

Modern Slavery Statement.



Financial Year 2023-24







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1. Overview

This Statement is made by CDC Group Holdings Pty Ltd and its associated reporting entities (together, CDC, us, our) in accordance with sections 14 and 16 of the *Modern Slavery Act 2018 (Cth)* (**Modern Slavery Act**) for the reporting period 1 April 2023 to 31 March 2024.

This Statement provides information about our business operations and our plans to identify, monitor, manage and reduce human rights and modern slavery risks in our business operations and supply chains.

FY24 Highlights

Supplier Code of Conduct		Reviewed and matured our Supplier Code of Conduct
Know Your Supplier		Promoted and uplifted “Know Your Supplier” due diligence processes to improve supplier governance including risk assessments
Fair Supply		Commenced subscription with Fair Supply to <ul style="list-style-type: none">• enhance supply chain visibility;• undertake risk analysis across our supply chain and obtain data metrics; and• provide point in time reporting to the business, to increase awareness and more effectively manage modern slavery risks.
Commercial Team		Established a commercial team to strengthen our procurement and supply chain management capabilities.

2. About CDC

Since being established in Canberra in 2007 with a vision to be a “clean and green” data centre provider, CDC has grown with that commitment at its core to become a leading owner, developer and operator of large-scale, highly secure and sovereign, data centres across Australia and New Zealand.

We are focused on meeting the needs of government and critical infrastructure organisations and their technology partners that require world-class data centre services, including 100 per cent availability, multi-redundancy, security, sovereignty, connectivity and sustainability.

We aim to be the best and safest place to work, and we adopt best practice governance and procedures to manage safe and secure operations, to make decisions, comply with the law and meet the needs of stakeholders. We continue to review our policies and processes to help us identify, monitor, manage and reduce human rights and modern slavery risks in our business operations and supply chains.

We will continue to build greater awareness of this issue within our organisation and supply chain through training and awareness campaigns, increased engagement and collaboration with suppliers, as well as fostering a culture where speaking up is encouraged if something does not seem right.

It is with this purpose, vision, and with these values, that CDC embraces its responsibility to identify and mitigate modern slavery risks in CDC business operations and in its supply chains.

3. Our Structure

CDC Group Holdings Pty Ltd is the parent company of CDC. CDC Data Centres Pty Ltd is our main Australian operating entity. CDC Data Centres NZ Limited is our operating entity in New Zealand.

The CDC Group reporting entities comprise the following Australian entities:

- CDC Group Holdings Pty Ltd (parent company)
- CDC Data Centres Pty Ltd (Australian operating entity)
- Ambient HoldCo Pty Ltd
- Ambient BidCo Pty Ltd
- CDC Business Services Pty Ltd
- CDC Data Centre Holdings Pty Ltd

The CDC Group Board has ultimate responsibility for overseeing the management of human rights and modern slavery risks. The Board is supported by the Audit and Risk Committee and the Senior Leadership Team.

4. Our Business Operations and Workforce

CDC provide data centre solutions for public and private sector organisations headquartered domestically and internationally. CDC builds, owns, operates, and maintains secure state-of-the-art data centre campuses in Sydney, Melbourne and Canberra in Australia, and in Auckland, New Zealand.

Our corporate head office is located in Canberra, ACT. We also have offices in Sydney, Melbourne and Auckland.

As at the date of this report, CDC employs approximately 271 staff in Australia and 46 staff in New Zealand. The majority of employees are highly skilled and tertiary educated professionals and are employed on a full-time permanent basis. Our staff work across the following locations:

- 137 staff working from our facilities and corporate headquarters in Canberra
- 80 staff working from our facilities and offices in NSW
- 36 staff working from our facilities and offices in Victoria
- 5 staff working to support a key customer contract, with 1 staff located in each of Brisbane, Townsville, Perth, Darwin and Adelaide.
- 45 staff working from our facilities and offices in Auckland
- 13 staff working remotely in Australia and 1 in New Zealand

Our data centre facilities and offices are owned and operated by CDC. In addition, CDC leases office premises in Sydney, Melbourne, and Canberra.

5. Our Supply Chains

The development, construction and operation of data centre facilities requires an extensive network of suppliers and contractors, including professional service firms, maintenance service providers, equipment manufacturers, engineers, designers, construction contractors and information technology providers.

CDC takes its responsibility to assess and address the risks of modern slavery practices within its supply chains very seriously. In doing so, CDC has a zero-tolerance stance toward the use of forced or involuntary labour, child labour, unreasonable working hours, denial of fair wages or benefits, discrimination, harassment, denial of freedom of association or hazardous working conditions.

CDC's Supplier Code of Conduct promotes a robust supply chain committed to modern slavery risk mitigation practices. Shared acceptance of ethical business practices and values is a critical component for ensuring that members of the CDC supply chain conduct themselves with integrity, are trustworthy and meet the high expectations of our stakeholders.

Our supply chain networks serve the following key areas of our business:

Facility management

CDC manages its data centre facilities with caretakers who are permanent employees. Subcontractors are engaged by CDC to provide security, maintenance and cleaning of our data centre facilities and our owned and operated office facilities in Australia and New Zealand. Facility management (including security, cleaning and waste removal) for the 2 leased office premises in Australia is provided through the building owner.

Professional services

CDC engages a range of specialists to provide professional services including funding and financial services, financial and quality auditing, legal, accounting and taxation advice, and other such services.

Design, construction and commissioning of data centres

As CDC expands the number and location of its data centres across Australia and New Zealand, we engage a range of suppliers to support the development of these new centres, including the sourcing of materials. A range of engineering and design consultants, contractors and equipment suppliers are engaged by CDC to support the build, fitout and commissioning process. As part of the construction activities, our construction suppliers are required to source building materials, electrical equipment as well as provide labour hire.

Travel, hospitality, and accommodation

CDC procures travel, accommodation, and flights for its staff when they are required to travel for work. Work travel is predominantly within Australia and New Zealand.

Information Technology equipment

CDC procures a range of information technology equipment, such as laptops for staff. We procure this equipment from suppliers and resellers based in Australia.

Supply of fuel for generators at data centres

CDC purchases petroleum as a retail buyer to provide diesel reserves for generators to operate as backup power. CDC require that its suppliers and service providers are appropriately managing their own exposure to modern slavery risks, including by being required to comply with CDC's Supplier Code of Conduct.

Approximately 98% of what we spend directly is with suppliers based in lower-risk countries, predominantly Australia. Many of our internationally headquartered suppliers have either Australian or New Zealand based subsidiaries with whom CDC engages directly. As a result, a high percentage of our direct spend is within Australia and New Zealand only. However, we recognise that many of these suppliers have expansive overseas operations, sometimes in higher risk countries.

CDC has adopted a risk-based approach to its supplier analysis, and has identified its top 150 suppliers in Australia and its top 50 suppliers in New Zealand for more detailed assessment.

For both markets, this top supplier category captures those with whom we have greater than \$80,000 per annum in spend, and who are deemed to operate in industries which may present a higher modern slavery risk.

Of the top 150 suppliers in Australia:

- 69.1% of spend is with 10 suppliers;
- 73.6% of spend is with suppliers in the construction, plant, equipment and raw materials sectors; and
- 0.25% of spend is in the petroleum sector, which presents the highest risk category.

For New Zealand of the top 50 suppliers:

- 76.4% of spend is with 10 suppliers;
- 86.7% of spend is with suppliers in the construction, plant, equipment and raw materials sectors; and
- 6.3% of spend is in the natural gas and hydro electricity sector.

The risk of people in forced labour in CDC's supply chain is assessed to be very low.

6. Risks of modern slavery in business operations and supply chains

6.1. Modern slavery risks in CDC business operations

We have assessed the risk of modern slavery within our business operations to currently be low, given the robust labour law and high standards of governance in Australia and New Zealand. CDC employs staff in Australia and New Zealand and complies with the comprehensive employment legal regimes in both jurisdictions.

Our Code of Conduct requires staff to comply with the letter and also the spirit of the law. Our business leaders manage their teams in alignment with the CDC core values.

CDC's recruitment practices seek to ensure:

- all recruitment decisions are in line with the CDC values;
- recruitment and selection practices are fair and equitable;
- all recruitment process are aligned with diversity and inclusion principles.

As an inclusive employer promoting and valuing diversity within our workforce, we respect and support the human rights of our employees and job candidates. To enable our leaders to build a more diverse and inclusive workplace, we have recruitment procedures to support diverse candidates.

CDC's direct employees are engaged to ensure compliance with all local laws as a minimum and core employment conditions such as minimum wages, hours of work, leave entitlements and superannuation. CDC employees receive training on CDC's governance policy framework, including annual Code of Conduct training. This supports a culture of full legal compliance. CDC also provides a whistleblower hotline, so that staff are able to raise complaints and concerns anonymously.

6.2. Modern Slavery risks in supply chains

In FY24, following the Modern Slavery Action Plan developed in FY23, CDC undertook modern slavery risk mapping which identified the key risk categories in our supply chains. We have identified the following key modern slavery risks for our supply chains, and these continue to be reviewed and updated:

Equipment suppliers and manufacturers

We have assessed the risk of modern slavery in this sector to be moderate low in Australia and New Zealand. Most of the electrical and mechanical equipment suppliers that CDC engage are Australian owned entities, while a number are global companies. Specialised goods and materials are imported from overseas markets, and it can be difficult to investigate the origins of the materials or the manufacturing process without contractor cooperation.

Professional services engaged by CDC

We have assessed the risk of modern slavery in this sector to be very low in Australia and New Zealand, due to the nature of the highly skilled and tertiary educated workforce and the location of our professional advisors in Australia and New Zealand (both countries with strong labour laws).

Design, construction and fitout and maintenance services of data centres

We have assessed the risk of modern slavery in this sector to be low in Australia and New Zealand. CDC engages local suppliers and contractors directly in Australia and New Zealand with local workforces protected by strong labour laws. However, some building materials sourced by our suppliers will originate from supply chains overseas, with many goods featuring multiple components derived from various sources. There is a risk in respect of building materials, plant and equipment sourced from overseas using low-skilled and low-wage labour at times using potentially vulnerable workforce eg. migrant workers and visa holders.

Travel, hospitality, and accommodation

Most of CDC's travel supply chain is confined to Australia and New Zealand, both countries with strong labour laws. As such so we consider the risks of modern slavery in this sector to be low given our scope of use. However, we are conscious that certain providers in the travel industry, namely airlines, operate complex global networks in multiple industries to run their businesses.

Information technology equipment and services

We have assessed the risk of modern slavery in this sector to be very low in Australia and New Zealand. CDC procures most of its information technology equipment and services from suppliers domiciled in Australia and New Zealand, Singapore, the USA and Israel. However, suppliers may source information technology products and components using overseas supply chains produced by low-skilled and low-wage labour, at times by potentially vulnerable workers in high-risk countries. We acknowledge there may be a risk of modern slavery when equipment originates from supply chain networks in overseas markets which we will actively monitor and undertake risk assessments.

Supply of fuel

CDC operates data centres for critical infrastructure by ensuring optimal availability. Redundancy is facilitated through many aspects in design, and also via back-up power sources such as generators. CDC purchases fuel and LNG for its emergency generators, and its small fleet of operational vehicles including several cars, utilities and forklifts. We have assessed the level of risk in this category to be low in Australia and New Zealand. CDC has retail supply agreements in place with several distributors and in New Zealand hydro and gas power sources are used.

The petroleum industry is one of the largest and most influential sectors in the global economy, but it also faces significant challenges in ensuring ethical and sustainable practices in its supply chains. Modern slavery has historically been prevalent in various stages of the oil and gas production process, and as a result there has been significant focus on this industry sector to lead initiatives in combating modern slavery. Some of the factors that contribute to the risk of modern slavery in the petroleum industry are the high demand for cheap and reliable energy, political instability and corruption in some of the producing countries, and the environmental and social impacts of the industry on local communities. Leading petroleum companies have adopted various, well publicised measures to combat modern slavery, such as:

- conducting human rights due diligence;
- implementing codes of conduct and supplier standards;
- engaging with stakeholders in local communities where extraction and refinery activities occur;
- supporting initiatives and programs that promote workers' rights and welfare; and
- publicly reporting on their progress and challenges.

7. Governance of modern slavery risks

CDC is committed to robust corporate governance, transparency and accountability. This is essential for the long-term performance and sustainability of our company and to protect and enhance the interests of our shareholders and other stakeholders.

CDC takes a multi-faceted approach to identifying and mitigating risks of modern slavery in our supply chains, including through our governance framework, our supplier engagement framework, our vendor management program, our assurance and risk management frameworks, and through continuous improvement initiatives.

As our business grows and matures, it is timely that our Enterprise Risk Management Framework is undergoing a refresh to support the business' growth. The identification, management and reporting of risks and risk mitigation strategies across the business is a key component of identifying and mitigating modern slavery risks.

7.1 Governance framework

Robust corporate governance is an important foundation to effective modern slavery risk identification and management. Our governance policy framework includes:

- CDC Code of Conduct
- Supplier Code of Conduct
- Supplier Engagement Policy
- Whistleblower Policy [Whistleblower Policy | CDC](#)
- Fraud and Corruption Control Plan
- Environment and Social Governance (ESG) Statement of Commitment [Sustainability. Secured | CDC Data Centres](#)

Key governance responsibilities are outlined in the table below.

Key Governance Responsibilities	
Leadership level	Responsibilities
Board	Strategic business planning, risk governance planning and strategic oversight, setting corporate values and aligning decision making with these values.
Audit and Risk Committee	Detailed risk and governance oversight
Senior Leadership team	Day to day management of the business. Responsible for ensuring staff follow governance processes and frameworks, implement corporate direction and role model corporate values.

7.2. Governance of modern slavery

Code of Conduct

CDC's values and our Code of Conduct set the behavioural standard for everyone who works for and behalf of CDC. It explains what we stand for and informs how we will conduct ourselves as we work together to deliver our strategy. It helps us take a consistent, global approach to important ethical and compliance issues, including respecting human rights and preventing modern slavery. Our Code of Conduct applies to all directors, employees and contractors in the CDC Group. It is communicated to these individuals as part of the onboarding process, it is available on our intranet and website and forms the basis of our Code of Conduct annual training.

Our Code of Conduct sets out the principles governing how we do business:

- we act fairly, with due care, lawfully, in the best interests of the company and shareholders and we honour commitments to customers
- we act with honesty and integrity – we don't make or receive improper payments or benefits and always deal ethically
- we use information and property responsibly and we keep it safe and secure
- we maintain a safe and inclusive working environment where we treat each other with respect
- we seek to make positive and sustainable economic, social and environmental contributions wherever we operate
- we communicate responsibly and use technology appropriately
- we are all accountable for complying with the Code of Conduct and we call things out which don't seem right.

It also outlines where to go for further help and how to raise concerns through various channels, including our whistleblowing service.

The Code of Conduct is supported by CDC Group policies. Any allegations of breaches of the Code or policies are investigated and acted upon accordingly.

Supplier Code of Conduct

CDC's Supplier Code of Conduct sets out the minimum standards we expect from our suppliers and forms part of our standard purchasing terms. This includes:

- **Working hours:** Workers shall not work hours exceeding reasonableness each week or the regular and overtime hours permitted by the applicable local laws (whichever is less).
- **Fair wages/benefits:** Workers must be paid at least the minimum wage required by the applicable local laws and provide all legally mandated benefits.
- **Discrimination:** Workers are employed, promoted and compensated based on their ability to perform their job rather than on the basis of gender, race, religion, age, sexual orientation, pregnancy, marital status, political affiliation, union membership, social association, ethnicity or any other status protected by applicable local laws or custom.
- **Harassment and disciplinary practice:** Workplaces are to be free of harassment and workers should not be subject to any form of harsh or inhumane treatment, including (but not limited to) sexual harassment or abuse, corporal punishment, mental or physical coercion or verbal abuse.
- **Modern slavery and human rights:** not use any form of forced, bonded, compulsory labour, slavery or human trafficking and not use child labour.
- **Health and safety:** provide a safe and healthy workplace and care for workers.

Suppliers' ability to meet or exceed standards detailed in the Supplier Code of Conduct is considered by CDC when making procurement decisions. This happens regardless of whether the Supplier Code of Conduct has been formally incorporated into a particular contract with the supplier. In addition to the Supplier Code of Conduct, we may also include more specific social, environmental and/or ethical requirements in our contract terms based on the inherent risk of the agreement.

The Supplier Code of Conduct makes it clear that we expect our suppliers to monitor their own and their suppliers' compliance with our Supplier Code of Conduct, and to ensure timely correction of any identified non-conformance. We also require our suppliers to notify us if they become aware of an actual breach of, or reasonable likelihood of breaching, the Supplier Code of Conduct.

7.3. Reporting issues and concerns

CDC seeks to support a culture where everyone has a voice, can contribute and is able to speak up if they see something that is not right. Employees are encouraged to raise any concerns they have with their manager or alternatively via the People and Culture team.

The CDC intranet contains links to CDC's policies which provide the avenues to report concerns relating to:

- employment conditions
- discrimination, bullying, harassment, sexual harassment and victimisation in the workplace
- work-related health, safety, wellbeing, environment and physical security.

CDC's Whistleblowing Policy and the relevant legislation establish protections for current and former employees, their relatives and dependents as well as suppliers to report concerns about illegal, unethical or improper conduct or an improper state of affairs at CDC. Our Whistleblowing Policy is supported by a whistleblowing service where people can report their concerns anonymously via phone or webform.

7.4. Supply Chain Due Diligence and Monitoring

CDC engages suppliers through formal contracts, which require the supplier to comply with modern slavery laws and the Supplier Code of Conduct, which includes requirements for fair work practices, fair business dealings, and full legal compliance.

CDC commenced subscribing to Fair Supply in FY24 to provide enhanced functionality to undertake due diligence searches across our supply chain and provide point in time reporting to the business to more effectively manage modern slavery risks in our direct supply chain and increase awareness of indirect supply chain risks.

To empower our people to make more informed purchasing decisions, in FY25 we will enhance our supplier governance framework to guide our people to effectively manage supplier risks. CDC's Risk and Assurance function will support the development of a register of supplier risks. The types of risks against which suppliers will be assessed will include labour practices, environmental practices, health and safety and bribery and corruption risks. These risks are part of our selection and contract renewal process and will be combined with due diligence reports, our Know Your Supplier (KYS) platform provided by Fair Supply, documentary review and, where warranted, audits.

CDC prides itself on maintaining strong and open relationships with its suppliers. CDC leverages these relationships to identify and mitigate associated risks.

We will continue to focus on higher risk suppliers and carry out supplier audits and enhanced due diligence in these categories where required. Depending on the supplier's risk rating, additional risk mitigations such as in-depth process and background reviews are undertaken to reduce risk levels as low as reasonably practicable. This process allows CDC to assess whether a supplier fits into a higher or lower priority in terms of their significance to CDC's overall operations.

As CDC continues to improve its approach to supply chain management, consistent and open dialogue is maintained with suppliers regarding respective obligations. This results in increased awareness of the importance of a cooperative approach to addressing modern slavery, including clarity on CDC's strong stance regarding the requirement to make ethically sound business decisions and comply with human rights.

7.5. ESG Function

Our ESG strategy to 2030 has been endorsed by the Board and our first ESG Report will be published in FY25.

Our ESG function has formed an ESG Working Group to coordinate continuous improvement for environmental, social and governance initiatives. Fostering a workforce and supply chain that supports people with different backgrounds, promotes the upholding of human rights and mitigates the risks of modern slavery in our business operations and supply chains is a key pillar of our Sustainability Statement of Commitment.

8. Assessing the effectiveness of our actions and agenda for the next reporting period

We have assessed the actions we take to reduce modern slavery risks in our business operations as being highly effective. We have carried out both internal and external audits, reviewed internal complaints raised, and actively sought feedback through employee surveys. We also assessed the actions we take to reduce modern slavery in our supply chains. Employee surveys helped CDC to gauge employee satisfaction and provided a platform for employees to provide anonymous feedback in relation to working conditions. No concerns were raised in relation to modern slavery. Likewise, no internal complaints were raised in relation to modern slavery risks.

Audits were conducted as part of general assurance activities driven by CDC risk assessments and the various standards CDC complies with across information security, quality, health and safety and environment. Internal and external compliance audits were conducted for ISO 9001, 14001, 45001 & 27001 which includes review of supplier management. External audits were also conducted for the purposes of statutory financial reporting.

We will continue to enhance and strengthen our risk management framework, particularly with respect to supplier engagement and monitoring, by reviewing data metrics and reporting. To further reduce and mitigate risks of modern slavery, we plan to carry out the following activities:

- Improve our supplier onboarding processes to ensure consistent review and assessment of supplier responses to “Know Your Supplier” questions, including in relation to labour practices.
- Increase the number of suppliers for whom supply chain due diligence and risk assessment is undertaken using Fair Supply, a due diligence platform provider to assess ESG risks, including modern slavery risks of our major suppliers.
- Review our Supplier Code of Conduct and Supplier Governance Framework. This will ensure the framework continues to assist us to respond to supply chain risk, including modern slavery risk.
- Deliver staff training to our broader leadership team to raise awareness of modern slavery risks and support risk identification.
- Update our Modern Slavery Action Plan.
- Partner with industry organisations to innovate and lead change on industry sustainability and social governance issues.

9. Consultation and approval

This Statement was prepared in consultation with the CDC reporting entities owned or controlled by CDC Group Holdings Pty Ltd, CDC’s shareholders, the CDC Senior Leadership team, the ESG team, the Legal team and the People and Culture team.

This Statement has been approved by the Board of CDC Group Holdings Pty Ltd, the CEO and Executive team. CDC is committed to its purpose, vision and values and believes the ongoing application of the elements identified in this Statement will contribute to safer, fairer, more ethical and professional work environments.

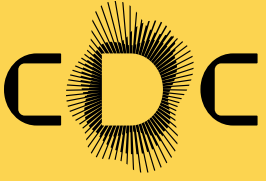


Greg Boorer

Director, CDC Group Holdings Pty Ltd

Index to Mandatory Reporting Requirements

Modern Slavery Act Clause reference	Topic	Report section no.
16(1)(a)	Identify the reporting entity	Section 1
16(1)(b)	Structure, operations and supply chain of reporting entity	3, 4, and 5
16(1)(c)	Risk of modern slavery practices in operations and supply chains	Section 6
16(1)(d)	Actions taken to address risks, inc. due diligence and remediation	Section 7
16(1)(e)	Assessment of effectiveness of actions	Section 8
16(1)(f)	Consultation process	Section 9
16(1)(g)	Any other relevant information	N/A
16(2)	Details of the approval of the principal governing body	Section 9



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