



Ardent Leisure Group Limited

Modern Slavery Statement

FY20



The *Modern Slavery Act 2018* (Cth) requires certain companies to prepare an annual Modern Slavery Statement setting out their actions to assess and address modern slavery risks in their operations and supply chains.

This is the first Modern Slavery Statement for Ardent Leisure Group Limited (**Ardent**) and outlines the initial steps we have taken to identify, manage and mitigate the specific risks of modern slavery in our operations and supply chains.

This Statement covers the activities of Ardent and its controlled entities. Ardent's first statement is primarily focussed on the activities of its Australian businesses. As Ardent develops its modern slavery risk management framework, future statements will be expanded to include both its Australian and overseas businesses.

Ardent recognises that slavery can occur in many forms, as outlined in the *Modern Slavery Act 2018* (Cth). This can include slavery, servitude, human trafficking, forced marriage, forced labour debt bondage and child labour.

Ardent is fully committed to operating responsibly and establishing and adhering to the highest ethical standards across our businesses. We have zero tolerance for any forms of modern slavery in our business.

1. STRUCTURE, OPERATIONS AND SUPPLY CHAIN

Ardent is a public company listed on the Australian Securities Exchange (ASX:ALG) and has operations in both Australia and the United States. Ardent is a tourism, leisure and family entertainment company which currently comprises the Theme Parks division located on the Gold Coast, Australia and incorporating Dreamworld, Whitewater World, SkyPoint Observation Deck and SkyPoint Climb, and Main Event Entertainment, a family entertainment business with 44 centres across 16 states in the United States. The US operations comprise the major part of Ardent's business.

Ardent's operating businesses are supported by a Head Office function located in Sydney, Australia.

In FY20, Ardent had in aggregate over 4,500 employees, with the majority based in the United States.

Our suppliers and supply chain

Globally, we work with thousands of suppliers, both direct and indirect.

For our Australian businesses, most of our suppliers are located in Australia or in countries that demonstrate greater awareness of modern slavery and represent lower risks of modern slavery.

The main types of goods and services that Ardent procures directly include:

- Food and beverage
- Apparel and retail merchandise
- IT related hardware, software, equipment and services
- Professional services including legal and taxation
- Operating consumables such as chemicals, cleaning and hospitality supplies, stationery
- Engineering trade services
- Advertising and marketing, media and design services
- Utilities and waste

Ardent's businesses aim to procure most of their goods and services from suppliers based in the same country in which they operate. All qualified suppliers are given equal opportunity to compete for the business. Procurement decisions follow a due diligence process based on a reasonable assessment of quality, service, experience, competitive pricing and technical qualifications. Our businesses will only appoint reputable suppliers who will be held to high standards of ethical business practices promoting integrity and transparency.

Ardent's Australian business completed an initial mapping exercise of its supply chain to identify any areas of higher-risk modern slavery practices. While our short-term efforts are focused on our Tier 1 direct suppliers, we recognise that tackling the risk of modern slavery in our supply chains will require ongoing commitment and we intend to extend our mapping to indirect Tier 2 suppliers.

Many of the largest suppliers to our US business operate under their own mandated codes of conduct or our standard trading terms pursuant to which they undertake to respect and comply with all laws, rules and regulations around the world in the countries where they conduct business.

Our visibility of modern slavery risks may be limited as a result of risks being deep within the supply chains of our direct suppliers. As we progressively develop a more comprehensive supply chain map, we will increase the engagement with our suppliers to identify risks further up the supply chain.

COVID-19 supply chain impacts

The COVID-19 pandemic has had a devastating social and financial impact worldwide however the disruptions to our supply arrangements due to COVID-19 were minimal. The disruptions were largely contained to delays in the delivery of plant, spare parts, and equipment from overseas suppliers.

Certain personal protective equipment, hand sanitisers and cleaning products were in short supply resulting in a slowdown in delivery however with both our divisions closed during the peak of the pandemic, this did not have a significant impact on our operations.

All critical safety and engineering supplies and equipment were not compromised or affected.

During the closure of our businesses, we worked closely with suppliers to ensure that upon reopening we had more than sufficient cleaning, sanitisation and personal protective wear for all our employees, contractors and guests.

2. RISKS OF MODERN SLAVERY IN OUR OPERATIONS AND SUPPLY CHAINS

We continue to progress our work to identify areas of greatest modern slavery risks in our operations and supply chains. We are not directly aware of any unethical practices in our supply chains, however we are cognisant that the assessment is an ongoing task and that systems are continuously improving.

In FY20 we undertook an initial review of our highest-risk, Tier 1 suppliers and the risk of modern slavery practices. These are the suppliers we engage directly who have factories or workers in the manufacture of retail merchandise which we then sell to guests throughout our operations. A key area of focus going forward will be to identify those suppliers who directly source products from locations such as China and other known high-risk markets where modern slavery practices can be prevalent.

Following our initial review which focused on our Australian businesses, we determined that the risk of modern slavery in our operations and supply chains was low largely due to the type of goods and services acquired and their country of origin.

Policies and procedures

Ardent’s key policies that set out our commitment to human rights and proactively identifying and addressing modern slavery practices in our operations and supply chains include:

Code of Conduct	<p>Outlines the basic principles and standards of behaviour to guide all employees in the way they conduct business on behalf of the Group. It is designed to assist employees to understand their individual responsibilities and obligations and provide guidance in the performance of their duties to conform to Ardent’s expectations of high moral and ethical standards.</p> <p>Our Code of Conduct is provided to all employees upon commencement of employment. All employees are required to acknowledge that they understand and will comply with the Code. Furthermore, all employees must undertake training on the Code as part of their induction process and every two years thereafter.</p>
Ethical Sourcing and Modern Slavery Policy	<p>Outlines Ardent’s commitment to the highest standards of ethical and responsible conduct and the protection of human rights. Ardent has zero tolerance for all forms of modern slavery and human trafficking.</p> <p>Ardent expects that its suppliers share and demonstrate the same commitment and as such, it is our suppliers’ responsibility to achieve and maintain these standards and to enforce them within their supply chain involved in supplying goods and services to Ardent.</p>
Procurement Policy	<p>Outlines our Theme Parks division’s commitment to behave within the local law and in accordance with the highest ethical standards.</p> <p>It is expected that we engage with our business partners to focus on our core procurement principles of: value add, collaboration, integrity, governance, safety, and ethical and sustainable supply.</p>

As Ardent develops its modern slavery risk management practices and we continue to build an understanding of our supply chains, we will identify suppliers of concern on an ongoing basis and increase our due diligence processes, including but not limited to, reviewing our Supplier Self-Assessment Questionnaire and audit/review processes.

3. ACTIONS TAKEN TO ASSESS AND ADDRESS THE RISKS OF MODERN SLAVERY PRACTICES

Ardent manages the risks of modern slavery practices in its operations and supply chains by assessing and addressing the risks through a number of different processes including supplier due diligence upon engagement, regular review meetings with existing suppliers and remediation processes where necessary.

During FY20, we have undertaken the following:

- Supply chain mapping in respect of our Australian businesses to understand category spend, place of origin and risk levels in our Tier 1 suppliers.
- Requesting the inclusion in some supply contracts of contractual warranties from suppliers regarding modern slavery compliance, as well as expanded termination rights where concerns regarding non-compliance are identified (the scope and inclusion of contractual clauses regarding modern slavery compliance is developing in all industries).
- Enhanced training and awareness specific to modern slavery to all employees involved in procurement and managing the supply chain.

Ardent will not support suppliers where we are aware of, or have reasonable grounds to believe that, modern slavery practices are taking place in their organisation or supply chain. After conducting an appropriate investigation, we may terminate supply or service contracts if necessary and/or appropriate.

4. ASSESSING THE EFFECTIVENESS OF OUR APPROACH AND PROCESSES RELATED TO MODERN SLAVERY RISKS

Ardent recognises the importance of assessing the effectiveness of its actions in mitigating modern slavery risks. Given the lower risk of modern slavery practices in Ardent's businesses (which are service based entertainment offerings), Ardent will adopt a diligent but proportionate approach to all aspects of modern slavery and will continue to review this position from time to time.

Grievance and reporting

We recognise the importance of our employees having access to easy and, if required, anonymous avenues of reporting concerns regarding modern slavery. Our employees can report concerns via internal reporting channels to their managers, executive management and human resources. Furthermore, our Whistleblowing Policy provides a mechanism which can be used by all employees to anonymously report misconduct, including modern slavery risks or practices.

In FY21 we will continue to increase awareness across our businesses of reporting any concerns regarding modern slavery in the supply chain, including advising and urging our suppliers to do the same, either directly or via the Ardent whistleblowing hotline.

Awareness and training

During the year we rolled out our modern slavery training program to key employees responsible for human resources, procurement, finance and operations.

The training program describes the different types of modern slavery practices, risk indicators for modern slavery, identifying potential victims of modern slavery, understanding suppliers and supply chains, consequences for an organisation if they are found to have engaged in, or facilitated, modern slavery practices, and how employees can report modern slavery concerns.

It is intended that our modern slavery training will be incorporated as part of every employee's induction program, with refresher training provided every two years.

5. CONSULTATION WITH OTHER ENTITIES

Ardent takes a Group approach to addressing modern slavery risk. In relation to Ardent's controlling interest in its US business, we liaised with the appropriate team members who have responsibility for supply chain management for that business. This consultation process involved a

briefing on the introduction of the *Modern Slavery Act 2018* (Cth) and the reporting requirements under the Act. It also canvassed general awareness of modern slavery and the importance of the due diligence processes and selection of suppliers.

6. FUTURE COMMITMENTS

We recognise and understand the importance of the *Modern Slavery Act 2018* (Cth) and are committed to continuing to improve our approach with the ongoing review and assessment of the risks in our operations and supply chains.

Over the next 12 months (1 July 2020 – 30 June 2021) our key focus will be on:

- Further developing our communications within the workplace to ensure all employees understand and remain alert to the risks of modern slavery.
- Continue to promote and encourage reporting of instances, or suspected instances, of modern slavery practices.
- Enhance our consultation process with the overseas based entities that Ardent has a controlling interest in to promote awareness of modern slavery risks.
- Facilitate supply chain mapping and related exercises in our US business.
- Extending our risk profiling beyond our centralised Tier 1 suppliers.
- Seeking to impose a greater level of legal accountability on our suppliers through enhanced contractual provisions regarding modern slavery.

7. APPROVAL

This Modern Slavery Statement is made pursuant to the *Modern Slavery Act 2018* (Cth) for the reporting period 1 July 2019 – 30 June 2020.

This Statement was tabled at a meeting of the Ardent Leisure Group Board on 24 February 2021 and was approved by the Board accordingly.



Dr Gary Weiss AM
Chairman
Ardent Leisure Group Limited
24 February 2021