to the NT for over two decades:
 - injecting an average of \$270 million into the Territory economy annually;
 - with business partners, employing over 1,800 Territorians;
 - with airline partners, handling over 2.7 million passengers across all Airports it operates annually;
 - sponsor and supporter of community and business events, and festivals.

Renewable Energy

- 21% of DIA's energy needs were sourced by Solar in FY23
- 39% of ASA's energy were sourced by Solar in FY23
- TCA has its own solar power system.

Darwin Airport Resort Asset Company Pty Ltd is the entity that holds the land and improvements on which the Novotel Darwin Airport Hotel and Mercure Darwin Airport Resort operate.

Darwin Airport Resort Operating Company Pty Ltd (and holding company ADGI Pty Ltd) is the entity that operates the Novotel Darwin Airport Hotel and Mercure Darwin Airport Resort.

Novotel Darwin Airport Hotel and Mercure Darwin Airport Resort (Hotels)

- The properties offer a total 424 rooms just 250 metres from the Darwin International Airport Terminal;
- ADG has developed plans to transform the Hotels into a distinct world class tropical resort, with exceptional accommodation, lagoon pools, and extensive gardens that reflect Indigenous culture and history;
- 14 of the 42 villas located at the Mercure Darwin Airport Resort have been transformed through progressive renovations into tropical villas which showcase local producers and culture.

Alice Springs Airport Pty Limited is the entity that occupies and operates the Alice Springs Airport.

Alice Springs Airport (ASA)

- Set on 3,550 hectares, 15 kilometres from Alice Springs CBD;
- Multiple terminal retailers across food and beverage, souvenirs and newsagent;
- Includes aviation charter, aircraft engineering, stratospheric research, and commercial aircraft storage;
- An essential base for the Royal Flying Doctor Service to provide primary health care for Central Australia;
- Has multiple advertising screens and more than 300 car parking spaces;
- The site contains native Coolabah trees that are over 300 years old with more than 30 reptile species and over 70 native bird species.

Darwin International Airport Pty Limited is the entity that occupies and operates the Darwin International Airport.

Darwin International Airport (DIA)

- Set on 311 hectares, 13 kilometres from Darwin CBD;
- Has a unique joint user arrangement with RAAF Darwin – operating 24 hours a day, 7 days a week;
- Multiple terminal retailers – food and beverage, souvenirs and newsagent;
- Has over 75 tenants within the airport precinct in business, entertainment, aeromedical and general aviation precincts, including Bunnings, Freight and Cold Storage Facility, National Critical Care and Trauma Response Centre;
- Includes multiple advertising screens and 2,300 car parking spaces;
- Manages the adjacent Rapid Creek Reserve, an important natural community asset and home to diverse and rare native flora and fauna species.

Tennant Creek Airport Pty Limited is the entity that occupies and operates the Tennant Creek Airport.

Tennant Creek Airport (TCA)

- Set on 323 hectares, 1 kilometre from the Tennant Creek township;
- Royal Flying Doctor Service operate 24/7 from the Airport.

OUR 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 a core element of ADG's business.

The fundamental key to be able to successfully manage our risk is knowing what, where and how big the risks are. To assist with this ADG relies on several tools and resources to provide the facts we need.

What we ask our supplier to do

ADG is active in ensuring that the risk of modern slavery is mitigated from its supply chain through integrating the following conditions into supply contracts to ensure that suppliers are in strict compliance with the *Modern Slavery Act 2018* (Cth):

- 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.
- The supplier must notify ADG immediately upon becoming aware of or have 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.

IDENTIFYING RISKS

To assist us in identifying potential risks ADG draws on:

- Local knowledge and intelligence;
- Feedback from our contractor's via questionnaire's;
- 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;
- 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 has identified the following modern slavery risk areas in its operations and supply chains, as our biggest risks as well as several priority actions to manage these:

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• Planned review of IT equipment FY24 to observe compliance with Modern Slavery requirements to be conducted, and documented.

Aviation	Human trafficking	<ul style="list-style-type: none"> • There is risk that ADG is used by criminals to facilitate human trafficking or forced marriage • ADG works closely with the Australian Federal Police and Border Force to support their work on stopping criminal activities in human trafficking.
Energy	Procurement of equipment including PV panels	<ul style="list-style-type: none"> • ADG's PV panels are typically manufactured offshore • Modern slavery risks associated with these products include child labour, forced labour and debt bondage • The use of offshore PV panels was highlighted during the modern slavery risk assessment exercise.

POLICIES, TOOLS AND GOVERNANCE

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 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 in ADG's business or supply chains. This is supported by ADG's engagement of **Your Call** to allow individuals to make anonymous disclosures;
- suppliers to:
 - notify ADG immediately upon becoming aware of, or have 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 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 consultations 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 2018* (Cth) and an additional avenue to report issues or possible occurrences of human trafficking or slavery.

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 that 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 will conduct regular audits pertaining to ethics and modern slavery, in order 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.
- Assess financial and accounting procedures to prevent and identify possible fraud situations.

TRAINING AND AWARENESS

Training has and continues to be completed on an annual basis for all staff members who hold financial delegation or a deemed to influence purchasing decisions within ADG.

Suitable legal professionals provide the training with detailed knowledge of the modern slavery requirements that ADG are required to comply with.

The training materials are available to all staff members for further and ongoing education.

APPROVAL

Approved by the Airport Development Group Pty Limited's Board on Wednesday 6th December 2023.



Michael Mrdak – Chairperson of the Airport Development Group Pty Limited