



Modern Slavery Statement

2022 - 2023

30 September 2023



Index to Mandatory Reporting Requirements

Modern Slavery Act Clause no.	Topic	Report section no.
16(1)(a)	Identify the reporting entity	Section 1, Appendix One
16(1)(b)	Structure, operations and supply chain of reporting entity	Sections 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

Modern Slavery Statement for the Financial Year 2022-23

1. Overview

This Modern Slavery 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 2022 to 31 March 2023.

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

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 use best practice governance and procedures to manage safe and secure operations, to make decisions, comply with the law and meet the needs of stakeholders.

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 is the ultimate 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. A list of the CDC Group related reporting entities can be found in Appendix One.

The CDC Group Board has ultimate responsibility for overseeing the management of modern slavery risks. The Board is assisted by the Board Audit and Risk Committee, and the Risk and Assurance team.

4. Our Business Operations

CDC provide data centre solutions for public and private sector organisations. 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 203 staff in Australia and 37 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:

- 115 staff working from our facilities and corporate headquarters in Canberra
- 63 staff working from our facilities and offices in NSW
- 16 staff working from our facilities and offices in Victoria
- 35 staff working from our facilities and offices in Auckland
- 9 staff working remotely in Australia and 2 in New Zealand

Most of our 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, including professional service providers, maintenance service providers, equipment manufacturers, engineers, building construction contractors, and software/information technology providers.

CDC takes very seriously its responsibility to assess and address the risks of modern slavery practices within its supply chains. 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 promotes an ethically robust supply chain which is 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 areas of our business:

- **Facility management**

Sub-contractors are engaged by CDC to provide operational facility services such as security and maintenance 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 3 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 and construction of new 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 design consultants, contractors and equipment suppliers are engaged by CDC to support the build, fit-out 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.

CDC require that all its suppliers and service providers are appropriately managing their own exposure to modern slavery risks, including by being contractually bound to comply with CDC's Supplier Code of Conduct.

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

6.1. Modern slavery risks in CDC business operations

We consider that the risk of modern slavery within our business operations are 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 in full with the comprehensive employment legal regimes in both jurisdictions.

In addition, our Employee 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.

On a practical level, our HR team works in tandem with our Finance team, Legal team, Risk and Assurance team and Health Safety and Environment team to ensure CDC meets its employment law obligations. All CDC employees receive their full legal entitlements relating to hours worked, superannuation, annual leave, sick leave, parental leave, and public holidays.

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

We have identified the following key modern slavery risks for our supply chains:

- The number of Suppliers engaged.

There is a risk that unacceptable conduct (including modern slavery practices) could occur undetected by management because of a high volume of suppliers (particularly lower tier/low-spend suppliers). Further, many of the suppliers may themselves have a supplier base which is

not carefully monitored, and therefore pose a modern slavery risk within CDC's extended supply chain.

- Foreign ownership of suppliers and offshore manufacturing of equipment.

While many of the suppliers CDC engages are Australian owned entities, some are not. While foreign ownership is not a risk in itself, the prevalence of modern slavery is heightened when the supply of goods originates in locations not known for strong employment laws, or where temporary, seasonal or migrant employment is common. Many 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. Such cooperation is unlikely to assist if the contractor has not undertaken an audit of its supply chain and/or is not under an obligation to do so.

- With respect to Professional services engaged by CDC, we have assessed the risk of modern slavery in this sector to be low, 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).
- With respect to the design and construction of new data centres, we have assessed the risk of modern slavery to be low as we engage suppliers directly in Australia and New Zealand, both countries with strong labour laws. However, it is likely that some of the building materials that our suppliers will source will originate from supply chains overseas, with some goods featuring multiple components derived from various sources. We acknowledge there may be a risk of modern slavery in respect of building materials, plant and equipment sourced from overseas which we will actively monitor.
- With respect to travel, hospitality, and accommodation, most CDC travel 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. Accordingly, we will continue to monitor the risks of modern slavery with these suppliers, especially major international providers who provide considerable visibility of their supply chain affairs.
- With respect to information technology equipment and services, CDC procures most of its information technology equipment and services from suppliers domiciled in Australia and New Zealand, where strong labour laws are in place. However, it is likely that our suppliers will source various information technology products and component using overseas supply chains. 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.

7. Actions taken to assess and address modern slavery risks

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.

7.1. Governance framework

Strong governance is an important foundation to effective modern slavery risk identification and management. At CDC, we have a strong governance policy framework, coupled with a corporate culture that embraces responsibility for governance at all levels. Our governance policy framework includes:

- Employee Code of Conduct
- Supplier Code of Conduct
- Supplier Engagement Policy
- Whistleblower policy
- Fraud and corruption control plan
- Environment and Social Governance framework

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 subcommittee of Board	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. Supply Chain Due Diligence and Monitoring

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

As part of further risk minimisation, in the next reporting period CDC will engage external providers to carry out desktop due diligence searches across our supplier database, to flag high risk suppliers. Our Risk and Assurance function maintain a register of Supplier Risks.

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

In the next reporting period, we intend to use a risk-based approach to carry out supplier audits and due diligence on higher risk suppliers. Depending on the supplier's risk rating, additional risk mitigations such as in-depth process and background reviews will be considered to reduce risk levels as low as reasonably practicable. This process allows CDC to assess whether a supplier fits into a higher or lower tier in terms of their significance to CDC's overall operations. Those of greater significance who also pose a heightened risk are subject to more enhanced and ongoing due diligence.

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.

In the next reporting period, CDC is planning to upgrade its vendor management capabilities. CDC will use the increased vendor management capability to routinely evaluate the effectiveness of its suppliers through active vendor management. This provides a valuable opportunity to re-assess modern slavery risks.

7.3. Establishment of dedicated ESG Function

In this reporting period, we established a dedicated Environment, Social and Governance (ESG) function and employed our first Head of ESG. We also developed a comprehensive approach to our ESG strategy to 2030, which serves as an important roadmap for our social, environmental and governance approach over the next 7 years.

In the next reporting period, our ESG Function will lead the development of an ESG Working Group to coordinate continuous improvement for environmental, social and governance initiatives.

Our ESG Function will also undertake a supply chain risk assessment (as further described in section 8 below).

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 by our finance team and our Risk and Assurance team 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 as well as part of certification against standards.

Over the next reporting period, we will keep strengthening our modern slavery risk management framework, particularly with respect to supplier engagement and monitoring. To further reduce and mitigate risks of modern slavery, we plan to carry out the following activities:

- Undertake supply chain risk assessments and conduct supply chain materiality assessments. This will include interviews and surveys of stakeholders, and industry benchmarking to highlight the importance of strong governance frameworks, trust, transparency, and responsible labour sourcing.
- Undertake supply chain due diligence and risk assessment using an external data-driven due diligence platform provider to assess ESG risks, including modern slavery risks of our major suppliers.
- Establish a dedicated commercial team to strengthen our procurement and supply chain management capabilities. This team will be responsible for enhancing our supplier engagement process and managing supplier monitoring and risk management.
- Deliver additional internal staff training to our broader leadership team to raise awareness of modern slavery risks and support risk identification.
- Further develop our ESG framework, with focus on governance, risk management, strategy, monitoring and reporting, including development of a Modern Slavery Action Plan.
- Continue to support local business and to engage suppliers with reputations for ethical conduct and sound risk management processes.
- Continue to further develop a sustainability-conscious culture.
- Continue to engage the supply chain to improve approach on ESG issues.
- Continue to partner with industry organizations to innovate and lead change on industry sustainability and social governance issues.

9. Consultation and approval

This statement was prepared in consultation with the boards of the reporting entities, the CDC executive team, the ESG team, the legal team, risk and assurance team, and the human resources team.

This statement was approved by the CDC CEO and Executive team, and by the boards of each of the reporting entities and by the board of our parent company, CDC Group Holdings Pty Ltd.

CDC remains 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

APPENDIX ONE

The reporting entities comprise the following Australian entities.

CDC Group Holdings Pty Ltd (ultimate 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

