



Modern Slavery Statement

2020 Financial Year

Introduction

Queensland Airports Limited (QAL) is opposed to modern slavery in all its forms and provides this Statement to outline the activities undertaken to manage the risk of modern slavery. This Statement complies with the requirements of the Modern Slavery Act 2018 (the Act).

We acknowledge the responsibility of businesses to respect human rights in accordance with the UN Guiding Principles on Business and Human Rights. One of QAL's five strategic pillars is Social Responsibility, and we are committed to respecting and supporting fundamental human rights and expect that businesses and stakeholders with whom we do business will share that commitment.

QAL's core operations are focused on service delivery as an airport operator, which carry a relatively low modern slavery risk. However, operational support services involve the engagement of contingent labour and associated risk and as with most Australian businesses, we have potential supply chain risks associated with modern slavery via our capital projects, our acquiring of goods and services and the supply of our ICT services.

We also acknowledge that as an airport, we may be a gateway for modern slavery and, so as to mitigate that risk, we work proactively with the relevant agencies.

From our risk assessments, QAL has not identified any specific instances of modern slavery and we will continue to assess and treat the identified risks. Furthermore, as with our usual practices, we will also be gaining assurance that our risk processes are working effectively.

The COVID-19 crisis has presented many challenges to QAL with travel, aviation and airports being some of the industries most adversely impacted by the crisis. As these industries, our communities and QAL emerge from the crisis and our recovery gains greater momentum, our processes and approach to the management of modern slavery risk will continue to be reviewed and improved. To this end, we will continue to adopt a risk based, proactive and practical approach to managing modern slavery risk and importantly, ensure that in all of our endeavours, the human rights of vulnerable individuals are protected.

About QAL

Structure

QAL is a privately owned company that owns and operates Gold Coast, Townsville, Mount Isa and Longreach airports. QAL's shareholders include superannuation and investment funds and private individuals.

Operations

QAL's four airports service predominately domestic passengers, with around 8 per cent international passengers prior to COVID-19 impacts. During FY20, QAL welcomed 6.3 million passengers through its airports.

QAL has been undertaking capital works programs, which has resulted in the engagement of principal contractors. In addition to airport operations, QAL is a landlord with a diverse range of on-airport and off-airport tenants.

Please refer to QAL's Annual Report, which is available [here](#), for further information on our business and operations.

Source Locations

QAL sources its products and services predominately from within Australia, with a small percentage from overseas sources including North America, South East Asia and Europe.

Governance

QAL has a well-developed governance framework consisting of a structure, reporting lines, systems, processes and various forms of assurance to ensure that objectives are achieved, risks are managed and regulatory requirements met. QAL has developed a Modern Slavery Risk Management Improvement Plan, which outlines the key strategies and activities to enable QAL to manage the risk from modern slavery at an optimal level. Relevant documents for human rights protection are:

- Code of Conduct – essential standards of corporate and personal conduct and the behaviour expected of everyone who works for or with QAL
- Policies and Procedures Resource Centre – a comprehensive suite of contemporary policies establishing mandatory standards and requirements in undertaking activities within QAL and including Procurement, Human Resources, People and Culture, Sexual Harassment and Workplace Bullying and Behaviour
- Draft Modern Slavery Policy and Framework – will set out our requirements for managing and mitigating modern slavery risk
- Fraud and Corruption Control Framework – sets out requirements for managing and mitigating fraud and corruption risk
- Whistleblower Framework – the Whistleblower hotline may be utilised to report possible modern slavery related matters.

QAL's Risk and Audit Committee (RAC) has oversight of risk management within QAL, including modern slavery risk. This risk and associated activities will be monitored via quarterly reporting to the RAC on risk and activities and in turn, the RAC reports to the QAL Board.

Assessing the Risk

Risk Management Approach

QAL takes a zero-tolerance approach to modern slavery, in all its different forms and in any part of our operations and supply chains. This approach reflects a commitment to act ethically and responsibly in all business relationships and to ensure that modern slavery is not present in any part of QAL's business. In this regard, QAL is conscious of the fact that the COVID-19 pandemic has brought with it many challenges, including in relation to the protection of human rights. Throughout the financial year ending June 2020, QAL sought to work with our employees, customers and suppliers in order to understand the particular impacts of the pandemic and to offer support during this difficult time.

Risk Management activities are conducted in accordance with QAL's Risk Management Framework (aligned with ISO 31000:2018), with specific application to the external and internal modern slavery context and factors.

As is the case in most large businesses, QAL understands that due to the complexity of its supply chains and service delivery arrangements, conducting an effective assessment of modern slavery risks involves developing a clear understanding of relevant risk factors, including sector and industry, product and service, geographic location and consideration of relevant vulnerable populations.

In order to ensure risk assessments are based on current and valid intelligence, QAL utilises publicly available tools, indexes and registries. During FY20 and the COVID-19 impacted trading conditions, this has been limited to free of charge open source data such as the Global Slavery Index. As economic and trading conditions improve, we may utilise commercial support services as we look to improve our performance in this area.

Our risk assessment also considered QAL's relationship to the risk, as we recognised that this will impact the nature and extent of the controls that can realistically be implemented to manage the identified risk. In this respect, QAL recognises that it may directly or indirectly related to the risks due our proximity to the risk factors e.g. direct, indirect or remote supply chain or contract risk.

Modern Slavery Risks – Operations

Modern slavery risks identified with respect to our operations have been assessed and identified as low. Modern slavery risks identified with respect to our operations largely relate to:

Risk	Description
Employment	<p>Senior management maintains oversight of all employment contracting which is conducted in accordance with applicable laws and awards (including, without limitation, the Fair Work Act 2009 [Cth] and the Fair Work Regulations 2009 [Cth]). On this basis, QAL assesses that the risk of modern slavery practices resulting from employment is low, however, will continue to monitor and review compliance. Appropriate training has been sourced via the Airports Council International (ACI) and heightened awareness via general and targeted staff communications will be implemented.</p>
Leases	<p>QAL leases premises to a broad range of businesses including airlines, food and beverage, catering, retail, general aviation, fuel supply, transport, childcare and medical services. The indirect risk of modern slavery is considered low, however, QAL will engage with tenants to promote practices which reduce the risk of modern slavery.</p>
Third Parties	<p>Airport workers are engaged under contracts/subcontracts with third parties operating on QAL properties. This includes airline personnel, airline baggage handlers, maintenance staff, cleaners and caterers. There is a potential workforce risk associated with these sectors which is considered low, however in the case of international airlines and companies, the nature of their international operations is more complex. In relation to Australian operations, the risk of modern slavery is considered low. QAL commenced initial engagement with third parties and post COVID-19 impacts, will look to engage more deeply with third parties to promote and encourage practices to reduce the risk of modern slavery.</p>
Sub-Contractor Workforce	<p>QAL engages cleaning and security services under large contracts with tier one companies. These parties may engage sub-contractors to supply flexible labour and this has been identified as a medium modern slavery risk for QAL. QAL will engage with these parties to promote and encourage practices to reduce the risk of modern slavery.</p>
Gateway	<p>The Gold Coast Airport services international markets including South East Asia and as a consequence, has a higher risk than domestic airports as a potential gateway for a number of classes of modern slavery including servitude, forced labour, debt bondage, forced marriage and sex trafficking. In the third and fourth quarters of FY20, there were limited domestic flights and no international flights into Gold Coast Airport meaning that the risk was extremely low to negligible during that period. QAL will continue to engage with authorities and government agencies including in our regular departmental meetings so as to ensure that the gateway risk of modern slavery is mitigated and/or eliminated.</p>

Modern Slavery Risks – Supply Chain

Modern slavery risks identified with respect to our supply chain have been assessed.

Risk	Description
Construction	<p>QAL is engaged in a number of major construction projects. The largest project, expansion of the Gold Coast Airport terminal, involves the engagement of a tier one construction contractor as principal contractor. QAL acknowledges that a heightened supply chain risk exists with materials, or construction elements potentially being sourced from geographic locations where the modern slavery index is high. QAL has reviewed the modern slavery approach disclosed by the contractor and will continue to engage with contractors to promote and encourage practices to reduce the risk of modern slavery. This will include incorporating appropriate contractual conditions in future contracts so as to mandate appropriate standards, risk controls and monitoring in relation to modern slavery.</p>
General Procurement	<p>QAL purchases a broad range of goods and services directly and indirectly in its operations. Buying local first is the general approach, however in certain areas, the only goods and products available are manufactured overseas. QAL will continue to look at acquiring locally and, where local goods and services are not available or practical and only those manufactured overseas are available, QAL will seek assurance as to the integrity of those items in the context of modern slavery risk.</p>

Taking Action (Risk Controls)

Modern Slavery Policy

QAL is committed to ensuring that products and services it acquires are sourced ethically and that they are acquired in a manner that prevents and/or mitigates modern slavery, and that its business activities comply with legislative requirements and meet community expectations. QAL has developed a Modern Slavery Policy to guide its response to modern slavery risk. Due to the significant impact of COVID-19 pandemic upon QAL's business and workforce, implementation of some measures outlined in the policy were delayed, however, as our business normalises, QAL will ensure that all measures are implemented: Looking forward, QAL shall ensure that at all times, and in all business activities, QAL's Modern Slavery Policy shall ensure that, to the extent that it is lawful and practicable to do so, QAL will:

- Acknowledge responsibility and accountability for identifying and managing modern slavery issues within QAL's scope of business activities
- Assess modern slavery risks that may exist in operations and reduce those risks so far as reasonably practicable
- Identify modern slavery risks within its supply chain and take actions to address those risks proactively and so far as reasonably practicable
- Establish minimum standards which we will, so far as reasonably practicable, comply with in conducting business and which we will require suppliers of goods and services to meet
- Conduct due diligence and gain assurance during procurement to ensure that the risk of modern slavery through contracting of goods and services is eliminated or reduced so far as reasonably practicable and that suppliers of goods and services exhibit a record of good practice
- Require suppliers of goods and services to demonstrate compliance with modern slavery legislation and QAL's Modern Slavery Policy
- Include terms and conditions in contracts for the supply of goods and services that require compliance with modern slavery legislation and QAL's Modern Slavery Policy
- Undertake assurance activities from time to time to assure that suppliers demonstrate compliance with modern slavery legislation and QAL's Modern Slavery Policy
- Engage with stakeholders including contractors, suppliers and agencies, to enable effective collaboration and communication in relation to modern slavery risks and controls
- Partner with stakeholders to control the risk that our airports may provide a gateway for modern slavery activities
- Enable reporting of complaints or disclosures of modern slavery through the Whistleblower Framework
- Engage pro-actively with suppliers to resolve issues relating to modern slavery non-compliance
- Ensure that appropriate training is provided
- Ensure that the performance and effectiveness of our policy and activities are subject to regular monitoring and review

Modern Slavery Working Group

A multi-disciplinary Modern Slavery Working Group will be formed with the General Counsel as the Chair with the following key objectives:

- Facilitate the assessment of modern slavery risks
- Facilitate and monitor implementation of modern slavery risk controls
- Identify and facilitate opportunities to collaborate with agencies, business partners and/or non-government organisations to mitigate modern slavery risks
- Monitor and review effectiveness of controls and actions
- Monitor and review the effectiveness of modern slavery initiatives
- Promote and develop among the QAL workforce, awareness and capability in relation to modern slavery risk and controls
- Monitor and review effectiveness of Modern Slavery Framework

Procurement Policy and Procedure

QAL will update its Procurement Policy and Procedures to strengthen management of modern slavery risks including consideration of the entity, sector, industry and location, any previous reported instances of modern slavery and assurances in regard to compliance with Modern Slavery Act provisions. In FY20, there were no instances of modern slavery identified or reported.

Minimum Human Rights Standards

QAL is in the process of finalising minimum human rights standards to be applied to procurement.

Contract Terms and Conditions

QAL is reviewing contract clauses for inclusion in contracts which specifically address modern slavery compliance requirements, assurance, notifications and support in completing due diligence activities. These will be finalised in FY21 and rolled out across QAL within our contracting processes going forward.

Reporting

QAL will report on its approach to addressing modern slavery annually at the end of each financial year, in accordance with the requirements of the Act, and this will include information about:

- QAL business and its procurement supply chains
- the due diligence processes applied by QAL in sourcing suppliers
- the risk-assessment methods and steps taken to manage the risks in both the business and the procurement supply chain
- the effectiveness of ensuring that modern slavery is not taking place in any part of its business or its procurement supply chain
- the adequacy of training arrangements to ensure that relevant employees have the knowledge and skills necessary to fulfil their obligations

Assessing and Measuring Effectiveness

The effectiveness of QAL's modern slavery controls will be monitored and reviewed by the Modern Slavery Working Group with the outcomes and recommendations reported to the Risk and Audit Committee.

As our business normalises post-COVID, we will monitor the performance of the Modern Slavery Framework through the use of lead and lag indicators which will include:

- Training Compliance
- Procurement and Contract Non-Conformance
- Supplier and Contractor Assurances
- Audits and Questionnaire Completion
- Audit Non-Conformances
- Grievances
- Corrective Actions
- Detected Modern Slavery Issues

Performance measurement and risk control effectiveness will be monitored and reviewed as an integral part of our ongoing risk management practices with the outcomes and recommendations reported to the Modern Slavery Working Group and in turn, the Risk and Audit Committee. Monitoring will be on an ongoing basis and reporting to the Risk and Audit Committee on a quarterly basis.

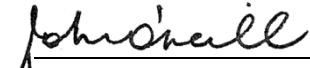
The Modern Slavery Framework, including risk management and controls, is subject to continual improvement. This process of continual improvement is managed by Legal and Governance under oversight of the Modern Slavery Working Group. This process includes regular review including when regulatory amendments occur, when there is regulatory action, upon introduction of new practices, when the external context changes and/or as a consequence of audit findings.

COVID-19

The COVID-19 pandemic has had a significant impact upon QAL's operations, including severe reductions in flight and passenger numbers and adverse impacts upon tenants. This has led to adjustments in workforces and a reduced need for contingent workforce.

Whilst QAL recognises that COVID-19 has elevated the modern slavery risk for some sectors, this has not been the case for aviation and QAL has not detected any heightened risk from modern slavery due to COVID-19. Additionally, any adjustments to expenditure have occurred within QAL's procurement requirements, including modern slavery considerations. As we return to normal operations the risk may increase, and the actions and practices which will be detailed in our Modern Slavery Framework and Modern Slavery Improvement Plan will enable QAL to assess and respond to this risk effectively.

This statement was approved by the Board of Directors of Queensland Airports Limited on 9 February 2021.



John O'Neill
Chairman
 March 2021