

AIRSERVICES AUSTRALIA MODERN SLAVERY STATEMENT

FINANCIAL YEAR 2022

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ACKNOWLEDGEMENT OF COUNTRY

In making this statement, Airservices Australia acknowledges Aboriginal and Torres Strait Islander people as the first peoples of Australia and Traditional Custodians of this land and its waters.

We pay our respects to Elders, knowledge holders and leaders both past, present, and emerging.

We acknowledge and embrace a culture that celebrates diversity, inclusion, and equality for all.



STATEMENT ON REPORTING ENTITY

Airservices Australia (ABN 59 698 720 886) is an Australian government-owned corporate Commonwealth entity established by the Air Services Act 1995 (the Air Services Act).

The company is registered at 25 constitution Avenue, Canberra ACT 2600 Australia.



1. A LETTER FROM OUR CEO

On behalf of the Board of Airservices Australia (Airservices), I am proud to submit our Modern Slavery Statement for financial year 2021-22, which has been prepared in accordance with the requirements of the Modern Slavery Act 2018 (Cth).

This is Airservices' third Modern Slavery Statement and during 2021-22 we made progress on our continued commitment to play an active role in combatting modern slavery in our operations and supply chains. Since releasing our inaugural Statement in 2020, we have pursued year-on-year improvements in our approach to identify and respond to modern slavery risks.

This year we focused on "Getting the House in Order" with specific focus on actions designed to establish a strong foundation for Airservices such as building accountability over our modern slavery program and communicating our expectations for minimum standards.

Moving forward we plan to increase oversight over our supply chain with aim of identifying risks and creating controls to reduce the likelihood of negative impact.

Airservices Australia is committed to operating responsibly to protect the rights of our employees, contractors, supply chain workers, customers, and the communities in which we operate. This aligns to our values of ensuring safe and inclusive working environments, trusting, respectful and collaborative relationships and ensuring our people are valued and empowered.

Modern Slavery is a complex issue and will not be solved through short term actions. We recognise that our response to modern slavery program is in its developing stages, and we remain committed to improving our capabilities and practices. Our statement provides an overview of our ongoing efforts and actions.

This statement was approved by Airservices Australia's board Tuesday 6 December 2022.



Jason Harfield
Chief Executive Officer
Airservices Australia
9 December 2022

2. INTRODUCTION

This statement was prepared by Airservices Australia (Airservices) to meet the mandatory reporting criteria set out under Australia's *Modern Slavery Act 2018* (Cth). This is our third modern slavery statement which outlines actions taken to address the modern slavery risks in our operations and supply chain over the financial year ending 30 June 2022 (FY22).

Airservices recognises that modern slavery is a complex global issue prevalent in every industry, including those utilised in our operations and supply chain. We have an active role to play as a responsible corporate entity to ensure human rights are protected and to treat our employees, contractors, supply chain workers and communities in which we operate with respect and dignity. Since the inception of the *Modern Slavery Act* Airservices has worked to identify, assess, address modern slavery risks within our operations and supply chain with the aim of maintaining responsible and transparent supply chains.

Our statement details our actions over the past financial year to help deepen our understanding of any current or potential risks. This allows us the opportunity to devise and improve action plans that mitigate these risks and progress forward as a leading human rights advocate; ultimately supporting the eradication of modern slavery in our supply chain and operations.

Modern Slavery

'Modern slavery' describes situations where coercion, threats or deception are used to exploit victims and undermine or deprive them of their freedom. The Act defines modern slavery as including eight types of serious 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.

It is important to emphasise that modern slavery is only used to describe serious exploitation that involves the loss of freedom.

Modern slavery does not include practices like substandard working conditions or underpayment of workers. However, these practices are also illegal, harmful, and may be present in some situations of modern slavery. Modern slavery can occur in every industry and sector and not only has severe consequences for victims but distorts global markets, comprises responsible business and can pose significant legal and reputational risks to entities.

Our Commitment

We recognise human rights in its simplest form is about treating people with dignity and respect, including employees, contractors and supply chain workers.

Serving our people is one of Airservices core values. We are committed to building a culture that values safety, diversity, and inclusion, and where everyone is treated fairly and with respect.

Key program highlights in FY22

Our three-year modern slavery roadmap is presented in Figure 3 below. We continue to monitor progress against the road map actions and an overview of our progress to the broader objectives of these actions are outlined below.

Objectives	Progress
Increase accountability over our modern slavery program	Identified key stakeholders to participate in the modern slavery working group.
Refine our policies and reporting for communicating our expectations	Undertook a review and commenced drafting of key policies as well as internal reporting.
Build awareness and capacity of our people	Undertook an assessment of modern slavery training needs.
Integrate due diligence into business practices and processes	Undertook a risk assessment refresh and designed deep dives into higher risk suppliers. Developed contractual and tender documents for consideration of modern slavery risks.

Airservices Modern Slavery Roadmap

Three-year Narrative

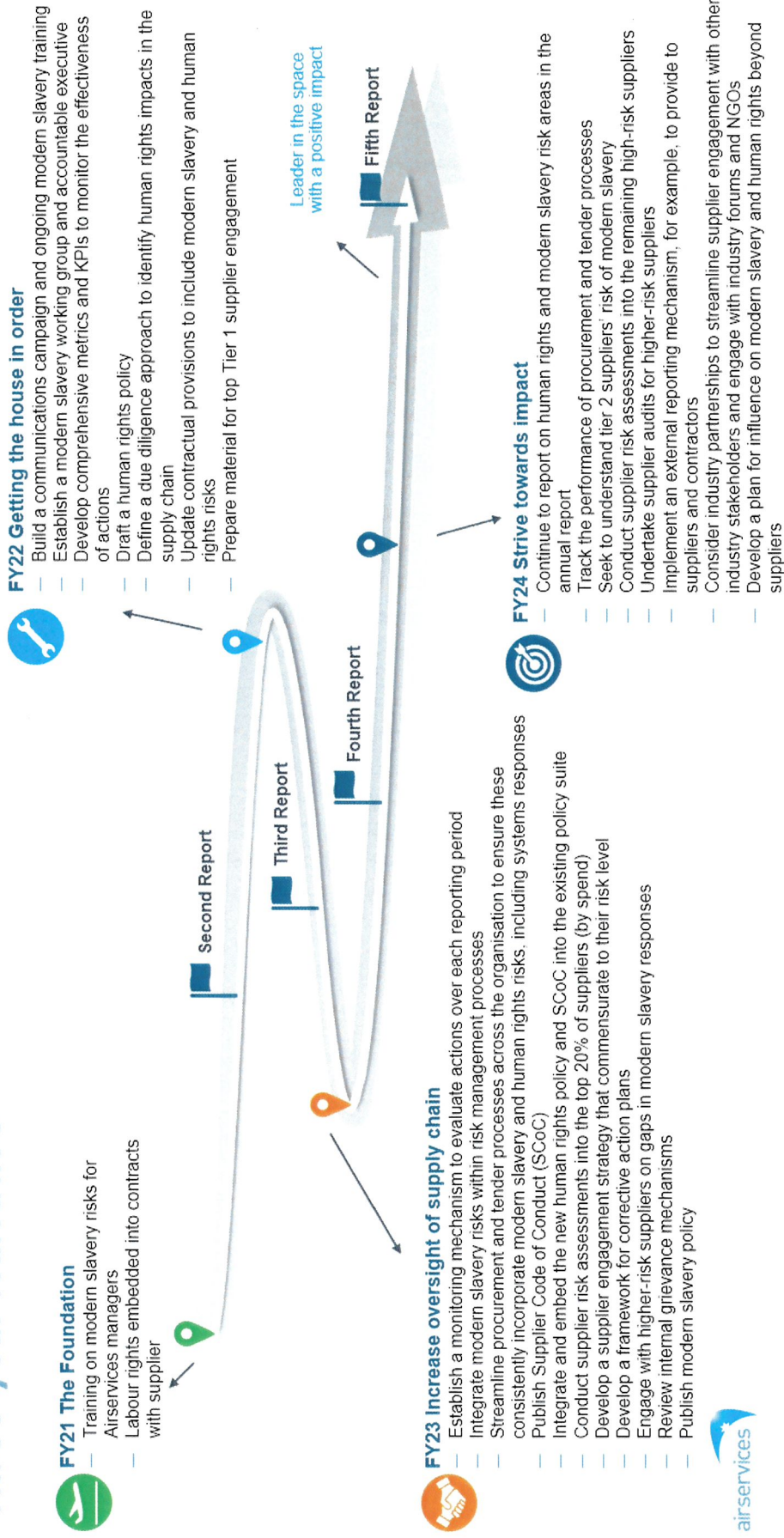


Figure 1 Airservices Modern Slavery Roadmap

3. AIRSERVICES STRUCTURE, OPERATIONS AND SUPPLY CHAIN

3.1. Our structure

Airservices Australia is a corporate commonwealth entity owned wholly by the Australian Government, accountable to the Minister for Infrastructure, Transport and Regional Development. We operate in accordance with the Air Services Act, the Australian Airspace Policy Statement 2018, the Public Governance, Performance and Accountability Act 2013 and the Minister's Statement of Expectations.

Formed in July 1995 by the Air Services Act 1995, Airservices was originally part of a larger organisation known as the Civil Aviation Authority before it split into two separate government bodies: Airservices Australia and the Civil Aviation Safety Authority (CASA). Airservices has no owned entities, and we are a designated corporate Commonwealth entity under the *Public Governance, Performance and Accountability Act 2013* (the **PGPA Act**).

Our Board, as our governing body, is responsible for deciding the objectives, strategies and policies we follow, and ensuring that we perform our functions in a proper, efficient and effective manner.

3.2. Our role

At the highest level, Airservices Australia is responsible for Australia's airspace management and operations. Our primary role is to:

- Provide facilities and services for air navigation safety, regularity, and efficiency within Australian-administered airspace. This includes providing air traffic services, handling aeronautical information, aviation rescue firefighting services, aviation communications, navigation aids and technology, flight path changes; and
- Promote and foster civil aviation in Australia and overseas.

3.3. Our Values

Our values reflect what is important to us at Airservices. Embedded and shared, our values guide our daily interactions with our customers, community and each other.

Airservices' Values	
Safe always	<ul style="list-style-type: none"> • Focused • Inclusive • Caring • Safe skies
Own it	<ul style="list-style-type: none"> • Accountable • Empowered
Work as one	<ul style="list-style-type: none"> • Trusting • Respectful • Collaborative
Services first	<ul style="list-style-type: none"> • Serving our people • Serving our customers
Love what we do	<ul style="list-style-type: none"> • Purpose driven • Capable • Valued



3.4. Our operations

Our three lines of business – Aerospace Services, Aviation Rescue Fire Fighting Services and Enabling Services – support our ability to deliver services for our stakeholders.

Aerospace Services

Safely and sustainably delivering customer and community needs in our airspace

Our Aerospace Services reflect the changing nature of our service provision integrating new airspace users, uncrewed aircraft, stratospheric operations, space launch and recovery, in addition to traditional users of our airspace.

Aviation Rescue Fire Fighting (ARFF) Services

The valued first responder at Australian aerodromes

Our Aviation Rescue Fire Fighting Services continue to be optimised to match customer needs, with our first responder teams leveraging emerging technologies to deliver effective, efficient and sustainable services, while keeping our people safe and reducing our environmental footprint.

Enabling Services

Digitally enabled business powering internal outcomes and customer performance

Our Enabling Services provide the infrastructure and services necessary for us to deliver on our ARFF and Aerospace services. We are transforming our enabling functions through automation and digitising our business to improve the speed and success of collaboration. We will be delivering a highly engaged workforce through our people and trusted partners. We will use advanced analytics and data that informs our decision making and the underlying networks.



3.5. Our locations and our people

We deliver services from two major air traffic service centres in Melbourne and Brisbane, as well as operating 29 control towers and 27 fire stations at airports across Australia. Our corporate headquarters are in Canberra.

OUR LOCATIONS

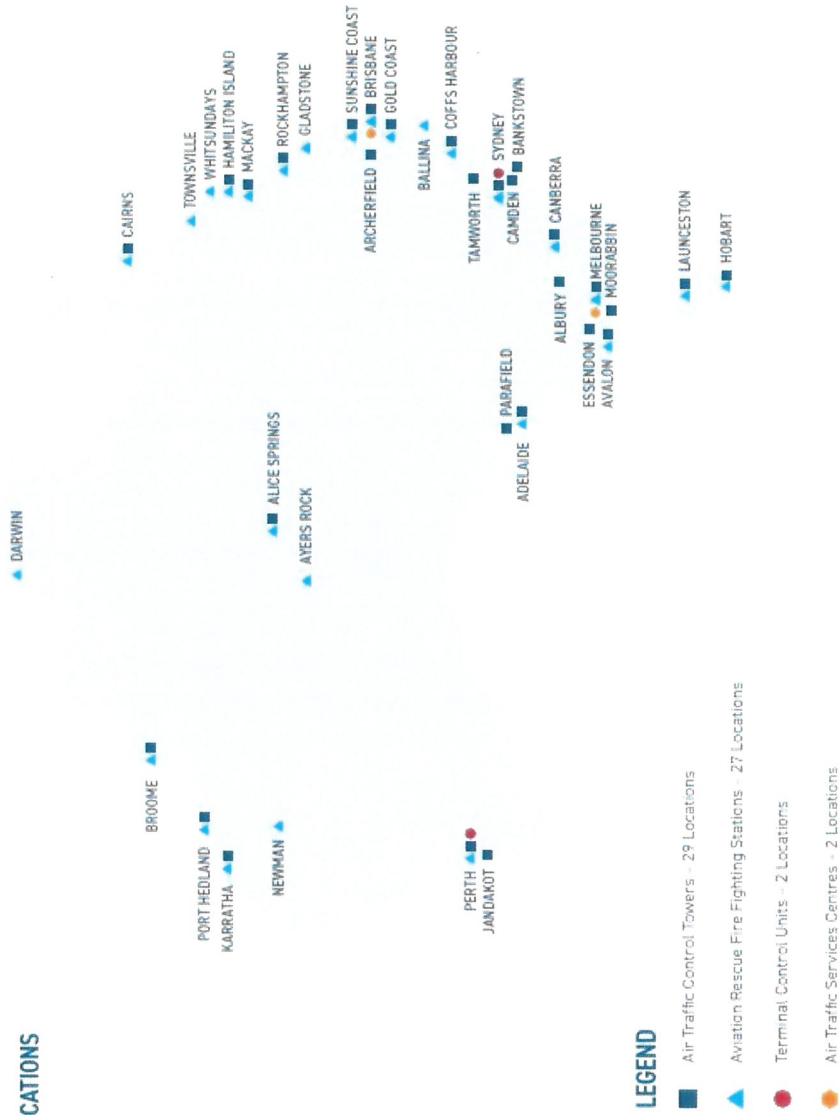


Figure 2 – Airservices Locations

Currently, Airservices Australia employs over 3230 highly trained people across Australia. All employees are based in Australia. A breakdown of our employee location is provided below.

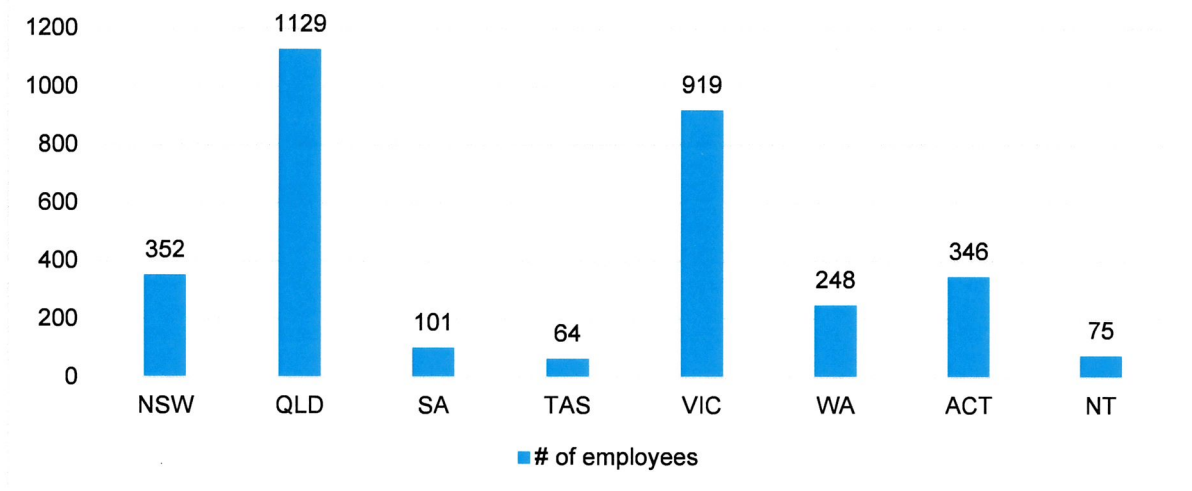


Figure 3 Airservices' employee location

The types of workers we engage are detailed below.

Worker	Role
Workers directly engaged by Airservices (full-time, part-time, casual)	Workers engaged through full time contracts to support with execution of business activities and other corporate functions.
Labour hire	Workers engaged through third-party contractors to fill vacant positions within the full-time workforce.
Non-FTE contractors	Workers who are engaged on a part-time, casual or seasonal basis by third-party contractors. These workers are captured in our supplier data as tier 1 service providers.

Airservices is a diverse and inclusive organisation. We are committed to creating a diverse and inclusive workplace where people feel safe, respected and valued. Women in the workforce has risen to 20.2%, with women in leadership increasing to 31.6%, up from 25.1% in FY2021.

Work continues to progress across the business to improve the way we support our people's physical and psychological health and safety.

Designated Groups	% of workforce	
	FY2021	FY2022
Indigenous Australians	1.6	1.9
People with a disability	1.0	1.0
People from a culturally or linguistically diverse background	5.9	23.0
Female employees	17.2	20.2

Table 1 Representation of Designated Groups in overall headcount in FY2022

3.6. Our supply chain

To facilitate operations, Airservices procures a wide range of goods and services from suppliers across professional services, general services and manufacturing. In FY2022, our total spend with Tier 1¹ suppliers was over \$440m with approximately 750 suppliers, with 80% of our spend with just 12 key suppliers. This can be grouped into a total of 16 categories of spend.

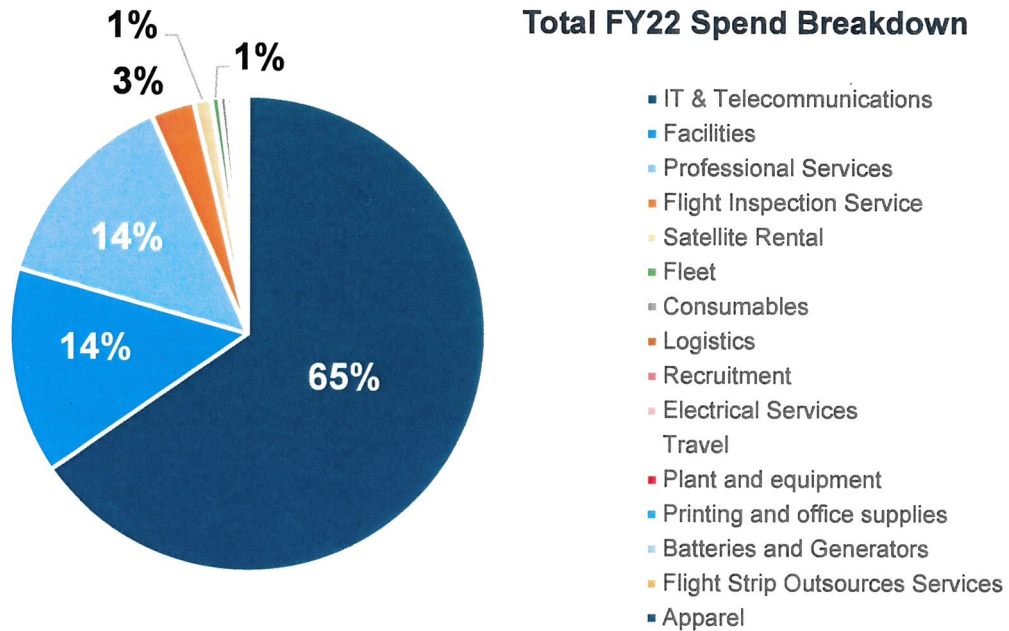


Figure 4 - FY 2022 Spend Breakdown

While Airservices has a relatively diverse supplier base, just under 95 per cent of our Tier 1 suppliers are Australian suppliers. The remaining 5 per cent of suppliers are based in the following countries:

- The Netherlands
- United States
- United Kingdom
- Belgium
- Norway
- Japan
- South Africa
- Austria
- Italy
- Switzerland
- Canada
- Ireland
- China
- Papua New Guinea
- New Zealand
- Germany
- Singapore
- Japan
- The UAE
- Mexico

4. RISK ASSESSMENT OF OUR SUPPLY CHAIN AND OPERATIONS

Airservices recognises the importance of risk-based due diligence for identifying existing and emerging risks to reduce the likelihood of negative impact. To understand our risk profile, we undertook a risk assessment in FY20 over our operations and tier 1 supply chain. As part of our ongoing response to modern slavery, we continue to refine our modern slavery risk assessment process conducted in the first and second reporting years. This is to allow for a deeper understanding

¹ Tier 1 suppliers refer to those suppliers where Airservices has a direct contractual arrangement.

of our supply chain and to facilitate an appropriate approach to mitigating any identified risks moving forward.

4.1 Operational risk assessment

During FY20, Airservices conducted a risk assessment considering the potential risk of modern slavery within our operations. The risk assessment included three considerations: working conditions, organisational policies and procedures and organisational awareness. The working conditions assessment considered the risk factors associated with type of workers engaged by Airservices to determine the level risk exposure. The organisational policies, procedures and awareness review considered the controls in place to mitigate the risk associated with each worker type to determine an overall risk rating.

Review	Working conditions	Organisational policies and procedures	Organisational awareness
Type of review	Risks		Controls
Description	A review of the types of workers employed at Airservices, and the controls and policies established to protect them from the risks of modern slavery	A review of standards and procedures that address human rights topics, to ensure modern slavery clauses and considerations are included.	A review of awareness level of modern slavery risk across procurement and leadership teams, as well as messaging from senior leadership, and training delivered to all stakeholders


Risks identified in our operations

Airservices risk of modern slavery in our own workforce is considered low. This is primarily due to our country of operation, Australia, and the type of workers we engage. The table below sets out each employee type within our operations, and a description of the risk rating.

Risk level	Worker	Description
Very low	Workers directly engaged by Airservices	All of air services direct employees are under Enterprise Agreements or management contracts. A significant part of the workforce is represented by unions, providing further reduction of risk that slavery would occur in our operations.
Low	Labour hire engaged through third parties	While labour hire is considered inherently higher risk, we engage external assurance over our labour hire providers to understand how they address risks and similarly to Airservices, their personnel are employed under national contracts that meet national employment standards.
Medium	Non-FTE contractors	Risks for this category of employment are considered a supply chain risk as it is a purchased service. High risk non-FTE contractors include security services who are captured under the supply chain risk assessment.

4.2 Supply chain risk assessment

In FY20, we conducted a risk assessment that considered a majority of our tier 1 suppliers in our extended supply chain. The risk assessment focused on inherent modern slavery risk as determined through a series of underlying indicators including, child labour and forced labour. To determine the inherent modern slavery risk, the assessment considered category risk and country risk. Dependency measured through spend was then integrated to factor in the risk to the business.

Review	Category risk	Country risk	Dependency
Weighting	40%	40%	20%
Type of review	Inherent risk		Business risk
Description	Risk draws on the Social Hotspot's Risk Mapping Tool that analyses social risks broken down by country and topic, using 0 to indicate lowest risk and 100 as the highest risk.	Risk based on the Walk Free Foundation Global Slavery Index (GSI), using 0 to indicate lowest risk and 100 as the highest risk.	Risk draws on business criticality due to spend on a given supplier, over total spend within that category, using 0 to indicate lowest spend and 100 as the highest.
Methodology	The risk assigned to each supplier is based on the weighted average of the three risk categories. The overall risk results are presented as averages and are based on the mean scores of each risk category assessed. 		

During FY21 we engaged a third-party consultant to conduct a supplementary risk assessment over 170 tier 1 suppliers who were engaged for the first time during FY21. This was then repeated in FY22 for 182 new tier 1 suppliers. The following section combines the risk results for Airservices FY20, FY21 and FY22 risk assessments.

While the risk assessments performed to date were an important factor in designing our approach to modern slavery risk management, we identified a need to conduct a more extensive assessment to gain a holistic picture of our tier 1 supply chain. This is driven by a reliance on headquarters as a proxy for business location where goods are produced internationally and a lack of specificity in category risk. As a result, Airservices will undertake a more comprehensive risk assessment in FY23 for all tier 1 suppliers.

Currently we are seeking to better understand our tier 2 supply chain through engaging our critical tier 1 suppliers. In the future, we plan to undertake tier 2 supply chain mapping and risk assessment which will enable us to be even better understand our supply chain risks and develop appropriate controls. We recognise this would require significant commitment to achieve this goal.

Risks identified in our supply chains

In the FY20 risk assessment, 97% of assessed suppliers had a medium level of modern slavery risk, by virtue of the industries and countries in which the suppliers operate. The remaining three percent is split between 99% low risk, and 1% high risk. The one high risk supplier rating was determined based on the risk associated with the supplier location, Papua New Guinea. The FY22 new supplier assessment was in line with our previous assessments where 98% of new suppliers align to the medium risk category and 2% with a low level of risk. The relative risk profile of our supplier base is largely driven by the location of suppliers, as a significant majority are located in Australia.

Categories found to be the highest risk are outlined in the table below. These categories are considered to be higher risk due to their link to factors indicating the presence of modern slavery. We are linked to these risks through our purchasing relationships, but do not believe we are causing or contributing to the risks.

While the categories below belong to our tier 1 supply chain, we acknowledge high risk activities occur our indirect supply chain. In particular, many of our tier 1 suppliers may be linked to sourcing of metals and minerals extracted in conflict zones and engage with convoluted sub-contracting systems.

Year identified	Industry	Sourcing countries	Inherent modern slavery risks
FY20 & FY21	Transport	<ul style="list-style-type: none"> Papua New Guinea 	Human trafficking and forced labour issues in the global shipping industry include withholding of pay and sustenance, and the provision of substandard worker accommodation. Further the industry operates in jurisdictions with poor legislative controls.
	Machinery and equipment	<ul style="list-style-type: none"> Australia New Zealand 	Machinery and equipment industries are heavy manufacturing, which is connected to forced labour and child labour through low skilled migrant workers, with instances a high number of recorded underpayments, excessive overtime, and health and safety non-conformances.
	Chemical, Rubber, and Plastic Products	<ul style="list-style-type: none"> Australia 	Modern slavery issues are linked to cultivation and harvesting of natural rubber, including forced and child labour. The development of chemical, rubber and plastics occurs in jurisdictions with reduced regulation and low health and safety standards resulting in dangerous and substandard working conditions, that may lead to modern slavery.
	Paper Products and Publishing	<ul style="list-style-type: none"> Australia 	Paper products and publishing companies use wood, a forest product, as their primary input. Forest commodities are linked to modern slavery through cultivation and harvesting, which often occurs in unrelated environments with high health and safety risks resulting in dangerous and substandard working conditions.
	Apparel	<ul style="list-style-type: none"> Australia 	The apparel industry is tied to complex opaque supply chains and significant cost pressures. This results in a high demand for non-permanent workers engaged through labour agents. Many workers in the industry are low skilled, migrant workers engaged in shift work. Underpayment, withholding of wages, excessive working hours and substandard accommodation is commonplace.
	Construction	<ul style="list-style-type: none"> Australia 	Practices identified in the property and construction sector include forced labour, child labour and human trafficking. This is driven by high demand for low-skilled labour, poor visibility over long and complex supply chains and low-tier suppliers operating in high-risk geographies.
	Cleaning	<ul style="list-style-type: none"> Australia 	Forced labour, including debt bondage, is commonplace in the cleaning sector. Underpayment, withholding of wages and excessive worker hours are typical in the industry. Migrant workers are often utilised in the sector with reports of withholding identification documents and substandard living conditions.
FY20, FY21 & FY22	Electronic equipment	<ul style="list-style-type: none"> Germany Japan Australia 	Forced labour is systemic in the production and provision of electronic equipment. Structural challenges in the industry are permeated through the use of temporary, part-time and subcontracted labour engaged through third-party labour providers. The use of migrant workers is significant, with recruitment fees amount to debt bondage common place. Workers engaged in the industry have a lack of freedom of association and undergo excessive working hours.

Year identified	Industry	Sourcing countries	Inherent modern slavery risks
FY22	Manufacturing (including motor vehicles and parts)	<ul style="list-style-type: none"> Australia 	Forced labour and to a lesser extent child labour are linked to the wider manufacturing industry. Risk factors are present in the industry due to the high number of low skilled migrant workers recruited through third-party labour agents to support factory production. Due to the nature of a production line manufacturing industries are also linked to excessive overtime and underpayment of wages.
	Security services	<ul style="list-style-type: none"> Australia 	Private security is often associated with labour exploitation due to a high contraction of migrant workers, downward pressure on prices, complex and informal subcontracting and labour-hire arrangements resulting in dangerous and substandard working conditions.

Dependency

Airservices dependency on suppliers aligned to a higher risk category is low. However, there is a small number of critical suppliers who Airservices relies on for procurement. During our FY20 assessment we identified six suppliers who were considered to have a higher dependency risk. These suppliers were identified as insurance, electricity, machinery and equipment, apparel, recreational and other services and public administration categories. The impact on final risk scores was limited as all high-risk suppliers are based in Australia, which has a relatively low modern slavery risk.

Our FY22 assessment results were in line with our FY20 and FY21 results. The overall dependency risk score for our new suppliers was calculated at a low risk level. This is likely due to our supplier spread across a diverse portfolio of suppliers and that most suppliers have a low dependency score. 'Electronics and 'Machinery' came out to be Airservices' highest dependency categories. The top two Tier 1 suppliers are large organisations and thus would emerge as a challenge to realistically overcome.

5. ACTIONS TAKEN TO ADDRESS MODERN SLAVERY

We recognise effective governance and procedures are key actions to manage modern slavery risks in complex global supply chains. Our progress has involved developing effective policies, practices, and practical realities with the aim to reduce the likelihood of negative impacts.

We have made good progress since our last statement for the continuous enhancement of our approach to addressing modern slavery risk.

We formalised our FY22 commitment in our 3-year Modern Slavery Roadmap with our priority this year being "Getting the House in Order" including activities designed to establish a strong foundation for Airservices moving forward.

5.1. Modern slavery working group

A key mechanism of due diligence is to ensure adequate governance and accountability over managing modern slavery risk. Airservices has endeavoured to gradually implement a robust roadmap as well as having key stakeholders contribute as members of the dedicated Modern Slavery Working Group to oversee our efforts for managing modern slavery.

The main purpose of establishing the working group is for Airservices' key stakeholders to provide insight and cross-functional expertise in modern slavery and labour rights matters within our operations and supply chains by:

- Overseeing the design, evaluation, and review of Airservices' operational and supplier due diligence processes in relation to modern slavery and labour rights
- Monitoring and, where required, supporting the business to address the risks of modern slavery and labour rights issues in Airservices' operations and supply chains

- Reporting to the Executive Leadership Team (ELT) and Board on matters related to modern slavery and labour rights for Airservices

The working group will comprise representatives from across the Airservices value chain. This is to ensure equal representation across the organisation.

This working group will be managed by Procurement and Commercial Services and its outcomes reported to the ELT on a regular cadence. The Terms of Reference document that provides further context and outlines the roles and responsibilities of the group will be published alongside the establishment of the group. Other relevant policies and procedures addressing modern slavery considerations are outlined below.

5.2. Key policies and documentation

Airservices recognises that an essential step in combatting risks of modern slavery in the organisation is to create or modify current policies and documentation. This is to set the standards and expectations for recognising business activities that potentially contribute to the problem and how best to mitigate any identified issues.

The table below highlights the key policies and documentation Airservices refers to when carrying out its business activities:

Document	Description
Code of Conduct Policy	This policy sets out the expectation of our employees, Board Members, contractors, and consultants to not tolerate inappropriate workplace behaviour including bullying, harassment (including sexual harassment), discrimination, fraud, corruption, violence, and other misconduct.
Ethics and Fraud Framework and Policy	This framework demonstrates how we comply with the obligations relating to fraud risk assessments, fraud control, and management of the ethical behaviour of personnel. It encourages reporting suspected or actual unlawful or unethical behaviour while providing a range of reporting mechanisms. Our strong and effective fraud control arrangements are formalised in our Ethics and Fraud Control Policy.
Fraud Control Plan	The plan describes the strategic and operational approach to how we manage fraud-related risks.
Risk Management Standard and Guide	This sets out the role all staff have in risk management. Risk management is recognised as a critical activity within the organisation to assist in meeting our objectives and legislative and regulatory requirements.
Governance Risk and Compliance Framework	This framework sets out how we exercise our governance, accountability, and performance obligations within the Air Services Act and the PGPA Act. In alignment with the Department of Finance, we define governance as "the set of responsibilities and practices, policies and procedures, exercised by an entity's accountable authority, to provide strategic direction, ensure objectives are achieved, manage risks and use resources responsibly and with accountability".
Employee Grievance Board	The Employee Grievance Board (EGB) is an avenue of independent dispute resolution where an employee has a grievance, and the relevant enterprise agreement sets out an EGB process.
People Policy	Our People Policy documents our focus to deliver safe, valued, efficient and innovative services that promote and foster aviation.
Environment and Sustainability Policy	The Environment and Sustainability Policy outlines our commitment to the principles and practices of sustainability and strive to continuously improve our organisational environmental performance to achieve positive outcomes for our customers, stakeholders and the community.

Document	Description
Bullying Harassment and Discrimination Policy	Our Bullying Harassment and Discrimination Policy documents our commitment to providing a workplace that is psychologically safe, respectful and free from unacceptable behaviour. No form of bullying, sexual harassment, harassment or discrimination is tolerated.

5.3. Training

Airservices previously established a comprehensive organisational training suite to ensure all employees and contractors are aware of their obligations regarding the Code of Conduct, ethics, and fraud and risk management in the organisation.

In FY22, 80% of **seven training modules** were successfully delivered to Airservices’ procurement and contract management personnel, including the Introduction to Procurement module. Besides that, all training modules were updated to reflect the most current modern slavery requirements and considerations.

We also engaged with Anti-slavery Australia to assist in the development and implementation of a training module centred around modern slavery which was expected to be completed during FY22. However, our expected timeframe has been delayed due to unforeseen circumstances in scheduling conflicts. Therefore, we aim to complete this initiative in FY23.



5.4. Our progress

Objectives	Roadmap actions	FY22 progress	FY23 goals
Increase accountability over Airservices' modern slavery program	Establish Modern Slavery Working Group and accountable executive	Airservices evaluated several key stakeholders on relevance and suitability to join the working group. We also drafted a Terms of Reference document to be used by the working group once established.	Establish the Modern Slavery Working Group along with the Terms of Reference document. Conduct workshops and training sessions to officiate the group with the support of a third-party organisation.
Refine our policies and reporting for communicating our expectations	Benchmarking assessment and alignment to leading practice	We engaged a third-party organisation to perform a benchmarking assessment and review our standards for alignment to leading practice. The review produced several recommendations for our Modern Slavery and Human Rights Policy approach.	Assess the recommendations made in the benchmarking report and implement those most relevant and achievable within the next reporting year. Incorporate medium to long-term actions in our next roadmap.
	Update related policies and procedures	Initiated discussions and subsequently drafted a Human Rights Policy tailored to Airservices that is centred around modern slavery. Updated the Procurement Manual to reference modern slavery risk management. We completed an official Supplier Code of Conduct draft and engaged an external advisor to review the document to ensure it meets leading industry practice.	Consult on and publish our Human Rights Policy and communicate to internal and external stakeholders. Finalise the Supplier Code of Conduct and implement active provisions in our tender processes, procurement documentation and supplier onboarding. We will aim to have 100% supplier acknowledgement of the Supplier Code of Conduct.
Build awareness and capability of our people	Internal reporting	Modern slavery program updates reported to our Executive Leadership Team.	Continued internal reporting and accountability to our Executive Leadership Team.
	Campaign to build communication and have ongoing training in modern slavery	Anti-slavery Australia was engaged to support Airservices for liaising with stakeholders via workshops and to develop an understanding of the training needs of our staff.	Draft additional specialised training modules focused on modern slavery and refine these further with the aid of an external advisor before delivery.
Integrate due diligence into business activities and processes	Supplier risk assessment of Airservices' supply chain.	A third-party was engaged to refresh the supplier risk assessment for new tier 1 suppliers in FY22 using spend data for the corresponding financial year.	Undertake a full risk assessment of our entire tier 1 supplier base to further understand modern slavery risks based on sourcing country of origin and category.



Objectives	Roadmap actions	FY22 progress	FY23 goals
	<p>Desktop assessment deep dive into the statements provided to develop a maturity report of our suppliers</p>	<p>We conducted a desk top review of our top suppliers reviewing publicly available information to gain a better understanding of their management of modern slavery risk.</p>	<p>We will engage a third-party organisation to assist in delivering additional supplier deep-dive reports identified as higher risk based on the results of the FY22 risk assessment.</p>
	<p>Define a due diligence approach to identify human rights impacts in the supply chain</p>	<p>We developed a set of standard questions for inclusion in all Airservices' Requests for Tender and additional questions to be included in tenders for suppliers of higher risk goods and services.</p>	<p>We will distribute and evaluate Self-Assessment Questionnaires to our highest risk suppliers as determined through the FY23 risk assessment. Questionnaires will focus on building an understanding of the risks and controls frameworks implemented by our suppliers to support an accurate evaluation of actual modern slavery risk.</p>
	<p>Update contractual provisions to include modern slavery and human rights risks</p>	<p>The Airservices standard contract templates were updated to include reference to supplier obligations in relation to the <i>Modern Slavery Act</i>. For active contracts, we successfully updated 41% to include a modern slavery clause.</p>	<p>We aim to update 90% of our active contracts to include modern slavery in this financial year and to engage an external advisor if necessary to further improve on clauses.</p>
	<p>Grievance mechanism</p>	<p>We engaged an external consultant to facilitate sessions with key stakeholders for identifying an appropriate grievance mechanism approach.</p>	<p>Finalise appropriate grievance mechanism approach, draft the associated policy, and include the relevant details in our tender documentation which is made available to all our suppliers.</p>

The activities are not intended to be sequential and will be undertaken in parallel to ensure all targets are achieved through the coming reporting period

5.5. Monitoring the effectiveness of our actions

Airservices recognises the challenge of measuring the downstream impact of our actions. We are in the initial stages of establishing processes to measure the effectiveness of our approach to assessing and addressing modern slavery on an ongoing basis. This year we developed the following mechanisms to monitor the effectiveness of our modern slavery program:

Modern slavery program governance – We assessed our key stakeholders to evaluate their suitability as potential members of the Modern Slavery Working Group to provide meaningful oversight of this program. We successfully identified all members of the working group and will be able to proceed with the establishment of the group in the upcoming financial year. The group will contribute to our reflections on how effective our modern slavery program is.

The following actions go towards measuring the completeness of activities in our roadmap; however we acknowledge the actions are very limited to measuring effectiveness or impact of our actions. In the future we look to develop KPIs that directly quantify the effectiveness of our approach.

Key Performance Indicators	FY2022	FY2023 Target
Modern Slavery Awareness training completed <ul style="list-style-type: none"> Procurement and contract management personnel Enterprise 	-	100% (revised material) 100%
Active contracts including a modern slavery clause	41%	90%
Supplier acknowledgement of the Supplier Code of Conduct	-	100% of tender responses from Jan 2023

6. CONSULTATION WITH OWNED AND CONTROLLED ENTITIES

Airservices has no owned or controlled entities. As a result, consultation for statement preparation occurred with key stakeholder across the business that interact with the modern slavery and labour rights program, including human resources and procurement.

7. OUR STRATEGY MOVING FORWARD

Airservices is committed to delivering on our actions to maintain responsible and transparent supply chains and operations. We do this with the aim of supporting the eradication of modern slavery.

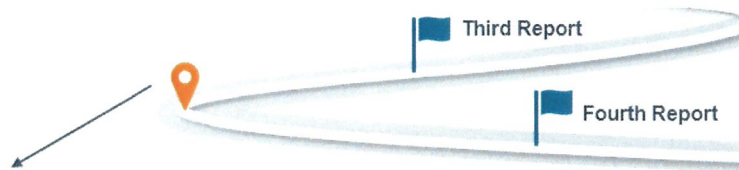
We recognise that our response to modern slavery program is in its developing stages, and we remain committed to improving our capabilities and practices in years to come.

Our three-year roadmap is a guiding focus to take action for continuous improvement and impact. This includes initiatives and milestones aligned to our modern slavery approach and *Modern Slavery Act* (2018) reporting. We are progressing on this journey and will continue to build on our first and second report objectives and actions as well as implement those planned for our fourth reporting year.

In the next reporting period, we will commit to:

- Complete a full risk assessment of our supply chain to have a detailed understanding of our highest risk categories
- Undertake further due diligence with higher risk suppliers including self-assessed questionnaires, and third-party audits. Develop ongoing supplier engagement strategies

- commensurate to the risk level
- Seek further avenues to integrate modern slavery risks within our broader risk management processes
- Streamline procurement and tender processes across the organisation to ensure these consistently incorporate modern slavery and human rights risks, including systems responses, including to integrate and embed the new human rights policy and supplier code of conduct into the existing policy suite
- Review internal grievance mechanisms for their effectiveness against modern slavery, ensure ongoing process is effective and there is a plan for remediation for complaints
- Develop and implement approach to monitoring the effectiveness of our modern slavery program including comprehensive metrics and KPIs



FY23 Increase oversight of supply chain

- Establish a monitoring mechanism to evaluate actions over each reporting period
- Integrate modern slavery risks within risk management processes
- Streamline procurement and tender processes across the organisation to ensure these consistently incorporate modern slavery and human rights risks, including systems responses
- Publish Supplier Code of Conduct (SCoC)
- Integrate and embed the new human rights policy and SCoC into the existing policy suite
- Conduct supplier risk assessments into the top 20% of suppliers (by spend)
- Develop a supplier engagement strategy that commensurate to their risk level
- Develop a framework for corrective action plans
- Engage with higher-risk suppliers on gaps in modern slavery responses
- Review internal grievance mechanisms
- Publish modern slavery policy



Figure 5 Our commitments for our FY23 Modern Slavery Report

8. APPENDIX

8.1. Mandatory reporting criteria of the Modern Slavery Act

This statement was prepared to meet the mandatory reporting criteria set out under the *Modern Slavery Act 2018 (Cth)*. Our report sections and alignment to the criteria are outlined below.

MSA Criteria	Section in this statement
Identify the reporting entity	Statement on reporting entity (2)
Describe the reporting entity's structure, operations, and supply chain	Air services structure, operations and supply chain (4-7)
Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls	Risk assessment of our supply chain and operations (8-12)
Describe the actions taken by the reporting entity and any entity it owns or controls to assess and address those risks, including due diligence and remediation processes	Actions taken to assess and address modern slavery (15-17)
Describe how the reporting entity assesses the effectiveness of these actions	Monitoring effectiveness (18)
Describe the process of consultation with any entities that the reporting entity owns or controls (a joint statement must also describe consultation with the entity giving the statement)	Consultation with owned and controlled entities (6)
Provide any other relevant information	Actions to taken to address modern slavery (13-14)