

2023

# ASDAM GROUP MODERN SLAVERY STATEMENT

JUNE 2024

ASDAM HOLDINGS PTY LTD  
153 KEYS ROAD  
MOORABBIN  
VIC 3189

## Contents

Reporting entity .....	2
Our structure, operations & supply chain .....	2
Structure .....	2
Overview of operations .....	3
Marand.....	3
Levett .....	4
TAE .....	4
Rosebank.....	5
Supply chain overview .....	5
Modern slavery risks associated with ASDAM.....	6
Supply chain .....	6
Assessing and addressing modern slavery risks .....	7
Consultation process.....	8
Other information.....	9
Action plan .....	9
Sign off .....	10

ASDAM Holdings Pty Ltd (ACN 631 990 086) (**'ASDAM'**) has prepared this Modern Slavery Statement (**'the Statement'**) in accordance with the requirements of the Australian Modern Slavery Act 2018 (**'the Act'**). The Statement provides an overview of potential modern slavery risks in the organisation's operations and supply chain, as well as actions taken by ASDAM to manage those risks for the year ending 31 December 2023 (**'the Reporting Period'**).

For the purposes of this Statement, ASDAM will be using the definition of modern slavery as described in the Act, which includes the following types of human exploitation:

- *trafficking in persons;*
- *slavery;*
- *servitude;*
- *forced marriage;*
- *forced labour;*
- *debt bondage;*
- *deceptive recruiting for labour or services; and*
- *the worst forms of child labour.*

## Reporting entity

This is a joint Statement on behalf of ASDAM and its four wholly owned operating entities:

- Marand Precision Engineering Pty Ltd (ACN 004 763 688) (**Marand**);
- Levett Engineering Pty Ltd (ACN 065 311 506) (**Levett**);
- TAE Aerospace Pty Ltd (ACN 084 974 710) (**TAE**);
- Rosebank Engineering Pty Ltd (ACN 005 285 101) (**Rosebank**).

While both Marand and TAE are reporting entities as per the Act's definition and can therefore prepare a modern slavery statement for submission, given all ASDAM entities operate in the same Industry group and have the same or similar Supply Chains, ASDAM will be submitting a response on behalf of all operating entities outlined above.

ASDAM has a centralised team of management consisting of business unit general managers and functional group directors for Finance, IT and HR. It also has a Board of Directors that oversees all operational entities of the group.

Section two of this Statement provides a more detailed overview of ASDAM's corporate structure.

## Our structure, operations & supply chain

### Structure

ASDAM is the ultimate controlling entity but is a holding company only and does not have any of its own operations. Therefore, this Statement is focused on the operations and supply chains of the operating

entities, including an overview of potential modern slavery risks and the efforts to identify and mitigate any such risks.

ASDAM is the controlling entity of the following wholly owned, non-operating subsidiaries:

- *ASDAM Finance Pty Ltd (ACN 631 992 786);*
- *ASDAM Operations Pty Ltd (ACN 631 993 710); and*
- *Marand Holdings Pty Ltd (ACN 622 319 019); and*
- *Tasman Aviation Holdings Pty Ltd (ACN 169 324 770); and*
- *Tasman Aviation MidCo Pty Ltd (ACN 603 378 043); and*
- *Tasman Aviation BidCo Pty Ltd (ACN 603 384 729); and*
- *TAE HoldCo Pty Ltd ACN 103 070 015.*

Marand is the controlling entity of Atlas Rail (UK) Ltd, a rail engineering and services company with operations in the United Kingdom, Marand US Holdings LLC, a ground support sustainment business based in the United States and Marand Precision Engineering NZ Ltd, a rail engineering and services company operating out of New Zealand.

TAE is controlling entity of TAE Aviation Pty Ltd, TAE Aerospace Pty Ltd and TAE Aerospace, Inc (US) that also owns Copper State Turbine Engine Company and Southwest Airmotive. TAE Aerospace is the trading name for all the TAE companies apart from Southwest Airmotive. The TAE companies will operate in an integrated fashion as TAE Aerospace.

Each of these businesses are overseen by the same centralised ASDAM team of management and Board of Directors. Note that Atlas Rail (UK) Ltd, Marand US Holdings LLC and Marand Precision Engineering NZ Ltd and the TAE USA Operating companies, are not reporting entities, as they are not Australian entities or foreign entities carrying on a business in Australia.

## Overview of operations

The ASDAM group of companies are primarily Australian-based companies that employ approximately 900 resources. The workforce consists of primarily full-time employees and some part time and contract resources. As noted above, Marand, TAE and Rosebank, all have operations outside Australia in the UK, NZ and USA respectively.

### Marand

Marand is an engineering, manufacturing, and sustainment business, that designs and manufactures jigs, fixtures, special purpose equipment, machine tools, ground support equipment, and machines and assembles aerostructures. This work supports customers in a range of industries including defence, aerospace, rail, mining, energy, and automotive sectors.

Marand operates under the following two divisions:

- Marand Defence Partnerships, which services prime contractors in the defence industry; and
- Marand Precision Engineering, which encompasses all aspects of Marand's business outside of defence.

Key product offerings of Marand Defence include the manufacturing and assembly of aircraft vertical tails, F-35 engine trailers and cure, trim and assembly tooling that is used in the production and assembly process of F-35 fighter jets.

Marand Precision Engineering encompasses all aspects of Marand's business outside of the defence industry. The business is comprised of the following four sub-divisions:

- Automation: Designs, manufactures and sustains automated solutions such as automated production lines or automated maintenance facilities.
- Service, provides ongoing sustainment service to our own and 3<sup>rd</sup> party machinery primarily in the mining and rail industries
- General Manufacturing, provide general fabrication and manufacturing work and is often a lead into new customers where we can solve a specific problem through this offering

Marand currently operates out of three facilities, two located in Victoria, Australia and one in Fort Worth, Texas. The entity's head office and primary operating facility is located at Moorabbin, with a secondary operating facility located at Geelong, Victoria. The primary facility capabilities include engineering, machining, welding, assembly, inspection, and commissioning while the secondary facility capabilities include machining and welding. The US facility currently provides maintenance work on Marand and 3<sup>rd</sup> party products sold into the US market.

## Levett

Levett is a leading Australian supplier of precision components and assemblies for the defence and commercial aerospace industries. Levett specialises in recurring small to medium-size machined parts, and small assembled or vacuum brazed parts.

The business currently operates from a facility located in Elizabeth South, South Australia. Manufacturing capabilities include machining, assembly, and inspection services for a range of complex titanium, aluminium or alloy components.

## TAE

TAE is an aerospace maintenance and engineering services company that operates globally. TAE is the holding company of TAE's operating companies.

TAE provides a diverse range of specialised engineering services, including:

- Gas Turbine Engine Maintenance, Repair and Overhaul (MRO),
- Aerospace Design and Repair Engineering,
- Engine Test Cell Design and Upgrade,
- Engine and Fuel Component MRO,
- Aviation Wheels & Brakes MRO,
- Aerospace Engineering, Processing and Manufacturing,
- Electro-mechanical Component MRO,
- Fire Protection and Detection system MRO,
- Parts Sales and Distribution,
- Asset Management (Reliability and Health Management), and

- Support and Test Equipment Design and Maintenance.

TAE operations are located in three Australian states: Queensland, New South Wales, and South Australia in the following locations; Ipswich (Headquarters), Brisbane and Williamtown (NSW), and Adelaide (SA); and four United States states: Arizona, Alaska, Idaho, and Missouri.

## Rosebank

Rosebank Engineering is an Australian sovereign defence and advanced manufacturing company, committed to precision engineering, aircraft sustainment and innovation. With an experienced team of specialists and facilities across Australia fully-equipped with the latest technology and cutting-edge automated machinery, Rosebank Engineering are well-equipped to deliver innovative turnkey manufacturing, repair, engineering and surface treatment solutions for Defence and non-Defence markets.

Rosebank operations are located in three Australian states: South Australia, Queensland and Victoria in the following locations; Wingfield (SA), Bayswater (Headquarters) and Airport West (VIC) and Ipswich (QLD).

## Supply chain overview

ASDAM group companies manage separate sets of suppliers to support their operations however many suppliers are common across all ASDAM entities. All entities engage suppliers from various industries that offer products and services that enable ASDAM's manufacturing and sustainment of core products (for example, suppliers of steel, aluminium and electrical components or equipment) and office operations (this would include, for example, suppliers of office services and supplies, real estate services and insurance brokers). The following section provides a more detailed overview of each entity's supply chain.

Formal supplier management process are implemented across ASDAM group entities which outline the steps required to onboard new suppliers and manage existing suppliers.

The steps involved include:

- Completion of new supplier approval processes which may include all the following checks depending on the goods being supplied and regulatory requirements for various standard such as ISO9001, AS9100 and areas related to aviation products:
  - Quality
  - Safety & Environment
  - Ethical Trading
  - Commercial
  - Security
  - Cyber Security
  - Denied Party Screening including Sanctions

Where a supplier does not hold any of the aforementioned sought after accreditations, ASDAM will request that the supplier respond to a tailored questionnaire or undertake a Supplier Audit. All Aviation related product requires an onsite Supplier Audit.

Existing Supplier audits are undertaken using a risk based approach to ensure quality is maintained. Suppliers will be excluded from the Supply chain if they fail to meet our criteria.

ASDAM respects ethical labour practices and values and actively promotes diversity. Consistent with these principles, ASDAM is committed to the highest standards of behaviour and actions to prevent any form of modern slavery in its operations or supply chains. It is the intention of ASDAM to promote consistent organisational behaviour by instituting and reviewing procedures and assigning responsibility for the development of appropriate controls. ASDAM's Modern Slavery Policy forms an integral part of ASDAM's risk management and ESG strategies and contributes to a culture of awareness and application, at all levels in ASDAM, of measures required to combat modern slavery.

## Modern slavery risks associated with ASDAM

### Supply chain

ASDAM'S operational entities engaged over 1,200 direct suppliers in their operations during the reporting period.

A high level risk assessment of ASDAM direct suppliers was undertaken as part of the preparation of this statement, based on geographic location and type of good or service provided.

The country-based modern slavery risk is based on the Global Slavery Index and is influenced by the following factors:

- Governance issues;
- Lack of basic needs;
- Inequality;
- Disenfranchised groups; and
- Effects of conflict.

Procurement categories were assigned to each supplier, based on the goods or services provided, and were then screened for five social risk categories:

- Labour rights & decent work;
- Health & safety;
- Human rights;
- Governance; and
- Community infrastructure.

Although the majority of the suppliers are Australian companies, a number of suppliers are located in

countries where modern slavery risks are more prevalent, with the countries assessed as highest risk being China and India.

The procurement category risk assessment indicated that ASDAM group engaged with suppliers from the following higher risk categories during the reporting period:

- Electrical components & equipment
- Steel
- Aluminium
- Office services & supplies
- Human resource & employment services
- Food retail
- Corporate and Industrial clothing

While we understand suppliers located in Australia are generally regarded as lower risk, due to the robust laws and regulations in place, these suppliers have complex supply chains spread across a number of geographies. As such, it is expected that elevated modern slavery risk likely exists beyond our direct supply chain (Tier 2 and beyond).

## Assessing and addressing modern slavery risks

There were no known reported incidents in ASDAM's operations or supply chain relating to human rights violations brought to management's attention during the reporting period.

In an event of any known violations at ASDAM group, a member of the ASDAM Management team will be made aware of the violation, and where required, the ASDAM CEO will also be made aware. Appropriate corrective action will be taken to remediate and resolve the matter.

ASDAM group companies have policies and procedures in place as part of their commitment to providing a safe and respectful working environment for everyone.

These policies include:

- A **Whistleblower Policy**, which outlines our commitment to operate to the highest standards of conduct in its business activities, and the reporting of behaviours that fail to meet this standard. This is to ensure that at ASDAM, everyone contributes to their culture of accountability and risk management. The Whistleblower Policy is open to external parties, including suppliers and their employees, and is publicly available on the company's website.
- **Discrimination, Harassment and Bullying Policies**, to reinforce our commitment to providing a safe and respectful working environment, one that is productive and harmonious for all workplace participants. It provides a clear understanding of our expectations of appropriate standards of conduct and breaches and complaint handling.

- A **Business Ethics and Conduct Policy** including the Code of Conduct for all ASDAM employees, to manage and operate business activities in alignment with applicable laws and high ethical standards to uphold ASDAM's values of integrity and fairness.
- **Occupational Health and Safety Policies**, which sets the framework of our key values in pursuit of protecting the health and safety of employees and the public, as well as the provision of products and services that are healthy and safe for ASDAM's customers.
- **Environmental Policies** that details our commitment to conducting business affairs with high standards of integrity and concern for the environment. All employees at ASDAM group companies are expected to abide by the requirements of the environmental management system and work to minimise environmental impacts.

The policies and processes currently in place across ASDAM have helped to give comfort that human capital and human rights issues have been effectively managed and addressed. However, we recognise that it is important to continually improve our processes and controls to ensure modern slavery risk is adequately managed. Moving forward, ASDAM and its operating entities will leverage and enhance these controls to ensure that human rights and modern slavery risks are appropriately identified, managed and remediated when required.

## Consultation process

As mentioned in the Reporting entity section, ASDAM has a centralised team of management executives and a Board of Directors that oversees both operational entities of the group:

Members of the management team, including the members from each business unit, were involved throughout the Statement development process.

An internal team made up of members from ASDAM group was tasked with preparing the Statement.

The Statement was then reviewed and approved by the ASDAM Board of Directors, which oversees the operations of all subsidiaries that form part of the ASDAM group.

## Other information

### Action plan

ASDAM is taking a proactive approach to minimise the risk of modern slavery encroaching into our supply chain. The ASDAM Board lead this commitment and the ASDAM Executive/Senior Leadership Team is responsible for monitoring the implementation of modern slavery control measures in human resource management, operations and supply chains. We recognise that our review and assessment of our actions to identify and address our modern slavery risks in our operations and across our supply chain will be an ongoing and evolving process that we are committed to continue to build upon. To this end, we set ourselves annual goals to reach so we can look back and assess the effectiveness of our approach and inform our path forward.

Over the Australian FY23 reporting period, ASDAM's mitigation actions have included:

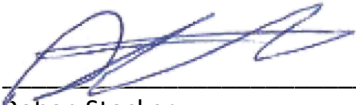
- Annual review of the Modern Slavery Statements of ASDAM's partners and major suppliers to ensure continued compliance. This has demonstrated a high level of understanding and actions against modern slavery on the part of ASDAM's core supply chain. ASDAM group companies core partners and major suppliers all have Modern Slavery Statements detailing their commitments and actions to eradicate modern slavery.
- Continued educating all staff in ASDAM's Modern Slavery Policy through the induction and refresher program for all existing and future employees.
- Annual review of the risk assessment of its Australian operations, the operations of its foreign entities and core suppliers and partners. This assessment took into consideration risk factors such as the sector, industry, types of products and services, geographic locations and low risk of any involvement with modern slavery. ASDAM annually re-assess the risk and will put in place additional measures as required.

Over the next reporting period ASDAM will undertake the following actions to continue to follow its Modern Slavery Policy:

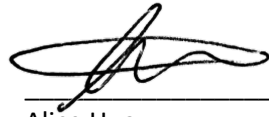
- Annual review of the Modern Slavery Statements of ASDAM's partners and major suppliers to ensure continued compliance.
- Continued educating all staff in ASDAM's Modern Slavery Policy through the induction and refresher program for all existing and future employees.
- Annual review of the risk assessment of its Australian operations, the operations of its foreign entities and core suppliers and partners. This assessment took into consideration risk factors such as the sector, industry, types of products and services, geographic locations and low risk of any involvement with modern slavery. ASDAM annually re-assess the risk and will put in place additional measures as required.
- Modern slavery risks will be included in a refresh of the groups Risk and ESG Management frameworks.

## Sign off

This Statement has been prepared by ASDAM's management team in collaboration with ASDAM executives. The Statement has been approved by the ASDAM Board of Directors.



Rohan Stocker  
Chief Executive Officer



Alice Hua  
Director