

AVADA Group Limited

Modern Slavery Statement

2024

Introduction

This is our second Modern Slavery Statement (**Statement**) for AVADA Group Limited (**AVADA**) and its owned or controlled entities (**AVADA Group** or the **Group**) pursuant to the requirements of the Modern Slavery Act 2018 (**Cth**) (the **Act**). It relates to the reporting period 1 July 2023 to 30 June 2024 (**Reporting Period**).

AVADA affirms its commitment to ending all forms of modern slavery and this Statement outlines our approach to reducing the risk of modern slavery practices within our supply chains and operations. We are committed to looking after our people, our communities and our planet, and we have set out our key initiatives in our 2024 Sustainability Report.

We are committed to conducting business to the highest possible ethical standards as stated in our Group Corporate Governance Charter and Anti-bribery and Anti-corruption Policy. As we continue to grow as a business, AVADA is committed to collaborating with our people, customers, suppliers, and shareholders to collectively improve our ability to manage the challenges that modern slavery presents and protect fundamental human rights for everyone who interacts with us.

The numbered sections of this statement correspond with the reporting criteria under the Act.

Criteria 1 – Reporting entities

This statement covers AVADA Group Limited and each of its controlled entities (**AVADA Group** or **Group**).

This statement has been prepared for AVADA Group as a whole. Where this Statement refers to "we" or "our" it is a reference to the AVADA Group.

Criteria 2 – Our structure and business

Our business

AVADA Group is an integrated traffic management provider in Australia and New Zealand, with established operations throughout Queensland, New South Wales, Victoria and New Zealand, servicing major public and private sector clients. Traffic management is a legislative requirement with regulations prescribing the operational requirements for work on or adjacent to roads. Traffic management is an essential service for civil infrastructure and maintenance works, with consistent workflow provided by investment in new projects and recurring maintenance requirements.

Our structure

AVADA Group Limited is a public company listed on the Australian Securities Exchange (ASX: **AVD**) with a head office located in Woolloongabba, Queensland.

As of 30 June 2024, AVADA had 18 wholly owned and controlled subsidiary entities and one unincorporated Joint Venture (Bilingarra Indigenous Services). All controlled entities are incorporated in Australia or New Zealand and operate solely within Australia or New Zealand.

The reporting entities identified under Criteria 1 have the following functions:

- AVADA Group Limited is the listed parent entity and head of the AVADA Group.

As all subsidiary businesses are owned by AVADA Group, their operations are included in this Statement.

Our operations

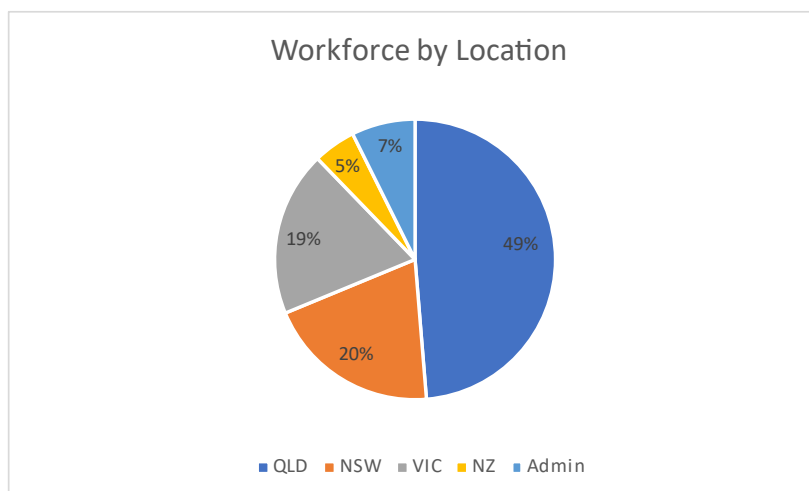
AVADA Group has established operations throughout Queensland, New South Wales, Victoria and New Zealand servicing major public and private sector clients. With an extensive network of 25 Depots, 1,050 vehicles and 2,100 dedicated employees the Group is well positioned in the integrated traffic management and associated civil sectors.



Our team

AVADA Group employs more than 2,100⁽¹⁾ team members in Australia and New Zealand, with the majority employed as traffic controllers in our integrated traffic management business. The other employees are located at AVADA's Head Office and support functions within the depot and business units.

AVADA Group employees are employed under full-time, part-time or casual arrangements. All employees work across our operations in Australia and New Zealand.



(1) At 30 June 2024

Our supply chain

AVADA Group's supply chain covers a broad range of goods and services associated with the operation of its business including fuel, vehicle supply, vehicle maintenance, traffic equipment, property, systems and corporate services.

AVADA Group had a recorded external spend of approximately \$51 million for the year ending 30 June 2024 with 1714 external suppliers. AVADA Group has contractual arrangements with suppliers for major recurring spend. AVADA Group's external suppliers consist of:

- 12% Fuel supply from distributors in Australia and New Zealand;
- 7% Vehicle supply, sourced direct through OEM networks;
- 5% Equipment & signage supply;
- 4% Travel.

Criteria 3 - Risks of modern slavery practices in AVADA's operations and supply chain

According to the 2024 edition of the Global Slavery Index (GSI), Australia has a relatively low prevalence of modern slavery.

As described in the UN Guiding Principles on Business and Human Rights, the risk of modern slavery involves the possibility that AVADA Group could inadvertently cause, contribute to, or be directly or indirectly linked to instances of modern slavery within its operations and supply chains.

For AVADA Group, the potential risks of modern slavery primarily manifest in respect of procurement practices.

Whilst acknowledging the risk that AVADA Group could contribute or be directly or indirectly linked to modern slavery, we have assessed the likelihood of this risk to be low. Factors underpinning this assessment include:

- Spend with our top five suppliers includes corporations who in turn maintain and report on their undertakings to assess and prevent modern slavery;
- Goods and services are mostly procured from enterprises operating in, and registered within Australia and New Zealand;
- Desk top due diligence is undertaken on suppliers and distributors prior to being onboarded with AVADA Group;

Criteria 4 – Actions taken to assess and address Modern Slavery risks

During the reporting period we have incorporated the following measures:

- Introducing our groups first Modern Slavery Policy;
- Revising and updating our internal policies;
- Reviewing supplier engagement processes and principles.

Supply chain

During the 2024 financial year, AVADA Group reviewed its Group operations and Group supply chains to identify the risks of modern slavery practices. During the review, AVADA considered whether it may cause, contribute or be directly linked to modern slavery practices. In determining AVADA risk profile, AVADA Group considered the industry, geographical locations and the types of products and services it procures.

During the review AVADA Group identified that the supplier categories of Fuel, Vehicles and Equipment are low risk as they are unlikely to cause, contribute and/or be directly linked to modern slavery practices. Supply chains investigated to three levels included:

	Level 1	Level 2	Level 3
Fuel	Retail Service Station (Aust/NZ)	Oil Refinery (Aust)	Crude Oil (Int'l)
Vehicles	Vehicle Dealer (Aust/NZ)	Vehicle Manufacturer (Int'l)	Component Supplier (Int'l)
Equipment	Equipment Distributor (Aust/NZ)	Equipment Supplier (Int'l)	Component Supplier (Int'l)

Level 1 – Suppliers typically provide finished goods and services, predominantly in a retail environment.

Level 2 – Suppliers are typically manufacturers or secondary suppliers.

Level 3 – Suppliers are typically component suppliers or primary/raw material suppliers.

Products from international and their international sources may be linked to modern slavery practices.

AVADA Group will continue over the next reporting period to engage with suppliers to further understand the risks of modern slavery practices within AVADA's supply chain and where necessary take appropriate action to reduce and mitigate those risks.

AVADA Group will investigate and where required engage external advice to undertake a further assessment of AVADA Group's supply chains processes & practices where there is concern in appropriately identifying and evaluating its modern slavery risks, particularly through international suppliers.

Internal policies

While AVADA Group's geography of operation and supply chain practices are an effective preventative measure for modern slavery risk, any residual risk is mitigated by our suite of internal policies (summarised below) which is designed to safeguard our employees and actively encourage them to raise any ethical or legal concerns they may have. We regularly review existing policies, procedures, and working documents to ensure they address standards of professional conduct, responsible business fundamentals, including human rights and ethics.

Policy	Purpose
Modern Slavery Policy	AVADA Group's Modern Slavery Policy, first approved by the Board in December 2023 establishes our commitment to ending all forms of modern slavery.
Corporate Governance Charter	AVADA Group's framework to establish accountabilities and governance requirements through the organisation. This is reviewed annually.
Anti-corruption and Anti-bribery Policy	AVADA Group's commitment to responsible corporate governance and to conducting its business lawfully, ethically and honestly, and will not tolerate any bribery or corrupt behaviour that is intended to obtain unlawful, improper, dishonest or corrupt benefit or advantage for AVADA or its Employees.
Whistleblower Policy	AVADA Group's commitment to doing business in an open and accountable way through supporting a culture of honest and ethical behaviour. We recognise that an important aspect of this is that individuals feel confident about reporting any concerns they may have about suspicious activity or wrongdoing in relation to our business activities without fear of harm or reprisal.
Diversity Policy	AVADA Group's commitment to fostering a corporate culture that embraces Diversity and, in particular, focuses on the composition of its Board and senior management. The policy also provides a process for the Board to decide measurable objectives and procedures which the Company will implement and report against to achieve its Diversity goals.

Actions planned for FY25

In the next reporting period, AVADA Group is committed to building upon progress made in our first reporting period, including the review of Attorney General's recommendations which were released on 25 May 2023 to consider whether these require modifications to our modern slavery risk management and reporting.

Criteria 5 – Assessing the effectiveness of our actions

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 have set ourselves annual goals to reach so we can look back and assess the effectiveness of our approach and inform our path forward.

1. Supplier Engagement and Compliance

- Goal: Engage the top suppliers – Ampol Australia, Toyota Australia who sign a modern slavery compliance declaration.
- Measurement: Confirmed modern slavery statement / compliance from website.
- Target: 100% supplier compliance by end June 2025.

2. Training and Awareness Programs

- Goal: Ensure internal staff awareness and understanding of modern slavery issues.
- Measurement: Percentage of employees who have completed modern slavery training.
- Target: Achieve 100% managerial participation in training by the end of June 2025, with remaining internal staff by end of December 2025.

3. Risk Assessment

- Goal: Improve the identification and management of modern slavery risks within the supply chain.
- Measurement: Number of new or identified risks mitigated, tracked.
- Target: Conduct risk review for 100% of critical suppliers and high-risk regions by end June 2025.

4. Reporting and Transparency

- Goal: Increase transparency in reporting modern slavery risks and actions taken.
- Measurement: Timeliness and completeness of reporting of annual modern slavery statements.
- Target: Publish the modern slavery statement by the set deadline (December) each year.

Criteria 6 – Consultation process

We consulted the relevant companies we own or control in the development of this statement.

Criteria 7 – Other relevant information

Relevant information has been included within the above criteria as appropriate.

Criteria 8 – Approval

This Statement was approved by the Board of AVADA Group Limited on 19 December 2024.



Daniel James Crowley
Managing Director & Chief Executive Officer