

## Modern Slavery Statement

CY 2023



#### Acknowledgement of Country

Sydney Airport would like to acknowledge the Aboriginal people of coastal Sydney who are the Traditional Custodians of the land on which today's airport sits.

They identify themselves in a number of ways including Gamayngal, Bideagal, Gweagal, Gadigal and Gadhungal.

We pay our respects to them, their cultures and to their Elders past and present and to other Aboriginal and Torres Strait Islander people who have made this area their home.

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### About this report

This statement is a joint Modern Slavery
Statement covering the activities undertaken
during the year ended 31 December 2023 by the
entities in our structure with reporting obligations
under the *Modern Slavery Act* 2018 (Cth), which
together, for the purpose of this statement, are
defined as **SYD** or Sydney Airport.

#### **Sydney Airport Structure**

On 9 March 2022, Sydney Airport Limited (SAL), the former ultimate parent company of Sydney Airport Corporation Limited (the owner and operator of Sydney (Kingsford Smith) Airport), was acquired by the Sydney Aviation Alliance, a consortium of funds representing millions of Australians through their superannuation. Sydney Aviation Alliance Holdings Pty Ltd is the new ultimate parent company and holds a 100 per cent economic interest in Sydney (Kingsford Smith) Airport.

#### SYD comprises:

Chair and CEO message

- Sydney Aviation Alliance Holdings Pty Ltd (SAAH)
- Sydney Aviation Alliance Pty Ltd (SAA)
- Sydney Airport Limited (SAL)
- Southern Cross Airports Corporation Holdings Limited (SCACH)
- Sydney Airport Corporation Limited (SACL)



#### A message from our

### **Chair and CEO**

Actions to address

and assess risk



David Gonski Chair

Scott Charlton
Chief Executive Officer

Our overarching purpose at SYD is to make Sydney proud every day and this includes a responsibility to respect human rights by working to combat modern slavery. As Australia's largest gateway airport we understand the pivotal role we play, with tens of millions of passengers travelling through our terminals every year.

In 2023, our passenger numbers increased 33 per cent on 2022 and as a result our supplier spend increased to \$729 million across more than 1,000 different organisations. To help us better manage the risk in our growing supply chain, detailed third party assessments were carried out on our largest suppliers, to review their documentation, policies and procedures that demonstrate compliance with modern slavery principles.

We did not identify any instances of modern slavery within our workforce, or in the suppliers we reviewed in our supply chain in 2023.

A third-party review of our modern slavery procurement processes and high-level benchmarking was completed this year, and the recommendations derived from this work will inform a procurement maturity roadmap in 2024, to help us to continue to improve our modern slavery response.

In the year ahead, we will also explore avenues to enhance partnerships with our precinct partners and stakeholders, integrating insights from their experiences to bolster our efforts in identifying and combating modern slavery.

This statement and its contents are formally acknowledged and approved by the Board of Sydney Aviation Alliance Holdings Pty Ltd in its capacity as principal governing body under section 14(2)(d)(ii) of the Modern Slavery Act (2018) and signed accordingly by:

David Gonski

Chair, Sydney Aviation Alliance Holdings Pty Ltd Jan Jak

#### > Scott Charlton

Chief Executive Officer, Sydney Airport

#### Key areas of action in 2023



### Specialist workshops for high-risk supplier categories

We engaged an external consultant to help SYD mature its modern slavery risk assessment and provide specialist modern slavery training sessions for risk owners. These workshops were held with contract managers of two of our high-risk supplier categories, major labour-based services and construction, as well as our aviation team.



#### Evaluating our processes to identify and address risks

In 2023, we brought in an external expert, Pillar Two, to review SYD's procurement process to identify key areas for continuous improvement and to assess our approach to addressing modern slavery risks in the airport's supply chain. Additionally, our current practices were benchmarked against five peer organisations, to help us identify potential policy gaps as well as ways to improve our processes and approach to addressing modern slavery risks.



### Improving our modern slavery response procedure

Supplier due diligence was undertaken in 2023 through external expert, Cm3, against SYD's Supplier Code of Conduct and sustainable supplier survey.

Additionally, SYD included contractual requirements in its major services contracts prohibiting any sub-contracting of labour services and explicitly requiring that all workers be directly employed by the principal contractor.



### Partnership to raise awareness about human trafficking

During the FIFA Women's World Cup, hosted by Australia and New Zealand, we partnered with not-for-profit organisation, It's a Penalty, and ran a campaign in the terminals to raise awareness about human trafficking and exploitation of children.

## SYD's operations, structure and supply chain

#### **Operations**

SYD operates Australia's largest gateway airport, connecting Sydney to a network of destinations and **serving millions of passengers every year.** 

Sydney Airport is one of Australia's most important pieces of infrastructure. We are an international gateway and an essential part of the country's transport network.

In 2023, we served 38.65 million passengers, facilitated 283,937 passenger aircraft movements, 12,992 freight aircraft movements and connected Sydney to more than 90 destinations around the world.

The key operations and revenue streams of SYD are aeronautical services, property and car rental, retail, parking and ground transport.

#### SYD's operations and revenue streams<sup>1</sup>



#### SYD's workforce

Sydney Airport directly employs 591 people, with the majority of its workforce in permanent full-time and part-time roles. Our employees are engaged by either direct contract or under collective bargaining agreements (32 per cent).

We have a small number of apprentices who are indirect employees (< one per cent). They are employed by a third-party specialist apprenticeship and trainee supplier, who support SYD with our apprenticeship program.

Recruitment is managed by our internal human resources team and for specialist roles, external recruiters may be used.

SYD outsources activities to specialist suppliers and consultants through our sourcing process and contract management requirements. For more information on this, please see Supply Chain on page 3.

#### Our purpose and values

SYD's purpose is to make Sydney proud every day. This reflects our aspiration to have a positive impact in the community, with our customers, and for New South Wales (NSW) and Australia more broadly.

To achieve this purpose, we seek to work with our suppliers to align with our sustainability requirements and meet safety, social, ethical and environmental standards.

SYD's values guide the behaviours we must collectively demonstrate to realise our purpose. We expect our suppliers to share our values and we communicate this through our Supplier Code of Conduct.



#### Supply chain

SYD has a diverse supply chain with main supplier categories by spend related to construction, security, facilities and asset management services, civil and asphalt works and utilities.

During 2023, SYD spent approximately \$729 million procuring goods and services from 1,064 suppliers with the top 54 making up 80 per cent of that spend.

The \$729 million was split 50:50 between capital expenditure and operational expenses, predominantly for construction and major services contracts.

#### What we source

SYD directly procures services, goods for resale, and goods not for resale.



#### Where we source from

The majority of our expenditure is with suppliers primarily located in Australia, followed by the Philippines, India and China. The table below outlines examples of 'country of origin' and products/services sourced.

| Country     | Example of product/services sourced  |
|-------------|--|
| Australia   | Labour resources to support baggage services, construction services, cleaning services, grounds maintenance, security and kerbside management, products in the SYD Lifestyle range |
| Philippines | Payroll processing services  |
| India       | IT support services  |
| China       | Products in SYD Lifestyle range, PPE   |

SYD has identified its tier 1 highest risk supplier categories to be:

- · Major labour-based services (cleaning, security, carpark and kerbside management)
- Construction (labour)
- Offshore IT support services and payroll processing services
- Manufacturing

Operations, structure ways of working and supply chain and governance

## Modern slavery ways of working and governance

Sydney Airport manages modern slavery risk in our operations and value chain through our Modern Slavery Working Group, a cross-functional team that meets quarterly to deliver an annual program of work.

This program is guided by:

- · The UN Guiding Principles on Business and Human Rights
- International Bill of Human Rights including the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights, and the International Labour Organisation's Declaration on Fundamentals Principals and Rights at Work
- · SYD's Sustainability Strategy.

Our Modern Slavery Working Group continues to monitor regulatory and legislative trends including the Australian Government's review of the *Modern Slavery Act* 2018 (Cth) and the New Zealand Government's consultation on a potential Modern Slavery Act.

#### Governance



#### Sydney Aviation Alliance Holdings Pty Ltd Board

Responsible for reviewing and approving SYD's Sustainability Strategy 2022-2024 and our annual Modern Slavery Statement



#### Safety, Sustainability and Security Board Sub-committee

Monitors the program of work and is responsible for reviewing the Modern Slavery Statement and recommending it to the Board for approval



#### **Environmental Social Governance SteerCo**

Oversees and monitors the implementation of the Sustainability Strategy and Modern Slavery Program



#### **Modern Slavery Working Group**

Responsible for developing and delivering the annual program of work focused on five areas; risk assessment, training, due diligence, remediation and reporting.

Functions of the Modern Slavery Working Group include Corporate Affairs, Risk, Legal, Procurement, Human Resources, Facilities and Maintenance, Aviation and Sustainability.

## Understanding and identifying risks in modern slavery

SYD follows the United Nations Guiding Principles on Business and Human Rights to understand how risks may be present in operations and supply chain and whether we may cause, contribute or be directly linked to harm to people.

- A company may cause modern slavery if its own acts or omissions directly result in the modern slavery occurring (for example, if it engaged children in hazardous work).
- A company may contribute to modern slavery if its own acts or omissions are significant in facilitating, encouraging or enabling another party to cause a situation of modern slavery (for example, if its purchasing practises put significant cost and time pressures on suppliers that they could only meet through the use of forced labour).
- A company may be directly linked to modern slavery by its operations, products or services through a business relationship (for example, if a product it purchases was manufactured using workers in debt bondage).

SYD's Enterprise Risk Management Framework and Risk Managemen Policy guide the approach to modern slavery risk management.

SYD has identified how the above risks may be present in our operations and supply chain.

#### **Operations**

We consider the first risk listed above to be low.

More than 95 per cent of SYD's employees are in permanent roles and are engaged by either direct contract or under collective bargaining agreements. This means that we have direct visibility of employment terms and conditions of our workforce.

A strong policy framework, accessible grievance mechanisms and training for our people are key controls to mitigate the risk of modern slavery within our operations.

Where SYD employs people indirectly, we work with labour providers to identify and understand the risk controls they have in place and how these are applied to workers. Controls in place presently include communicating our sustainability and human rights expectations, having clear contracts in place for labour providers, along with provider audits as required.

#### Supply chain

Regarding the second risk listed above, we have identified the potential for risk in the following categories.



















#### **Contractor Risk**

A number of services outsourced by SYD present risks of modern slavery. These include risk of debt bondage or forced labour in labour-intensive, base skill activities such as cleaning, security, kerbside management.

Risk of debt bondage forced labour and child labour also exists through the use of offshore vendors to deliver IT services and payroll services.

#### Goods for resale

A SYD Lifestyle range was introduced in 2019.

The limited, low volume range includes chocolates and a t-shirt (manufactured in Australia), slides, a cap, a tote bag, and a branded reusable water bottle (manufactured in China). All products are produced by third party suppliers and are sold online and through selected airport retailers. Modern slavery risks associated with these products include child labour, forced labour and debt bondage.

#### Goods not for resale

The level of risk for goods purchased not for resale, including PPE, uniforms and promotional items and IT equipment, is largely influenced by the conditions of employment where these products are manufactured, and the materials used.

Modern slavery risks associated with these products include child labour, forced labour and debt bondage.

## Actions to address and assess modern slavery risk

### Policy framework

Policies, procedures and codes are in place to assist SYD to uphold and protect human rights. This policy framework communicates our human rights expectations and applies to directors, employees, contractors and consultants.

| Code of Conduct                     | The Code of Conduct sets the standard for how we work together to operate the airport in a safe, responsible and secure manner. It reinforces SYD's commitment to respect and upholding human rights and rejecting all forms of slavery. Employees of SYD receive training in relation to their obligations under the Code of Conduct.   |  |
|-------------------------------------|--|--|
| Supplier Code of Conduct            | SYD first introduced its Supplier Code of Conduct in 2017 and updated it in 2020 and 2022. It establishes minimum standards of behaviour and conduct expected of SYD's suppliers across seven elements including: Safety and Wellbeing, Labour Practices and Human Rights, Diversity and Inclusion, Governance and Compliance, Privacy and Cyber Security, Environmental Management and Community. |  |
|                                     | The code also encourages suppliers to raise human rights or modern slavery related concerns using SYD's anonymous whistleblower hotline, HALO. The code is publicly available via the website, through our supplier portal and provided to suppliers.  |  |
| Fraud and Corruption Control Policy | The Fraud and Corruption Control Policy outlines our commitment to high standards of ethical conduct and to supporting a culture of ethical behaviour. SYD has no tolerance for fraud, bribery or corruption in any part of our business.  |  |
| Human Rights Policy                 | The Human Rights Policy details our commitment to respect and supporting human rights, including by rejecting any form of slavery such as forced and child labour. This policy guides our engagement with our suppliers in respect of their human rights practices.  |  |
| Risk Management Policy              | The Risk Management Policy identifies roles and responsibilities for risk management and the steps followed to identify, analyse, accept or mitigate risk.   |  |
| Compliance Management Policy        | The Compliance Management Policy details our commitment to a strong culture of compliance and ethical behaviour.   |  |
| Sustainability Policy               | The Sustainability Policy sets our commitment to responsible growth that delivers positive outcomes for our stakeholders, and to respect human rights.   |  |
| Whistleblower Policy                | The Whistleblower Policy and associated program allows employees, contractors and suppliers to raise human rights and modern slavery concerns in a confidential manner. Directors and senior management receive training on the process for handling whistleblower complaints they may receive directly.   |  |

#### Risk management and controls

A framework of management systems and controls are in place to address and assess modern slavery risk in SYD's operations and supply chain.

#### **Enterprise Risk Management Framework**

SYD's Enterprise Risk Management Framework and Risk Management Policy guide our approach to risk management in relation to modern slavery. This framework addresses risk management in the areas of sustainability, human rights, modern slavery and ethics.

#### **Contract Clauses**

SYD's precedent contracts used for procurement in key risk areas include anti-modern slavery provisions. These include requirements for a contractor to:

- Warrant that it will not and does not engage in activities that constitute or involve modern slavery
- Report to SYD if modern slavery is identified in its operations or supply chain, and take action to address identified issues
- Provide training and education for its workforce to promote understanding of modern slavery risk.

A number of material services contracts covering highrisk supplier categories, include clauses that do not allow sub-contracting without SYD's permission and review. As contracts in high-risk supplier categories are renewed or varied, these will be updated to include these clauses.

#### **Airport Operators License**

Many activities taking place onsite at the airport are undertaken by airlines and other companies and fall outside of SYD's operational control. Companies undertaking these activities include ground handling agents, aircraft refuelling companies, cargo terminal operators, catering and cabin cleaning companies, and aircraft maintenance providers, amongst others.

These companies are required to sign an Airport Operators License (AOL) that establishes an enforceable framework of minimum standards for operating at Sydney Airport. The framework's objective is to improve behaviour and enhance outcomes across five key areas including, safety, security, environment, sustainability and operational performance.

The conditions of our AOL include compliance monitoring across the framework's five key areas and incorporate modern slavery. Licence holders are required to notify SYD of:

- Modern slavery incidents in their operations and planned remediation actions
- Any slavery or human trafficking enforcement proceedings occurring two years prior to the licence commencement date, and/or
- Any actual, ongoing or potential enforcement actions that arise during the term of the AOL.

During 2023, there were no reports of modern slavery from AOL holders.

#### **Conditions of Use**

SYD has standard Conditions of Use, which set out the terms and conditions under which SYD provides services and facilities to air operators (both passenger and non-passenger) that land at Sydney Airport, but which do not have a bespoke agreement with SYD.

In 2023, SYD included a specific modern slavery clause in its Conditions of Use, to enable SYD to understand each air operator's compliance (to the extent they operate under the Conditions of Use) with anti-slavery and human trafficking laws and provide an opportunity to raise awareness about modern slavery with our airline partners.

#### Whistleblower reporting process

People wishing to raise a concern about modern slavery related to SYD or at Sydney Airport can do so via Sydney Airport's whistleblower hotline, HALO, which is accessible 24/7.

They can also make reports to authorised people within the business including Directors, the Chief Risk Officer, the Chief People Officer (who is also the Whistleblower Protection Officer) and members of the Executive Leadership Team.

Reports can be made anonymously, and people who report concerns will be supported and protected from reprisal or detriment.

During the reporting period SYD received two reports. The first matter was investigated and found not to meet the criteria to qualify as a whistleblower report. It was characterised as a Human Resources related grievance. Nevertheless, it was treated seriously and as a result of the report, increased leadership training was provided to strengthen the culture in the relevant team and to reduce the risk of misconduct. The second report related to a SYD contractor concerning working rights. The matter was investigated and found to be unsubstantiated.

#### **Modern Slavery Response Procedure**

Developed in 2021 and revised in 2023, our Modern Slavery Response Procedure explains the procedure SYD will follow if modern slavery is suspected or identified in our operations, supply chain or value chain.

The procedure explains what modern slavery is and the key indicators of modern slavery. SYD's guiding principles for responding to modern slavery, and the procedure for responding to suspected modern slavery, includes four key steps:

- 1. Identification, triage, escalation and initial assessment
- 2. Investigation
- 3. Remediation
- 4. Review.

In 2024, SYD will work to strengthen our response procedure with areas identified during testing in 2023. Further details are outlined on page 11 under 'Assessing the effectiveness of our response procedure'.

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## Actions to address and assess modern slavery risk

#### SYD access cards

An access card is required for any person working at the airport requiring access to the terminals or airfield, which is issued through SYD's ID and Access Services Centre. A key element of this process is confirming a person's identity and their right to work in Australia.

#### Access cards can be:

 SYD issued Aviation Security Identification Cards (ASICs) Airport workers are required to confirm their identity with evidence in person at the SYD ID and Access Services Centre to obtain an access card relevant to the nature of their work at the airport or for SYD. As a part of the application process, government-issued photo identification is required, and documents are checked by SYD's team using the Australia Government's Visa Entitlement Verification Online system. This confirms the applicant's right to work in Australia. Applications are also reviewed and approved by the Department of Home Affairs. Identity check processes for SYD-issued access cards were strengthened in 2019. Where an applicant for all levels of access has lived overseas for more than six months in the past five years, they are required to supply a police check from the country where they resided, in addition to government requirements.

#### · Landside Terminal Access Cards

These require government-issued photo identification, for anyone working at the airport that does not require access to restricted areas (i.e. airside past security).

#### · Third party issued access cards

ASICs can also be issued by Qantas, Virgin and several third-party providers at the airport, following approval by the Department of Home Affairs. In this process, SYD's ID and Access Services Centre team reconfirm the applicant's identity prior to issuing an access control card for the airport.

#### Internal audit

As part of SYD's internal audit plan for 2023, an internal audit of post-procurement contract administration was conducted. This audit assessed processes and controls in place to administer large operating expenditure contracts including processes to verify work performed, supplier performance management, accuracy of amounts charged, use of rebates and issuance of variations, among other scope areas. The results of this audit were reported to the SAAH Board Audit and Risk Committee with remedial actions implemented. There were no concerns related to modern slavery identified during this audit.

#### Specialist workshops for high-risk supplier categories

In 2023, we focused on two key areas of our business to mature our risk assessment and provide specialist modern slavery training sessions for risk owners. These two areas manage the relationships within two of our high-risk supplier categories, major labour-based services and construction, and our aviation team.

SYD engaged specialist human rights consultancy, Pillar Two, to develop and host workshops to assist the airport with improving its modern slavery risk management. These workshops outlined:

- Modern slavery indicators and the business case for action on modern slavery
- · Key areas of modern slavery risk and expected response
- How SYD would work through modern slavery grievances through hypothetical scenario
- SYD's current approach to modern slavery risk management.

Key actions identified from these workshops for our people managing our high-risk supplier categories in construction and labour-based services include:

- Developing a human rights due diligence and decision-making approach in relation to any future solar initiatives
- Incorporating awareness about modern slavery and it's red flags across the team and encouraging team members to consider these when conducting site walks
- Convening a workshop of major building contractors to build their awareness and capacity in relation to modern slavery.

Additionally, a workshop was hosted with our aviation team identifying key actions that include:

- Introducing modern slavery requirements in qualifying criteria for fuel suppliers and ensuring a robust approach to SYD's Fuel Supplier Framework Agreement
- Discussing opportunities for engagement with airlines with the Airline Relationship Management team, sharing expectations and good practice, and identifying key opportunities for collaboration.

These actions will be implemented in our 2024 modern slavery program of work.

#### **Training**

In 2023, we revised our internal modern slavery training module following recommendations from our benchmarking and procurement review.

The updated training module now incorporates four key learning objectives:

- The ability to define and explain modern slavery, including what is not modern slavery
- · Understanding how to identify risks of modern slavery when purchasing on behalf of SYD
- · Understanding SYD's high-risk supplier categories
- Escalating concerns about modern slavery and where to go for assistance.

The crucial addition to our internal training module was more in-depth information about pre-screening suppliers for modern slavery risk. The training includes four simple steps for contract managers and purchasers.



**Ensure the proposed supplier has a copy of the** Supplier Code of Conduct. This document shares SYD's guiding principles and clearly communicates SYD's expectation so fits suppliers.



Share the Supplier Risk Questionnaire with your supplier. This questionnaire assesses a broad range of risk.



For high-risk industries, goods or services, share the <u>Sustainable Supplier Survey</u> with the proposed supplier. For further due diligence, share the survey with the proposed supplier to fill out.



Assess the results of the risk questionnaire and survey. Please visit Airportal for guidance on assessment.

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## Actions to address and assess modern slavery risk

#### Supply chain

Modern slavery and human rights risk is woven into each stage of the procurement process. Policies, codes, assessments and our annual review provide the framework through which SYD manages modern slavery risk.

The Sustainable Supply Chain Management Framework is informed by SYD's Human Rights, Sustainability and Safety policies. The framework includes the Supplier Code of Conduct, Sustainable Supplier Survey and Supplier Improvement Plans.

| Sustainable Supplier Survey | SYD's Sustainable Supplier Survey is a tool used to assess supplier compliance to the Supplier Code of Conduct. The survey covers the seven elements of SYD's Supplier Code of Conduct including: Safety and Wellbeing, Labour Practices and Human Rights, Diversity and Inclusion, Governance and Compliance, Privacy and Cyber Security, Environmental Management and Community. |
|-----------------------------|--|
| Supplier Improvement Plans  | Alignment with the Supplier Code of Conduct is reviewed every two years with suppliers. Where gaps are identified, SYD's Procurement team works with suppliers to develop Supplier Improvement Plans that address concerns through a defined improvement template and an agreed timeframe. Improvement milestones and progression is then tracked with the supplier.               |

#### Supplier due diligence

In 2023, SYD continued to engage the services of Cm3 to specifically address modern slavery risks in its supply chain. Cm3 was engaged to assess SYD's in-scope suppliers to align with our procurement team's Environmental, Social and Governance (ESG) assessment methodology, set out below.

- 1. Annual supplier ESG assessment completed on full year spend.
- 2. Non-addressable suppliers are removed from the scope. Examples include regulatory fees and licenses, statutory payments.
- 3. Remaining addressable suppliers are individually assessed against potential exposure to issues relating to Environmental, Social and Governance factors including:
  - a. Potential impact to the environment
  - b. Potential risk to modern slavery and human rights
  - c. Governance and controls required based on a material annual spend.
- 4. Suppliers assessed as potentially impacting one or more of the ESG elements are in-scope for further assessment and directed to Cm3.

SYD has assessed its top suppliers according to identified high-risk categories and value and has not yet identified any instances of human rights abuses. We acknowledge there is potential for modern slavery risk to be present beyond our tier 1 suppliers and we are committed to deepening our understanding of our supply chain in the future.

#### 2023 risk review findings

In 2023, we continued to assess modern slavery risk in our operations and supply chain.

We completed our ESG assessment on 217 suppliers that represented 80 per cent of our spend under management. A total of 104 suppliers were identified as requiring further assessment by Cm3 with 68 assessed in 2023 and the remaining 36 suppliers in progress. The third-party assessment is an additional measure to our Sustainable Supplier Survey process and assesses supplier documentation, policies and procedures that demonstrate supplier compliance with modern slavery principles.

We have not yet identified any instances of modern slavery associated with our supply chain.

Understanding and

identifying risks

## Effectiveness of our actions and consultation

#### Assessing the effectiveness of SYD's actions

SYD's risk management framework is used to assess the effectiveness of its modern slavery management systems and controls.

Where modern slavery risks have been identified, a risk assessment is undertaken which includes the identification of existing controls as well as controls to be implemented, rating the effectiveness of these controls, and identifying any additional actions to be undertaken to improve control effectiveness. These risks are then assigned to a business unit owned within the organisation.

### Evaluating our processes to identify and address risks

In 2023, SYD engaged specialist consultancy, Pillar Two to assist SYD in strengthening our modern slavery response.

The engagement saw Pillar Two review procurement processes, to identify key areas for continuous improvement in our approach to assessing and addressing modern slavery risks in our supply chain. Additionally, high-level benchmarking was conducted against five peer company approaches to managing modern slavery risks; Auckland Airport, Qantas, The GPT Group, Urbis and Transurban. This engagement provided practical recommendations and opportunities for SYD to improve its modern slavery management approach.

Pillar Two reviewed key policies and documents that set out SYD's approach to assessing and addressing modern slavery risks in procurement processes. Additionally, in-depth interviews were conducted with key stakeholders to identify gaps in how procurement processes were being implemented. The approach to the review and benchmarking was based on the UN Guiding Principles on Business and Human Rights.

Recommendations from the review and benchmarking from Pillar Two include refreshing our modern slavery risk assessment and hotspot analysis, streamlining our supplier screening process, including modern slavery as a disclosure within our whistleblower site, and further development of a process for responding to modern slavery incidents, if they are identified.

The report and recommendations are currently under review and actions will be embedded in our 2024-2026 roadmap.

### Assessing the effectiveness of our response procedure

In 2023, we hosted a desktop scenario with our modern slavery working group to test the effectiveness of our response procedure and identify areas for improvement.

SYD has identified opportunities to strengthen our knowledge of modern slavery and risk controls in 2024. These include:

- Creating a better awareness process for reporting modern slavery by incorporating modern slavery into the Whistleblower training
- Ensuring staff have a clear subject matter expert to discuss any suspected modern slavery incidents and whether it requires reporting

- Investigating where modern slavery incidents/investigates can be stored and documented to ensure confidentiality
- Drafting remediation plans in consultation with external subject matter experts like Freedom Hub and Pillar Two
- Conducting regular modern slavery exercises with the modern slavery work group to identify gaps in our processes.

#### Consultation with reporting entities

SYD is committed to developing and maintaining a group-wide response to modern slavery. Consultation was undertaken in respect to each of the reporting entities covered by this statement.

Sydney Airport Corporation Limited (SACL) is the owner and operator of Sydney (Kingsford Smith) Airport and holds all employee and supply chain relationships for SYD. Therefore, the content discussed in this statement applies for the main part, solely to SACL.

The reporting entities in this statement, in addition to owned and controlled entities, share a central management and executive team, and common directors. Senior management, executives and the directors of the reporting entities, and owned and controlled entities, have been consulted and informed of the actions taken throughout this reporting period.

This statement has been prepared in consultation with the key teams that work together to drive responsible procurement for SYD, including members of the Procurement, Legal, Risk, Sustainability and Corporate Governance teams. It has been reviewed by our CEO and reviewed and endorsed by the Directors of the entities it covers.

#### **Performance indicators**

SYD measures the effectiveness of its modern slavery risk management using the performance indicators listed below in 2023.

| Indicators   | 2023 |
|--|------|
| Percentage of precedent contracts with modern slavery clauses included | 100% |
| Number of employees completing targeted modern slavery risk training   | 35   |
| Number of tier 1 in-scope suppliers completing ESG assessment          | 217  |
| Number of modern slavery cases identified                              | 0    |

## Partnerships and stakeholder engagement

During 2023, SYD continued to participate in multi-stakeholder forums and partnerships on human rights and modern slavery.

#### **Australian Federal Police**

In 2023, SYD continued its relationship with the Australian Federal Police (AFP) to understand human trafficking and how airport workers can play a role in identifying people at risk of modern slavery and human trafficking as they pass through our terminals.

This year, the National Human Trafficking Coordination Team presented an overview of the AFP's Look-a-Little-Deeper Human Trafficking Information and Awareness Program to our Modern Slavery Working Group and members of our frontline operations team. This training provided an overview of the indicators of human trafficking and modern slavery.

#### **National Modern Slavery Conference**

In 2023, the Chair of SYD's Modern Slavery Working Group attended the Attorney General's modern slavery conference to learn and engage with organisations across Australia working to seek out and eradicate modern slavery in their operations and supply chains.

Our Chair attended sessions on working collaboratively and in partnership with suppliers, survivor voices and pushing for continuous improvement, remedy in modern slavery response, among others.

The conference provided some key learnings that our Chair has implemented into our 2024 program of work.

#### **New South Wales Anti-Slavery Commissioner**

Our Modern Slavery Working Group Chair participated in the unveiling of the NSW Anti-Slavery Commissioner's Strategic Action Plan to understand more about the roadmap and Commissioner's efforts to combat modern slavery.

### UN Global Compact and Global Compact Network Australia

SYD continued its commitment to uphold the principals of the UN Global Compact and remains a signatory to the UN Global Compact and a Member of the Global Compact Network Australia and participates in its Modern Slavery Community of Practice.



#### SYD passengers

In 2023, Sydney Airport partnered with not-for-profit organisation, It's a Penalty, to raise awareness in the terminals about human trafficking and exploitation of children during the duration of the FIFA Women's World Cup.

It's a Penalty collaborates with strategic partners to raise awareness during global sporting events. The organisation held campaigns in 2023 during the FIFA Women's World Cup, Pacific Games and the Super Bowl. The FIFA Women's World Cup campaign at Sydney Airport highlighted kids' safety through the voices of key international female football players.

Sydney Airport joined a group of participating airlines and airports to support the campaign. Through this partnership, the airport provided in-kind usage of its terminal digital screens, potentially reaching up to 6.6 million passengers who passed through the terminals in July and August.

#### Airports Council International

SYD is a member of the Airports Council International, which resolved in September 2016 to support the fight against human trafficking.

#### SYD suppliers

Throughout 2023, SYD actively collaborated with suppliers to enhance their comprehension of modern slavery risks and our associated expectations. This collaboration was facilitated through our supplier due diligence procedures and the evaluation of our temporary personnel suppliers.

#### SYD staff

In 2023, SYD continued to provide training for all contract managers and people in high-risk roles.

# Compliance with mandatory reporting criteria

|    | Mandatory criteria  | Reference in this statement    |
|----|---|--------------------------------|
| 1. | Identify the reporting entity   | Inside cover                   |
| 2. | Describe the reporting entity's structure, operations, and supply chains  | Inside cover, pages 2, 3 and 4 |
| 3  | Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls                                       | Page 5                         |
| 4. | Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes          | Pages 6-10                     |
| 5. | Describe how the reporting entity assesses the effectiveness of these actions   | Page 11                        |
| 6. | Describe the process of consultation with any entities the reporting entity owns or controls (a joint statement must also describe consultation with the entity giving the statement) | Page 11                        |
| 7. | Provide any other relevant information  | Page 12                        |

