

FY22 MODERN SLAVERY STATEMENT

Modern Slavery Act 2018 (Cth)

November 2022



INTRODUCTION

This is BAC's third Modern Slavery Statement and describes the activities undertaken by BAC in addressing the risk of modern slavery and human trafficking in our operations and supply chain through FY22, plus further activities planned for FY23.

In an increasingly complex and interconnected world, maintaining effective oversight and transparency over all potential sources of modern slavery in our operations and supply chain continues to be a focus. Encouragingly, public awareness on this issue and the communities expectations on organisations to understand and manage these risks effectively, continues to evolve and increase.

In FY22, BAC continued to experience border restrictions and a series of significant weather events that impacted operations, the aviation industry continued its recovery from COVID-19 and BAC maintained its focus on combatting both existing and emerging risks in its operations and supply chain. None the less, BAC's commitment to maintaining and continuously improving its practices to combat risks associated with modern slavery and human trafficking across BNE remains absolute.

This commitment is anchored in our core values:

- Collaboration;
- Communication;
- Courage; and
- Care.



About us

Brisbane Airport Corporation Pty Limited (BAC), the operator of Brisbane Airport (BNE), is a private, unlisted Queensland company that proudly takes on the challenge of connecting Australia to the world and creating the future. Our passion and perseverance have cemented BNE as a crucial gateway for Queensland, a leading hub for Australia, and a source of pride for our communities. **BAC is creating a sustainable, world-leading Airport City that future generations trust and are proud of.**

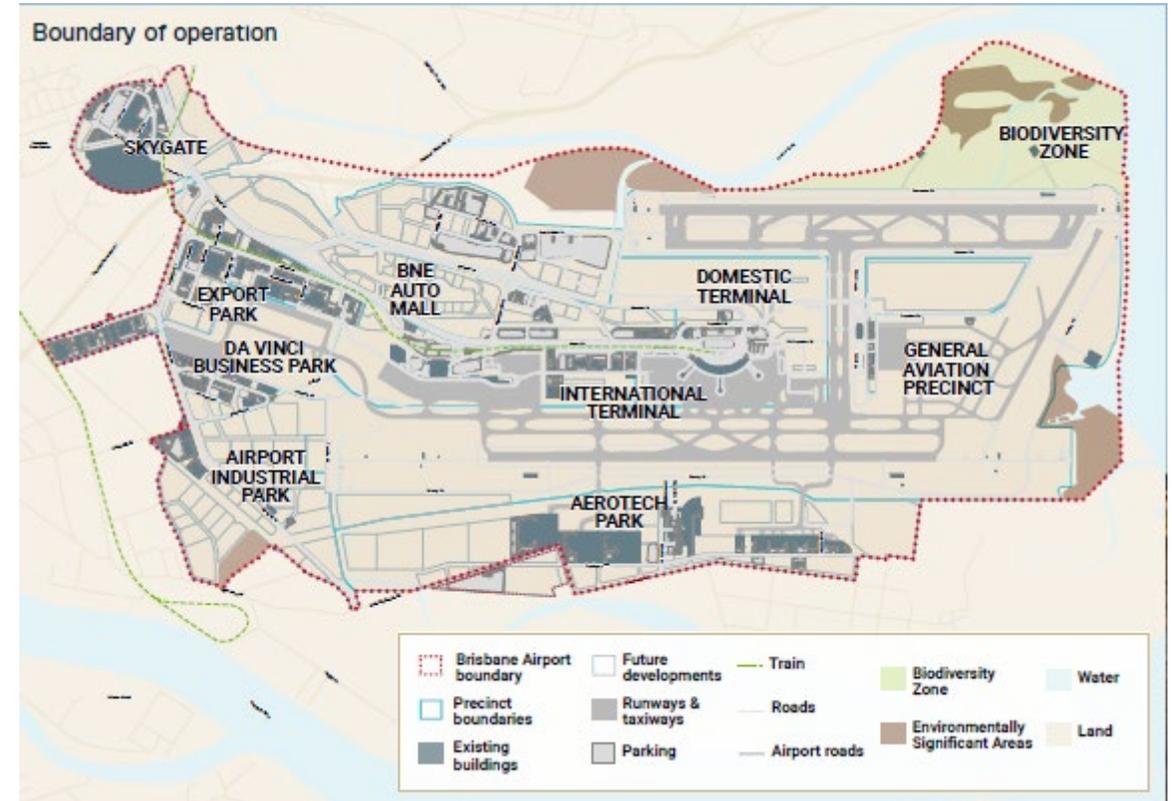
About this Statement

This Modern Slavery Statement (Statement) is made under s16(1) of the *Modern Slavery Act 2018* (Cth) (Act) and sets out the risks of modern slavery in BAC's operations and supply chain, the actions taken to assess and address those risks during the financial year, and how we assess the effectiveness of those actions.

The Statement covers the financial year ending 30 June 2022 (FY22). The Statement builds on our FY21 Statement by focussing on supply chain mapping, managing emerging risks in our supply chain and engaging with external agencies to raise awareness of the risk of human trafficking within our operations.

Board Approval

The Statement was approved by the BAC Board of on 18 November 2022.



RAP Art: Dabiyil wunjayi (water today)
RAP Artist: Elisa Jane Carmichael

GOVERNANCE

Ownership

BNE is operated by Brisbane Airport Corporation Pty Limited, which is a proprietary company limited by shares. It is part of a consolidated group, with the ultimate holding company being BAC Holdings Limited (BACH), an unlisted public company.

Over 63 per cent of BACH's shareholders are major Australian institutional investors, including QIC, a state-owned entity which manages interests on behalf of its clients.

Many of BACH's shareholders are ultimately ordinary Australians with their savings invested in superannuation and other investment funds.

19.6 per cent is owned by Schiphol, Europe's third largest airport. Remaining shares are held substantially with Australian investment funds, although ultimate ownership is offshore.



Ownership Structure*



■ Number of direct or indirect BACH shareholdings managed.

* Logos above reflect the investment managers representing the direct or indirect BACH shareholding in their respective portfolio.

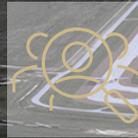
OUR BUSINESS

BAC's operating model is structured around four core business areas, being:



Aviation

Our core business and covers all services (including infrastructure delivery) for the facilitation of aircraft movements and passenger travel at BNE.



Consumer activities

Operating as a landlord in providing service to our retail lease holders across terminals and at Skygate. Also includes the operation of our landside transport services, being carparks and bus services.



Real estate

Developer and manager of our portfolio of industrial, commercial and office properties across a range of ground leases and building leases.



Enabling areas

Supporting the three main business units are Finance, Procurement, Technology, Governance, Sustainability, Human Resources, Infrastructure & Planning and Communications & Public Affairs.

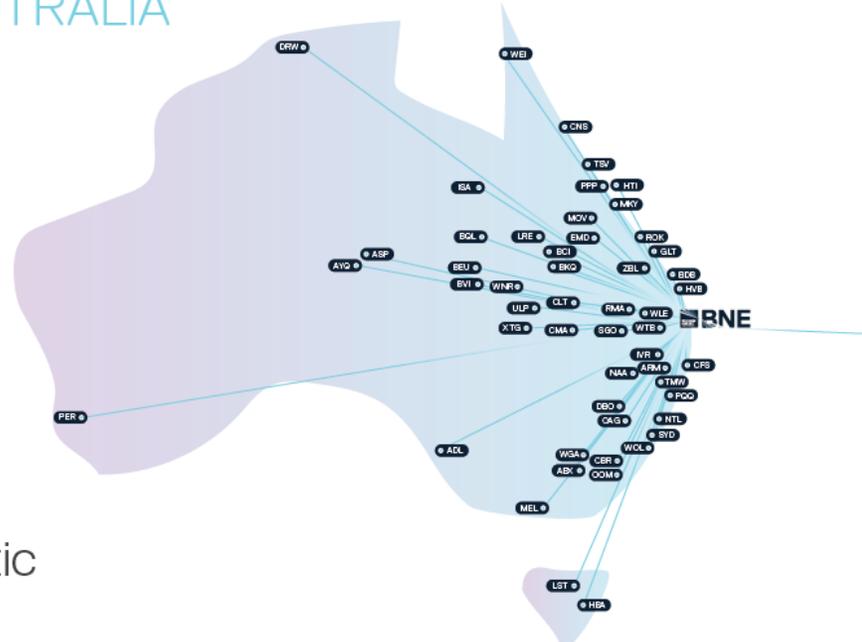
OUR BUSINESS (CONTINUED)

Aviation

FY22 continued to be impacted by border closures, quarantine and isolation requirements as a result of COVID-19. The effect was most pronounced on international travel, with FY22 only achieving 13% of pre-COVID-19 passengers passing through the airport. However, stronger recovery in the second half of the year resulted in FY22 passengers at 54% of pre-COVID-19 levels.

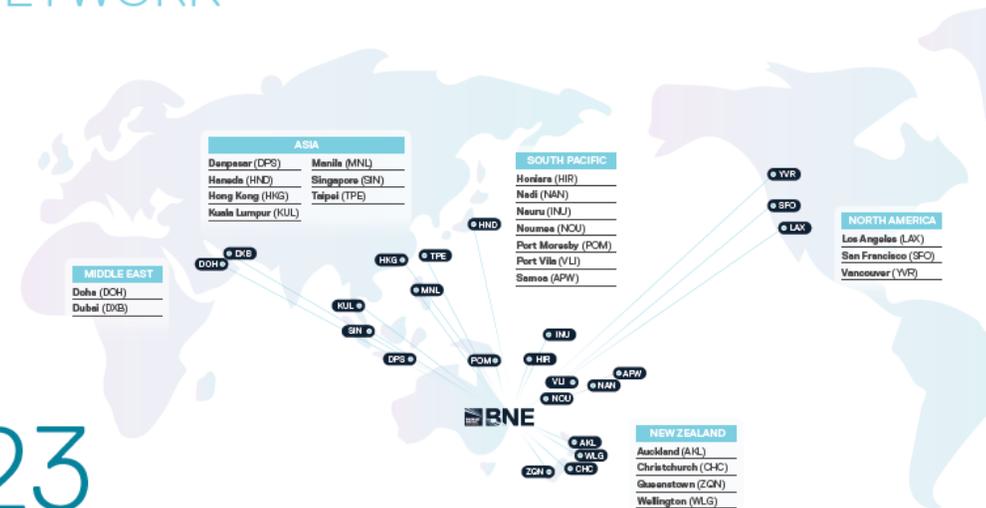
This has resulted in BNE being connected to 53 domestic ports and 23 international ports. A total of 10.3 million passengers travelled through BNE in the full financial year, a 22% increase on FY21.

LARGEST DOMESTIC NETWORK IN AUSTRALIA



53
domestic
ports

CURRENT INTERNATIONAL NETWORK



23
international
ports

OUR BUSINESS *(CONTINUED)*

Consumers and Property

BNE Property is BAC's property division, responsible for guiding sustainable property development at BNE within BAC's overall 2,700-hectare lease holding. We have a large and varied tenant portfolio across the airport from a variety of market segments including industrial, commercial, retail, entertainment and aviation.

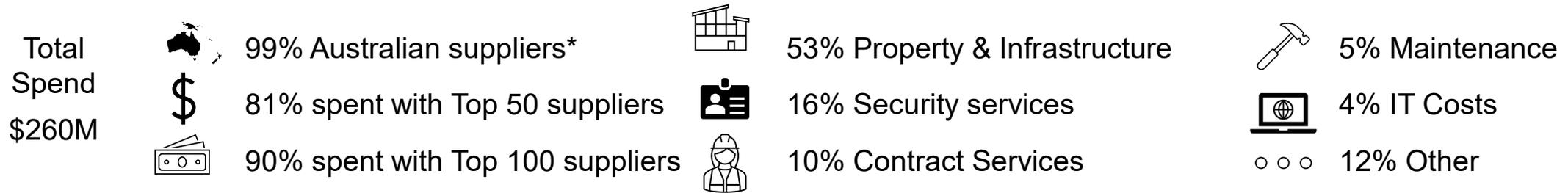
Property key metrics & achievements	
Industrial	Retail
125 current tenants	510 leases managed
500 hectares of land available for commercial development	142 leasing transactions completed in FY22
205 property leases	Duty-free concession extended by two years
0.71 per cent vacancy rate	Post COVID-19 relaunch of retail business

BAC's Consumers group also manages car-parking and ground transport, which provides the following services:



OUR SUPPLY CHAIN

BAC's supply chain encompasses a diverse range of goods, works and services spanning many sectors. BAC is considered a management company, whereby we outsource key services to industry specialist companies. In FY22 we spent \$283 million with 901 suppliers. 119 additional suppliers were utilised compared to FY21, which is down from 1,135 total suppliers in FY19. The spend profile is highly concentrated with the top 20 vendors accounting for 65 per cent of total spend. The lowest 51.5 percent of suppliers making up just 1 per cent of the spend total.



*Country location is based on the supplier address for the entity BAC deals with. BAC recognises many of its suppliers have an office in Australia but may be owned overseas.

BAC is committed to conducting all supply chain activities in compliance with local, federal and international laws and in an ethical, fair and transparent manner at all times.

In FY22, BAC did not identify any instances of Modern Slavery through our operations and supply chain; however, remains vigilant to the risk which exists given the nature of our business and being a major point of entry into Australia.



RISKS IN OUR SUPPLY CHAIN

Supply Chain Risks

BAC acknowledges that the risk of Modern Slavery in our supply chain is heightened due to the nature of the services and goods provided. BAC’s services contracts are people centric, in that our suppliers provide a strong workforce to work on airport and to carry out the required services. While some of these services, such as security services, are unionised and the contracts are compliant to Fair Work Australia conditions, we acknowledge that while we have visibility on the direct labour provided, we don’t have full visibility on the supply chain of our security services provider. For example, we don’t purchase their uniforms, PPE or technology needs.

An emerging risk in BAC’s supply chain is the supply of solar panels. As part of BAC’s Sustainability Strategy, generating green energy contributes significantly to BAC’s sustainability targets, which is to achieve Net Zero Emissions for Scope 1 and Scope 2 Emissions by 2025.

However, this environmental outcome needs to be balanced with the potential for modern slavery conditions in the manufacture of solar panels, specifically the source of supply for the input, raw materials for the panels such as Polysilicon. The solar energy industry is particularly vulnerable to forced labour in the Uyghur Region of Xinjiang in China. At time of submission, BAC has a tender under evaluation to install solar panels on miscellaneous rooftops across the precinct to generate 6MW of solar power. The project team will conduct an analysis of the tenderers’ supply chain to assess and review strategies to address modern slavery risks.

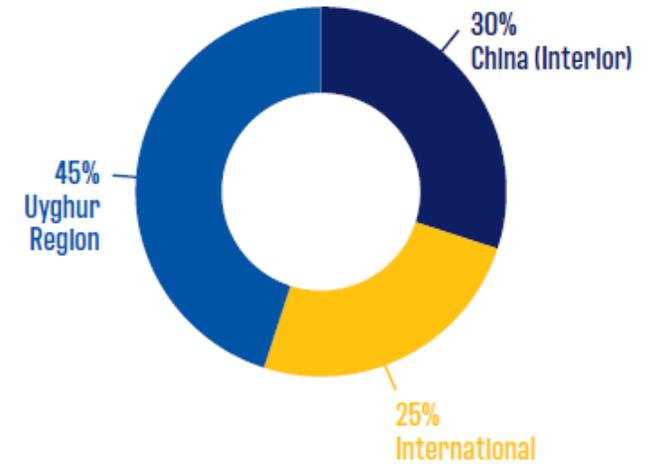


Workers manually crush silicon in Jingang Circular Economy Industrial Park, Ili Prefecture, Xinjiang.

Source: Kokodala News via Weixin.

Source: “In Broad Daylight, Uyghur Forced Labour and Global Solar Supply Chains” Sheffield Hallam University 2021

2020 Polysilicon Market Share



Source: “In Broad Daylight, Uyghur Forced Labour and Global Solar Supply Chains” Sheffield Hallam University 2021

Production of Xinjiang Metallurgical-Grade Silicon

RANK	COMPANY	TONS/PER YEAR
1	Xinjiang Hoshine Silicon Industry	498500
2	Changji Jisheng New Building Materials	114800
3	Xinjiang China Silicon Technology	46400
4	Xinjiang Jingweike New Energy	33950
5	Xinjiang Yusi Technology	31200
6	Xinjiang Jagesen New Energy Materials	30000
7	Xinjiang Jierong Silicon Industry	19850
8	Xinjiang Xintao Silicon Industry	19600
9	Xinjiang Jinteng Silicon Industry	16350
10	Yili Jinjing Silicon Industry	16000

Source: Ferroalloy Online

RISKS IN OUR OPERATIONS

Operational Risks

BAC's vision is to *Connect the World, Create the Future*. Connecting the world means connecting people, places, businesses, reuniting family and friends post-pandemic and facilitating tourism, cultural exchange and economic activity. However, as a major international gateway, an airport is a potential entry and exit point for trafficked persons. Airports, airlines, security screening officers, retail staff, customs staff and indeed the whole aviation community play a vital role in fighting human trafficking. As an airport, our role is to support the law enforcement agencies on site, Australian Border Force, Australian Federal Police and Queensland Police Service by raising awareness and training staff to spot the signs of potential human trafficking.

Through the reporting period, BAC has engaged with Australian Federal Police to explore avenues to train front-line staff in the indicators to look out for, and be aware of, regarding human trafficking. In FY22, it was intended to roll this training out across the precinct with BAC's direct staff and customer service representatives; and subsequently to reach out to other airport partners to collaborate on this training. Unfortunately, these plans had to be put on hold as FY22 offered little opportunity to run this training due to the downturn in operations at airport. This activity will form a large part of BAC's approach to combatting human trafficking in FY23.



Key signs of potential human trafficking situations

- Is the person disoriented or confused, or showing signs of mental or physical abuse?
- Is the person fearful, timid, or submissive and do they avoid eye contact?
- Does the person show signs of having been denied food, water, sleep, or medical care?
- Does the passenger defer to another person to speak for him or her or someone who seems to be in control of the situation, e.g., where they go or who they talk to?
- Is the passenger (especially children) accompanied by someone claiming to be a parent or guardian who is in fact not related to the child?
- Is the passenger in control of his/her own travel documents?
- Does the person have freedom of movement?
- Is the passenger wearing appropriate clothing for route or destination weather?
- Is the person speaking of modelling, dancing, singing, hospitality job, etc. without knowing who will be meeting him/her upon arrival, and with few details about the job?

ACTIONS TAKEN TO ADDRESS SUPPLY CHAIN RISKS

The primary action undertaken by BAC’s Modern Slavery working group was the implementation of a supply chain mapping software solution. In FY22, BAC engaged with FRDM, a global tool which provides supply chain visibility through multiple tiers of supply chains. BAC also elected FRDM’s *Trading Partner* module which goes beyond tier one supply level information. The tool provides the ability to filter the supply base by various factors such as risk profile, country, industry, category and level of data available. It also centrally manages the issuing and receiving of supplier modern slavery risk assessment questionnaires.

The categorisation of suppliers will provide a priority list of suppliers for BAC to assess in FY23 with a progressive approach.

As mentioned under ‘risks in our operations’, engagement with Australian Federal Police has provided great insights into the risks of human trafficking and a huge opportunity to implement a coordinated training plan across the airport precinct.

Through FY22, BAC updated multiple policies in this area and received Board approval of these updates, such as:

- Modern Slavery Policy;
- Whistleblower Policy; and
- Fraud and Corruption Policy.



Key areas of action in FY22	
<ul style="list-style-type: none"> • Contracted with FRDM Supply Chain Mapping Tool 	<ul style="list-style-type: none"> • Modern Slavery Policy approved by BAC Board
<ul style="list-style-type: none"> • Collaborated with Policing agencies regarding training on human trafficking indicators 	<ul style="list-style-type: none"> • Submitted FY21 Modern Slavery Statement
<ul style="list-style-type: none"> • Completed BAC’s first 3-year Modern Slavery Strategy FY20-FY22 	<ul style="list-style-type: none"> • Incorporated Modern Slavery into BAC’s Sustainability Strategy



ASSESSING THE EFFECTIVENESS OF OUR ACTIONS

We recognise that Modern Slavery is a significant global challenge for business and society in general, and through our working group we are committed to an ongoing action plan to continually develop and implement our approach. This will include measuring the effectiveness of our actions and activities.

Continuing on from previous reporting periods, we continue to assess the effectiveness of our actions in the following ways:

- Reviewing the effectiveness of our Modern Slavery Policy, Whistleblower Protection Policy, Code of Conduct and Supplier Principles; and
- Ensuring our supply chain remains under constant review through the use of a supply chain map for proactive supplier questionnaires and alerts functionality.

Continuous consideration and monitoring of trends, processes and strategies within our industry to address modern slavery.

- Monitoring and actioning any cases reported through our Whistleblowing Policy and through BAC's confidential reporting service 'BACConfidential'; and
- Continuing to engage and collaborate with our airport partners on site such as Australian Border Force, Australian Federal Police, Airlines and our security services provider, to review results and identify any further actions required as our response to Modern Slavery will continue to evolve and grow.



CONSULTATION WITH ANY ENTITIES THE REPORTING ENTITY OWNS OR CONTROLS

BAC does not own or control any other entities.

For more information about our business structure and strategy, our approach to sustainability and the on-going impacts of COVID-19 on our operations, please refer to [our website](#).

A handwritten signature in black ink, appearing to read 'D. Peever'.

Mr David Peever

BAC Board Chair

Date: 18 November 2022

COMPLIANCE WITH MANDATORY REPORTING CRITERIA

	Mandatory Criteria	Reference in this statement
1.	Identify the reporting entity	Page 3
2.	Describe the reporting entity's structure, operations, and supply chain	Pages 4-8
3.	Describe the risks of modern slavery practises in the operations and supply chains of the reporting entity and any entities it owns or controls	Page 9,10
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	Page 11
5.	Describe how the reporting entity assesses the effectiveness of these actions	Page 12
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 12
7.	Provide any other relevant information	Page 12

