

AUSTRALIA
PACIFIC
AIRPORTS
CORPORATION



2023

MODERN SLAVERY STATEMENT

MELBOURNE
AIRPORT

LAUNCESTON
AIRPORT



FIRST NATIONS *Acknowledgement*

Australia Pacific Airports Corporation acknowledges the First Nations of the land on which our airports operate. APAC is committed to working closely with First Nations peoples in Melbourne and Launceston to deepen our understanding about how our airports can continue to operate and develop in a way that recognises and celebrates the airports' First Nations cultural heritage.

APAC pays our respect to their Elders past, present and emerging.

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CEO'S MESSAGE

Lorie Argus

I am pleased to present Australia Pacific Airports Corporations (APAC) 2023 Modern Slavery Statement, as we continue our full commitment to ethical business practices and human rights.

As the CEO of APAC, our continued commitment to transparency is paramount, and this annual statement reflects our dedication to mitigating the risks of modern slavery in our operations and supply chains.

We are proud to outline the initiatives, policies, and partnerships which underscore our commitment to creating a workplace and business environment that upholds the principles of fairness, respect and dignity for all and helps contribute to a global landscape free from the scourge of modern slavery. In this statement,

you will find a comprehensive overview of the steps we have taken to assess and address the risks of modern slavery within our organisation.

In 2023, we will welcome more than 25 million people through our airports across Melbourne and Launceston as we continue to see strong growth and demand in the aviation sector return.

Our growth ensures we remain a key contributor to the national and state economy, and we have continued to develop and educate our teams on the role we play in combatting modern slavery across our supply chain.

APAC did not identify any instances of modern slavery within its operations or supply chain in 2023.

APAC acknowledges that whilst our direct supply chain risk is assessed

as 'low', we understand that modern slavery does occur in Australia and that some Australian-based suppliers may source from other countries and operate in a range of industries with varying workforce profiles, and that each has a different modern slavery risk profile. As a result of this we continue to remain vigilant in monitoring and addressing these risks.

This statement was approved by the Board of APAC on 13th December 2023.

Lorie Argus
Chief Executive Officer

KEY AREAS OF ACTION

FY22



NEW MODERN SLAVERY AUDIT TOOL

APAC implemented a new due diligence audit tool for third party suppliers to help identify potential modern slavery risks. The questionnaire tool provided key information on supplier's employment practices.



LOCAL EMPLOYMENT TARGETS

APAC has implemented Local Employment Targets for all capital projects with a value greater than \$20m AUD. 5% of the contracted hours must be from the State of Victoria. APAC also implemented a 5% local employment target from within 60km of the airport for all new operational and service contracts.



NEW PROCUREMENT TENDER PROCESS

APAC has implemented new procurement processes to help mature our due diligence in the selection of new suppliers and contractors. This includes a modern slavery checklist and weighted evaluation criteria for all Operational and Capital works procurement.



INTERNAL MODERN SLAVERY AUDIT

APAC engaged the services of PWC to undertake an internal audit to evaluate governance arrangements and management activities (processes and controls) over APAC's modern slavery supply chain risk management activities.

1

Introduction

This statement, made pursuant to section 14 of the Modern Slavery Act 2018 (Cth), sets out the risk of modern slavery in APAC's operation and supply chain, the actions taken to assess and mitigate those risks during the financial year, and the effectiveness of those mitigations

For the purposes of this statement, 'APAC' refers to the **Australia Pacific Airports Corporation Limited 89 069 775 266** and each relevant entity which it controls (the 'APAC Group'), being:

Australia Pacific Airports (Melbourne) Pty Ltd ABN 62 076 999 114 ("APAM")

Australia Pacific Airports (Launceston) Pty Ltd ABN 79 081 578 903 ("APAL")

APAC (Holdings No. 2) Pty Ltd ABN 78 136 451 959 ("AH2")

APAC (Holdings) Pty Ltd ABN 60 081 578 887 ("AH")

This statement was prepared by key personnel from across the APAC Group and has been approved by the APAC Board of Directors which has ultimate responsibility for all entities within the APAC Group.

OUR APPROACH TO HUMAN RIGHTS

APAC strives to make a positive social, economic, and environmental contribution to the communities in which we operate. We recognise that to meet this goal, APAC must respect and uphold the dignity and human rights of all our employees, our service delivery partners, contractors, and the travelling public who utilise our airports

Our Purpose

At APAC our purpose of "Creating Connections that Matter", is underpinned by:

CREATING

- Innovating
- Building
- Working together
- Future focused
- Achieving our vision

CONNECTIONS

- Flight connections
- People connections
- Connecting VIC to the world
- Our customer experience
- Our employee experience
- With our community

MATTER

- Meaningful work
- A sense of purpose
- Sustainable
- Connected to economic growth & social development
- Contributing to something better



*Our vision is to be
“Australia’s favourite
airport destination”*

What this means to us is that people come to the airport, not just because they must as part of their journey but because the airport is a place that people enjoy visiting. We acknowledge that we fundamentally cannot achieve this vision if modern slavery is present within our airports.

Annie and Andy reconnecting after 42 years apart.

OUR VALUES

At APAC we have four core values that underpin how we interact with others, both internally within our staff and externally with our service providers, contractors, key partners, and the community. Our four core values are:

**Be
You**

Authentic

Embracing individual uniqueness and personal identity; speaking respectfully and building trust with colleagues through honest conversations.

**Think
Big**

Passionate

Thinking outside the square; embracing innovation; comparing ourselves to world’s best and not next door.

**Own
It**

Accountable

Doing what you say; taking responsibility for when things don’t go well; playing our part in the company’s success and having the confidence to make decisions.

**Work
Together**

Collaborative

Recognising success is a team effort; connecting and communicating with others both inside and outside of the business in a respectable way.

These values drive open and honest communication amongst all parties and a culture that constantly challenges itself to do better. We understand that an organisation underpinned by strong ethical behaviour is one of the best mitigations to modern slavery.

2

Our Structure, Operations and Supply Chain

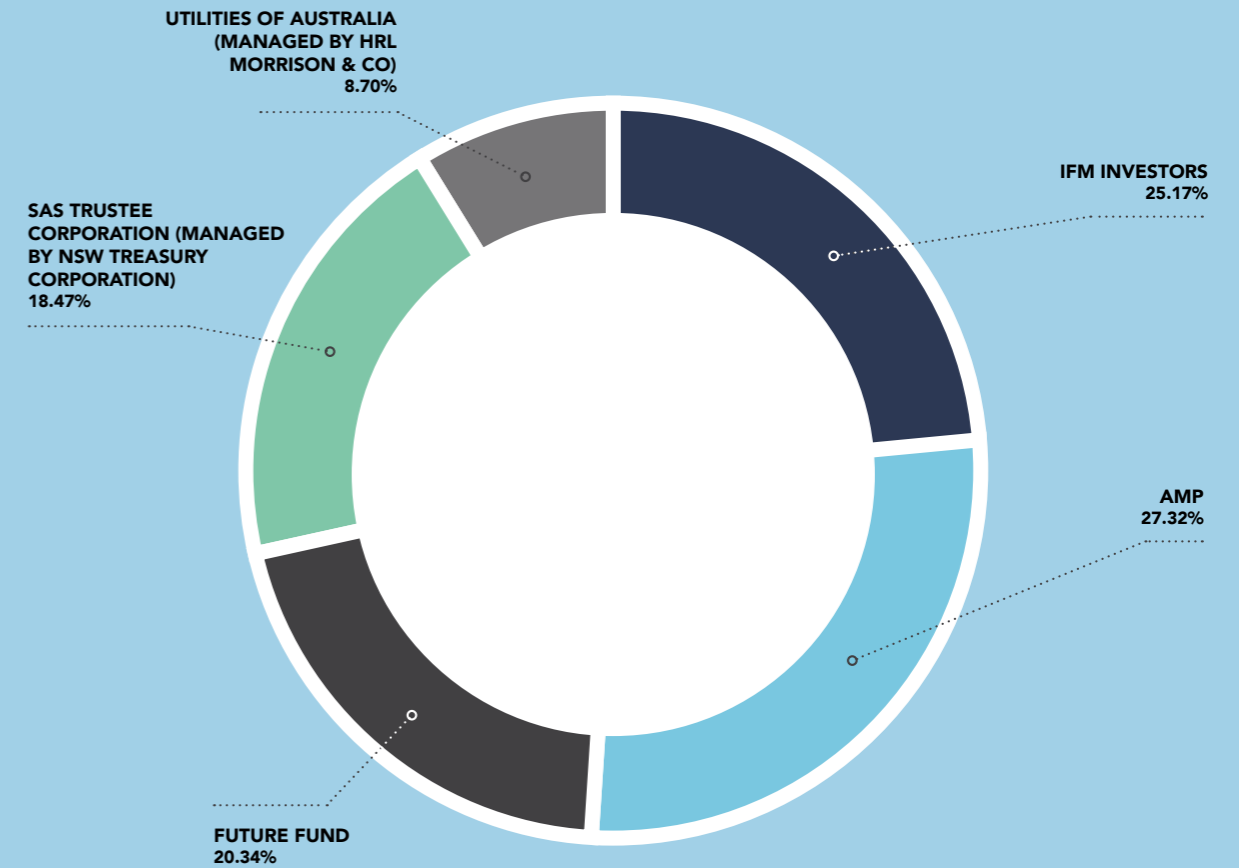


STRUCTURE

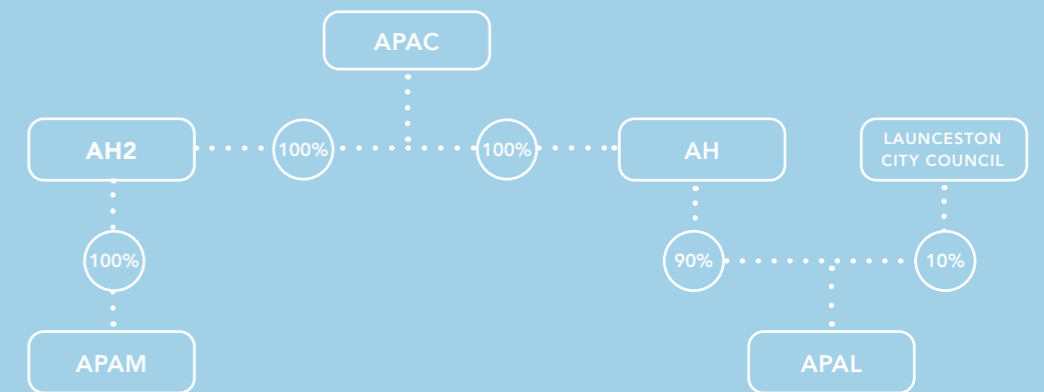
APAC is committed to delivering strong sustainable benefits for our diverse stakeholders through the performance of two key Australian aviation assets – Melbourne and Launceston Airports.

APAC is a privately held corporation owned by institutional investors, predominantly superannuation/pension funds.

The funds are owned, managed, or represented by the following five entities:



AH2 and AH are the immediate owners of each of APAM and APAL respectively and Launceston City Council has a 10% economic interest in APAL. APAC is the ultimate holding company of the corporate group.



APAM (in respect of Melbourne Airport) and APAL (in respect of Launceston Airport) are the airport lessee companies under long-term leases with the Commonwealth of Australia.

These leases grant each of these entities the right to manage Melbourne Airport (located in Tullamarine, Victoria) and Launceston Airport (located in Launceston, Tasmania).

MELBOURNE AIRPORT

A Snapshot



2,741

Hectare Site



24/7

Operation



2 Runways
4 Terminals



675+

Flights Daily



102K

Passengers Daily



74+

Destinations



43+

Airlines



19K

Employees



\$20B

To Victorian Economy

ABOUT Melbourne Airport

Melbourne Airport has been Victoria's gateway to the world since 1970, operating curfew-free, 24 hours per day, seven days a week. The airport is located 22 kilometres north-west of Melbourne's central business district and is well connected to the city's freeway and arterial road network. There are plans for a rail link connecting the airport to the suburban train system via Sunshine. The airport is close to major industrial areas and serves as a hub for freight and logistics, while providing employment to thousands of residents in nearby suburban growth corridors.

The Melbourne Airport site is approximately 2,740 hectares and is predominantly surrounded by non-urban properties to the immediate north and west. This helps protect the community and safeguards the airport from encroachment by sensitive and incompatible uses. There is urban development to the east and south of the airport, comprising a mix of residential and industrial properties.

The airport has two intersecting runways, which are operated in different modes in response to wind direction or to reduce aircraft noise impacts. Plans for Melbourne Airport's third runway have been submitted to the federal government for approval. The new north-south runway would be located 1.3kms to the west of the existing north-south runway.

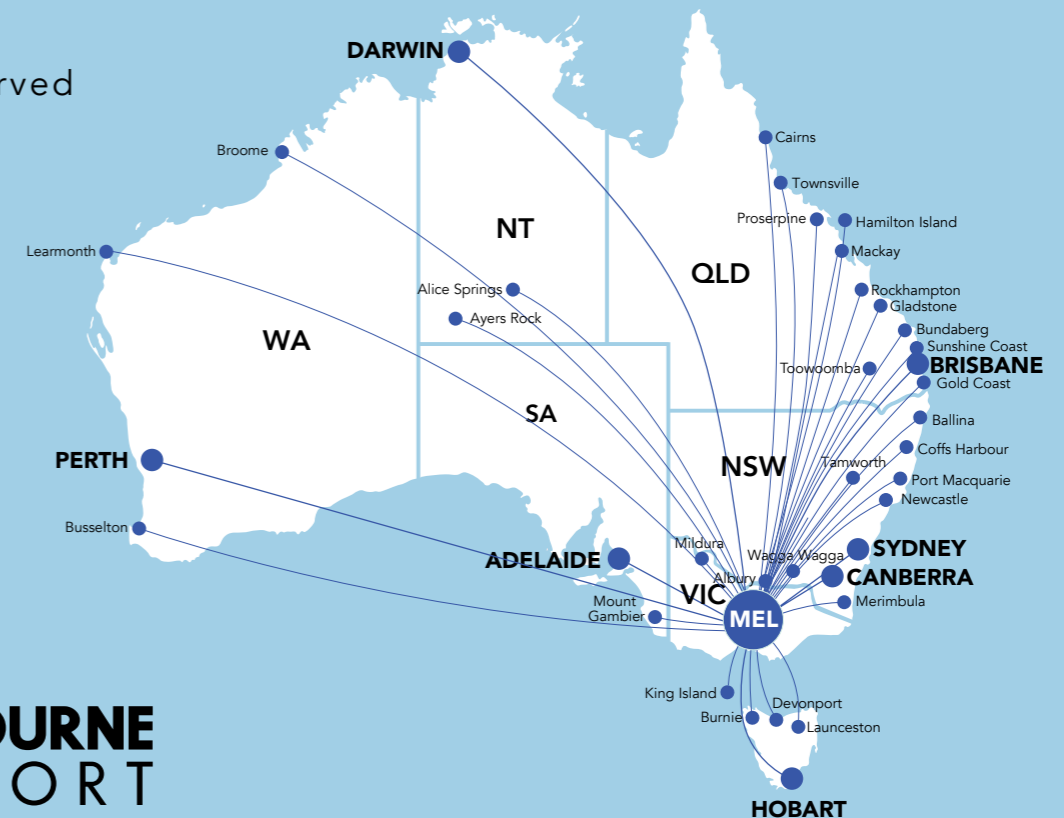
The terminal complex is located on the east side of the airfield and combines international facilities (Terminal 2) with three domestic terminals (Terminals 1, 3 and 4). This integrated terminal precinct enables Melbourne Airport to provide the shortest minimum connection times between domestic and international flights of all major Australian airports.

83 aircraft parking stands serve the terminal precinct and accommodate the embarkation or disembarkation of

passengers, loading or unloading of mail or freight, and fuelling, parking, and maintenance. Air traffic control, aeronautical information services, airport rescue and firefighting and navigation services are provided by Airservices Australia from facilities located in the airport midfield. Aircraft maintenance, repair and overhaul facilities are provided to the south of the airfield.

As the largest Victorian employment hub outside of the Melbourne CBD, the airport precinct supports more than 20,000 jobs. Melbourne Airport makes a significant contribution to both the state and national economies as a key driver of tourism and trade-based industries that support jobs and generate growth. It is estimated that a typical daily international flight contributes more than \$109 million to the Victorian economy and supports more than 1,000 jobs per annum.

Domestic routes served



**MELBOURNE
AIRPORT**

INTERNATIONAL ROUTES

Melbourne - gateway to the world



APAM OPERATIONS

APAM operates through the coordinated efforts of seven business units working to deliver against a corporate strategy.

The business units and their functions are as follows:

Aviation

The Aviation business unit is responsible for the day-to-day operation of the airport terminal and airfield. This incorporates an Integrated Operations Centre responsible for managing incidents, allocating aircraft to aircraft parking stands and airline flights to check in zones within the terminal. It includes airfield safety, airfield maintenance and airfield ground lighting teams who ensure that aircraft, vehicles, and

pedestrians can safely manoeuvre across the airfield. The aviation team also includes airport security, business resilience and emergency response. They also take responsibility for the aeronautical business development and capacity planning responsibilities to continually grow the aviation business. The development and delivery of all aviation related infrastructure is also managed by this team.



Ground Transport, Public Affairs & Sustainability

The Ground Transport business unit is responsible for the safe operation of the roads and carparks within the airport precinct. This includes road maintenance, marshalling to keep pedestrians and vehicles safely separated within the forecourt and management of the various carparking offerings across the airport. They also take the lead on the development and delivery of future roads and car parking infrastructure to keep up with

the demand within the precinct. This team also includes the corporate and public affairs team who engage with government and surrounding communities on all aspects of the airport operation and development. The environment and sustainability team are responsible setting and monitoring APAC's ESG targets along with ensuring that all operators at the airport consider the environment in their daily activities.



Engineering & Asset Management

The Engineering and Asset Management business unit is responsible for ensuring the airport can maintain its operations. This includes the utilities team who manage the water, wastewater, electricity, gas and HVAC systems and the facilities maintenance team

who maintain and clean the terminal buildings. This team also includes the engineering services development and delivery team who are responsible for ensuring that the services infrastructure is capable of supporting the future growth of the airport.



Commercial Property

The Commercial Property business unit has two key responsibilities being the property development and management portfolio and the management of the retail offerings both inside the terminal and within the wider airport precinct. The property portfolio includes some of the largest warehouses in Australia, within the Melbourne Airport Business Park, through to commercial office space, hotels, and Australia's first wave park. The retail component includes the food and beverage and specialty outlets spread throughout the terminals along with airline lounges and service stations.



Finance, Technology & Risk

The Finance Technology and Risk business unit contains the majority of the corporate functions including treasury, finance, procurement, safety, risk, compliance, environment, legal and technology. The technology team maintain not only APAC's IT

infrastructure but also provide the IT infrastructure to support almost all companies operating at the airport including critical systems like the baggage handling system and the airline check in systems



People Experience & Marketing

The People Experience and Marketing business unit support the business from a human resources perspective and provide marketing support across the business. The People Experience and Marketing teams provide guidance and issue out corporate policies including those related to modern slavery.



Strategy & Innovation

The Strategy and Innovation team is responsible for setting and monitoring the business' achievement of the corporate strategy in addition to

supporting the development and achievement of the individual business unit strategies.



LAUNCESTON AIRPORT

A Snapshot



180

Hectare Site



24/7

Curfew Free Airport



1 Runway
1 Terminal



30+

Flights Daily



1.29M

Passengers FY23



5

Destinations



4

Airlines



37

Employees



Contributing to the

\$3.47B

Tasmanian Tourism Spend

ABOUT

Launceston Airport

APAL operates in a similar fashion to APAM however on a smaller scale while being able to leverage many of the corporate functions from APAM.

Located next to the Midland Highway and trunk routes servicing the north, north-west, north-east and south of Tasmania, the airport is well positioned to connect the state to the mainland and beyond. The airport is close to many popular Tasmanian tourist destinations including Cradle Mountain, Freycinet National Park, Cataract Gorge and world-famous golf courses.

The airport site occupies 180 hectares with a single north-west runway and

full-length taxiway. Facilities include six domestic aircraft stands, three freight stands, and 15 general aviation stands. The three-storey terminal complex includes four dedicated boarding gates. A separate terminal houses Sharp Airlines' maintenance facilities, national reservations centre and departure lounge.

The airport also provides a range of facilities and office accommodation to ancillary non-aviation businesses

attracted to the benefits of operating in an environment that has excellent connectivity and logistics links. As the main aviation hub for Northern Tasmania, Launceston Airport is the second-busiest airport in the state. A key economic driver, the airport contributes \$81 million annually to the Northern Tasmania economy with a further \$24 million in flow-on impacts. The airport has a workforce of more than 550 direct and indirect employees.

Destinations served



Key executives from both APAM and APAL have been consulted in the development of this statement.

OUR SUPPLY CHAIN

APAC has a global supply chain comprised of approximately 1,500 suppliers split across Operational Expenditure (OPEX) and Capital Expenditure (CAPEX).

OPEX (40%)		CAPEX (60%)	
Facilities Maintenance and Utilities	18%	Head Contractors	41%
Security	12%	Consultants	14%
Professional Services	5%	Project Management Services	2%
Technology	3%	Environmental	2%
Transport	2%	Quantity Surveying	1%

These suppliers operate in a diverse range of industries, primarily service based and include technology support, consultancy, facilities management, construction and engineering, office supplies, cleaning, waste management and marketing. Our suppliers deliver a range of goods and services to the airport as part of the overall operation. APAC delivers a significant capital works portfolio which draws on the Victorian and Tasmanian construction

sectors and their associated supply chains.

Suppliers are generally engaged as independent contractors and may be contracted on a long or short-term basis depending on the nature of the services.

The majority of suppliers directly contracted by APAC are located in Australia. Other countries where suppliers directly contracted by APAC

are located include the United States of America, New Zealand, European Union, India, Singapore and the United Kingdom.

APAC is committed to operating ethically, fairly, in compliance with all relevant laws and in a socially responsible manner consistent with the expectations of our local communities. We also expect suppliers within our supply chain to act in the same way.

Performance Indicators

APAC measures the effectiveness of its modern slavery risk management using the performance indicators listed below.

Percentage of new contracts in 2023 with modern slavery clauses included	100%
Number of Employees completing modern slavery awareness training	20%
Number of Tier 1 in-scope suppliers completing modern slavery audit survey	62/135
Number of modern slavery cases remediated	0/0

ECONOMIC CONTRIBUTION

of Melbourne Airport



Passengers per year
30.8 million

Domestic **22.5m** International **8.3m**

Passengers by 2042
76.6 million



International visitor nights
72.9m



The average flight supports
\$141,000
in economic activity



International freight moved
\$18.2 billion

Air freight export **\$5.7b** Air freight import **\$12.5b**



Tourism output FY22
\$11.3 billion



Contribution to GSP by 2024
\$5 billion



19,000 jobs
on the airport precinct

Generating
71,000
tourism jobs in Victoria

\$22.5b Contributed to the national economy
\$20b Contributed to Victorian economy

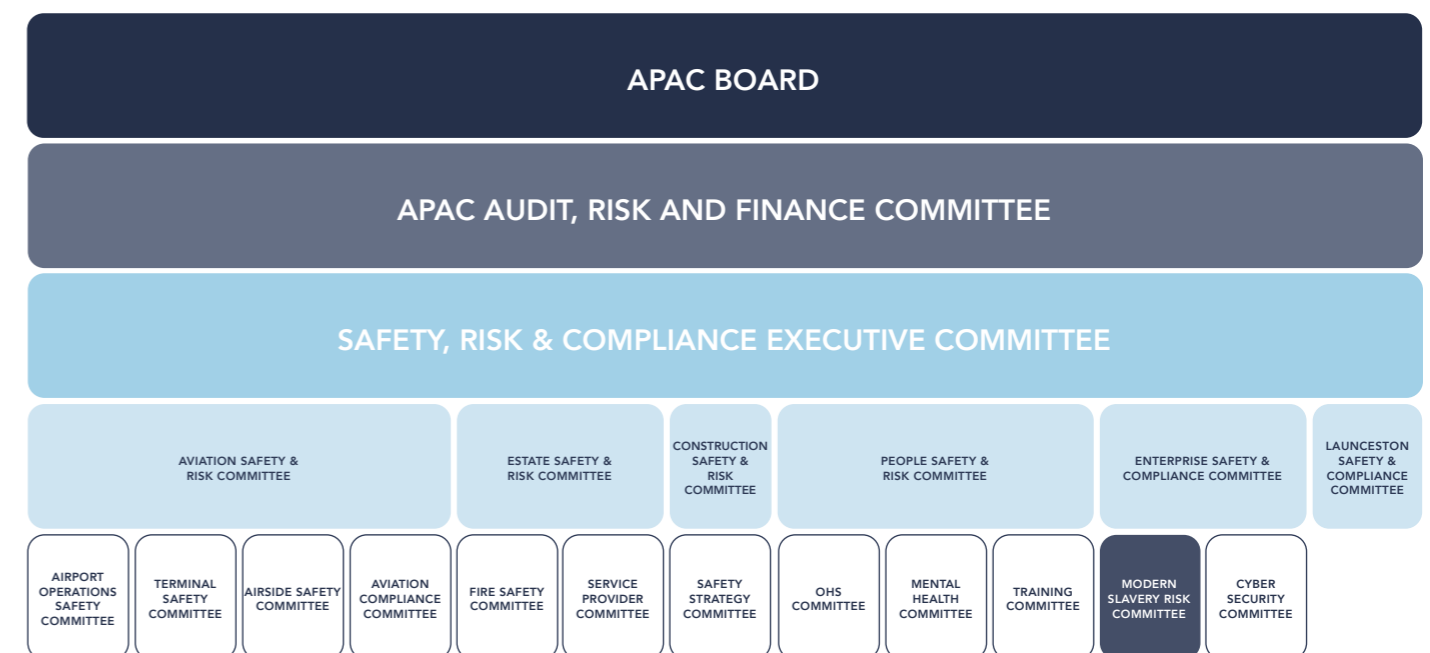
3

Modern Slavery Governance Framework



GOVERNANCE STRUCTURE

Risk management, including modern slavery risk management, is a key focus for APAC and is managed through the Safety, Risk and Compliance (SRC) governance structure. The SRC Governance structure is centred around the SRC Executive Committee that reports into the APAC Audit, Risk and Finance Committee and ultimately the APAC Board. The SRC Executive Committee meets on a bimonthly basis and consists of the APAC Senior Leadership Team. The SRC Executive Committee has several sub-committees as depicted below



The Modern Slavery Risk Committee is a sub-committee under the Enterprise Risk and Compliance Committee and is focussed on assessing and mitigating modern slavery risks. The Modern Slavery Risk Committee consists of key personnel from the Risk, Procurement and Legal teams and meets on a quarterly basis.

Modern slavery related risks are managed in accordance with APAC's Risk Management Policy and Framework. Business units are responsible for identifying, assessing, and monitoring modern slavery risks and their treatment on an ongoing basis through the risk champion network embedded into the Business Units.

The Risk, Legal and Procurement teams are responsible for monitoring compliance and organisational wide policies, such as the Procurement Policy which incorporates supplier risk assessments and standardised contractual terms in our contract suite.

POLICIES

The majority of policies are developed under the APAC banner and apply equally to APAM and APAL. Those policies not developed under the APAC banner are generally the specific operational policies relating to the specific operations of each airport. All policies go through a regular review process and several policies require sign off by the APAC Board due to their significance.

The following six policies are particularly important to mitigating modern slavery risks:

Code of Conduct

The APAC Code of Conduct underpins our ability to behave in a manner consistent with our shared values. It demonstrates how to practically apply those values in our day-to-day activities and as a result meet or

exceed applicable legal requirements. The Code describes a common set of expectations for our conduct; however, it is not meant to provide specific guidance on every situation we may find ourselves. Rather, it is principle-

based guidance that helps us think about "What is the right thing to do?". It also provides guidance on where to go for further support and information if needed. This policy is approved by the Board of Directors.

Supplier Code of Conduct

The Supplier Code of Conduct draws upon international standards and APAC's Code of Conduct to set out the foundation of minimum standards and expectations of behaviour that APAC expects of its suppliers to meet

in the areas of labour and human rights, health and safety, environment, business integrity, privacy and supplier diversity. APAC wish to partner with vendors, contractors and consultants who commit to observing these

principles not only in its dealings with APAC but throughout its own supply chain. This policy is approved by the CEO.

Speak Up

This policy sets out how eligible parties can confidentially make disclosures of matters of concern involving misconduct of the Company or its officers or employees. This includes how this can be done on an

anonymous basis via an independent avenue as well as the support that will be provided by the Company. Eligible parties include all current and former team members, relatives or dependants of a current or former

team member as well as any person working at either Melbourne Airport or Launceston Airport regardless of their contractual relationship with APAC, APAM or APAL. This policy is approved by the Board of Directors.

Risk Management Policy and Framework

The Risk Management Policy and Framework details the risk management process followed by APAC and defines the likelihood and

consequences ratings to be used when assessing enterprise risks. Consequence ratings are categorised across the following metrics: safety,

reputation, regulatory, environment, business interruption and people. This policy and the associated framework are approved by the Board of Directors.

Compliance Management Policy and Framework

The Compliance Management Policy and Framework formalises the approach to compliance management across each of the business units. This policy requires each business unit to develop specific plans on how they will comply with their obligations (legislative or otherwise). This policy and the associated framework are approved by the Board of Directors.



Procurement Policy

The Procurement Policy sets out the operational and behavioural standards that must be adhered to

when procuring goods and services or engaging third party suppliers on behalf of APAC. This policy includes

considerations for ethical sourcing (including modern slavery). This policy is approved by the CEO.



4

Identifying and Assessing Modern Slavery Risks

RISK ASSESSMENT

Modern slavery risks are assessed using the APAC enterprise risk management framework which aligns to the ISO 20400 guideline. In line with the Guidance for Reporting Entities provided by the Federal Government APAC uses the UN Guiding Principles on Business and Human Rights as a basis for assessing actual and potential human rights impacts, including modern slavery.

APAC's risk assessment focusses on three key elements; our internal workforce, our direct supply chain and beyond our direct supply chain to their suppliers and subcontractors. The risk assessment accounts for the following four key risk identifiers:

VULNERABLE POPULATIONS

Groups of people more likely to be exposed to harm, or unable to advocate for themselves in exploitative situations. The level of worker vulnerability, and risk of poor labour practices and exploitation are recognised to be higher in contexts where base skill labour is relied upon.

HIGH RISK BUSINESS MODELS

Business models that rely on third parties for the provision of services - often labour hire. Outsourcing reduces company visibility over third-party recruitment practices and provision of worker entitlements.

HIGH RISK SECTORS OR CATEGORIES

Products and services regarded as having more significant inherent modern slavery risk – including industries that rely heavily on low- skilled labour and/or involve menial and repetitive work, often performed at night-time or in remote areas.

HIGH RISK GEOGRAPHIES

Countries or regions which are known to have higher human rights (and modern slavery) violations or risks. High risk geographies include countries and regions vulnerable to bribery and corruption, or without strong labour laws and governance.

Internal Workforce

APAC internal workforce are engaged on either a common law contract (76%) or under and single Enterprise Agreement (24%). Those engaged under a common law contract are a very low risk in terms of modern slavery due to the individually negotiated contract and the inherent protections provided under common law.

Our Enterprise Agreement is a fully negotiated agreement with significant consultation with the participants

and their union representatives. The Enterprise Agreement is renegotiated every 3-4 years to ensure that it remains current in terms of remuneration, benefits and working conditions. The Enterprise Agreement must also comply with the Fair Work Act and be certified by the Fair Work Commission. As a result, the modern slavery risk within those engaged under the Enterprise Agreement is also assessed to be very low.



Direct Supply Chain

APAC has conducted a combination of supplier self-assessments and targeted risk assessments to assess the risk of modern slavery within our direct supply chain. The risk assessments have been conducted in accordance with the APAC Risk Policy and Framework, utilising Global Slavery Index to support likelihood assessments based on the prevalence and vulnerability factors for the suppliers' country of origin, including any parent companies.

APAC assesses the risk of modern slavery in our supply chain to be low. This is because the majority of suppliers that we directly contract with are located within Australia. Additionally, APAC's major suppliers have policies in place to mitigate modern slavery risks under their own modern slavery obligations. APAC periodically reviews their policies and Modern Slavery Act Statements to ensure that they are meeting their obligations.

APAC continues to develop its commercial arrangements to ensure suppliers have an obligation to inform APAC of any activities that are proposed to be conducted offshore. This is achieved through the inclusion of specific clauses in our suite of standard contracts and through the legal review of any non-standard contracts.

Indirect Supply Chain

APAC recognises that there may be instances in which we are indirectly exposed to modern slavery practices from within our supply chains. Specifically, the cleaning services, office supplies, IT services and construction industries are sectors that APAC considers more likely to be at risk of modern slavery practices occurring further down the supply chain, as follows:

- risk that raw materials used in office teas, coffees and foods are not fair trade, including that they may be obtained contrary to fair labour practices;

- risk of labour exploitation in the production of company uniforms (where used); and
- risk of unpaid or underpaid labour and excessive hours, including in relation to foreign workers and off-shoring of any component of services, in connection with subcontracting in the construction, IT and/or cleaning sectors.

APAC also acknowledges that solar installations are considered an area of modern slavery risk in the construction sector. Solar installation works include complex and informal subcontracting, labour hire, often involving multiple



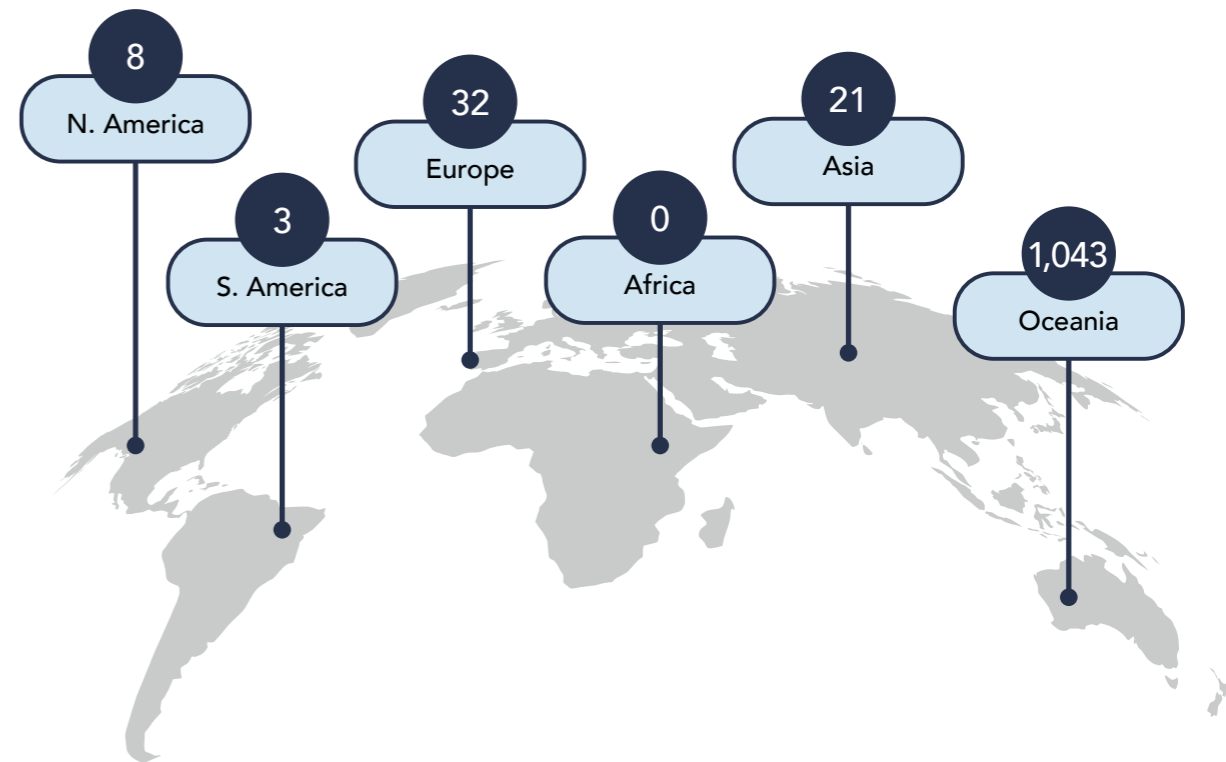
Human Trafficking Risk

Human trafficking is a modern slavery risk that is present within the airport environment. The primary responsibility for mitigating the human trafficking risk is the Australian Border Force under the Department of Home

Affairs National Action Plan to combat Modern Slavery 2020-25. APAC has established regular coordination meetings with senior Australian Border Force personnel to support the implementation of local measure to

mitigate human trafficking. An example of this is provision of infrastructure and equipment to display digital messaging at key control points.

Our Global Supply Chain



5
*Mitigation
and Remediation*



MITIGATING RISK

APAC has continued to build on the work completed in 2022 to mitigate the risk of modern slavery occurring in our supply chain. Our progress against mitigations identified in 2022 and the new initiatives raised in 2023 are described in the following sections.

Supply Chain Modern Slavery Self Reporting Tools and Risk Assessments

Major APAC suppliers across CAPEX and OPEX spend participate in a modern slavery maturity assessment. This tool serves to confirm effectiveness of downstream controls

and measures with respect to modern slavery throughout the APAC supply chain. This process is completed on an annual basis and utilised to inform ongoing supply chain risk assessments

and associated controls within APACs enterprise risk management framework.

Procurement and Supply Chain Controls

APAC requires all major suppliers to provide transparency and seek approval for all activities that are to be subcontracted or proposed to be delivered or supported from offshore

locations. APAC assesses the risks of these activities prior to contracting or permitting such arrangements. Specifically, for technology related activities, APAC's cyber security policy

requires supply chain activities are not conducted in high-risk geographies



2023 Mitigations

APAC recognises that mitigating modern slavery risks within its operation and supply chain is an

ongoing task and requires constant attention. The following key mitigations were implemented in 2023.

NEW SUPPLIER MODERN SLAVERY MATURITY ASSESSMENT

All new suppliers or contractors engaged by APAC in 2023 have undertaken a Modern Slavery maturity assessment using a template of risk based questions to establish the risks associated with modern slavery with these suppliers. This information helps support APAC procurement when performing due diligence checks before engaging suppliers or contractors. During this process it was established that only 1% of new suppliers had modern slavery exposure risk of high / medium and each supplier was able to produce their modern slavery statement and or procedures for mitigating the risks

UPDATED REQUEST FOR TENDER (RFT) DOCUMENTATION AND EVALUATION CRITERIA

APAC Procurement have implemented new RFT templates and evaluation criteria for all new OPEX and CAPEX procurement activity. This evaluation criteria uses a weighted assessment tool to assess the suppliers risk and exposure to modern slavery.

INTERNAL AUDIT - 2023 PWC MODERN SLAVERY RISK MANAGEMENT

An internal audit has been performed in accordance with the Australia Pacific Airports Corporation (APAC) Internal Audit Plan for 2023/24, to evaluate governance arrangements and management activities (processes and controls) over APAC's modern slavery supply chain risk management activities.

The internal audit included assessment of:

1. APAC's FY22 Modern Slavery Statement against the requirements of the Modern Slavery Act Cth (2018) and accompanying guidance notes issued by the Australian Government (Phase one); and
2. APAC's framework of systems, policies, processes and governance activities to identify, assess and manage modern slavery risks in the supply chain (Phase two).

The internal audit did not include assessment of the modern slavery statements and processes undertaken by APAC suppliers or a broader assessment of APAC's supply chain risks and controls that are unrelated to modern slavery. Further, the internal audit did not involve a deep dive assessment of APAC's modern slavery compliance platform (Safetrac) or direct engagement with APAC's suppliers or their workers.

Internal Audit Key Findings

OVERALL CONCLUSION

As a reporting entity under the Act, APAC has implemented a risk management framework that includes aspects related to modern slavery

risk identification, assessment, and management, which are detailed in our 2022 Modern Slavery Statement.

Below are the key findings associated with the assessment of APAC's 2022

Statement (Phase one) and APAC's risk management framework for managing modern slavery risks in its supply chain (Phase two).

PHASE ONE : ASSESSMENT OF APAC'S 2022 MODERN SLAVERY STATEMENT

KEY FINDINGS:

APAC's Statement is consistent with the current mandatory reporting requirements under the Act;

APAC could improve disclosure quality in its Statement, particularly in areas such as supply chain data and effectiveness measures related to modern slavery risk mitigation actions.

PHASE TWO : ASSESSMENT OF APAC'S FRAMEWORK OF SYSTEMS, POLICIES, PROCESSES AND GOVERNANCE ACTIVITIES TO MANAGE MODERN SLAVERY SUPPLY CHAIN RISKS

KEY FINDINGS:

APAC's framework contains some elements of effective modern slavery risk management, with a number of key positive observations based on the APAC employees engaged in the internal audit:

There is a clear commitment to addressing APAC's modern slavery risks, a strong desire for ongoing up-skilling in this area and the broader interconnection between business and human rights, and an awareness of the increasing legislative requirements.

Foundational processes are in place to support APAC's minimum compliance across key domains relevant to modern slavery, such as training, risk assessments (supplier data collection tools), and a focus on continuous improvement.

APAC's strategic suppliers are engaged on a relational basis as opposed to a transactional, contract-specific basis, which supports the development of more transparent relationship management that can assist APAC to tackle shared modern slavery risks in a collaborative manner.

Proposed 2024 Mitigations

The following key mitigations are planned to be implemented in FY23:

ACTION ITEM

Develop and implement a modern slavery process flow chart / rules of engagement template document. This document is to reflect on all the improvement opportunities within the audit to help guide and enhance APACS modern slavery processes.

Develop a communication strategy to improve internal sharing of APAC modern slavery risks and the risk appetite.

Undertake a modern slavery roadmap and resource strategy to determine the roles, responsibilities required, current capability and capacity requirements.

Update the current suite of RFT and tender evaluation templates to include a more detailed modern slavery review criteria.

Develop a board engagement briefing note to present to board the current risk exposure with property and tenancy agreements related to Modern Slavery and potential recommendations and communication strategy with supply chain.

Establish a framework to regularly undertake reviews and share best practice internally.

Continue to engage with industry peers to establish best practice and current process trends to manage and mitigate modern slavery risks.

APAC will engage a new 3rd party provider to improve our audit and due diligence platform. The new platform will drive better governance and reporting on current supply chain modern slavery risks and exposure. It will also improve the ability to undertake audits on future supply chain members.

APAC are engaging a new 3rd party provider to facilitate the implementation of supply chain and internal training for modern slavery – New People Central training tool.

APAC will grow and enhance the Modern Slavery Working Group to include key stakeholders from all business units to provide cross functional awareness and drive business wide initiatives to reduce the risks of modern slavery within our supply chain.

Remediation

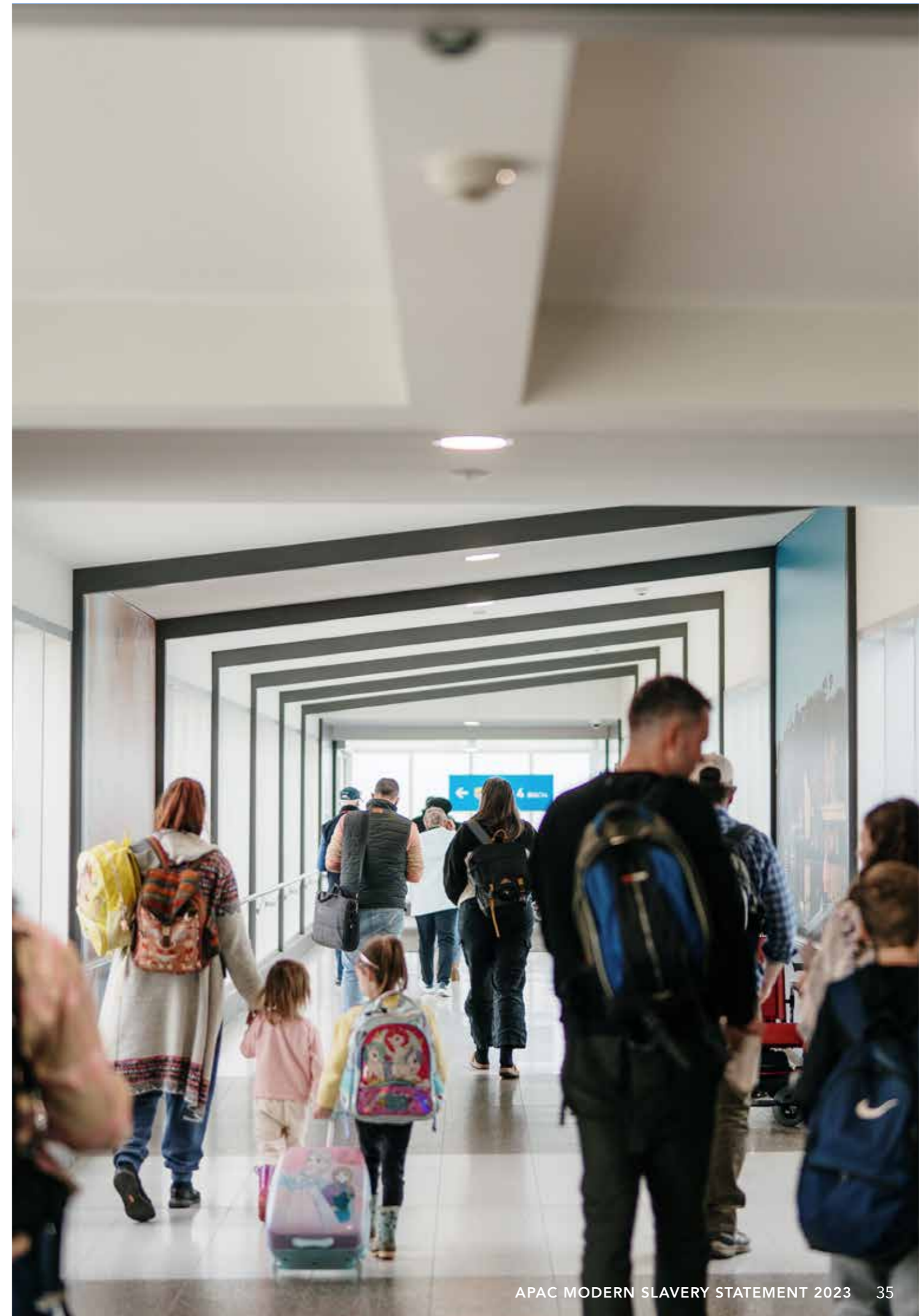
APAC seeks to avoid causing or contributing to human rights violations across our or our business partners' operations and supply chains. We encourage all our service providers, contractors, consultants, and key partners to report and express any concerns relating to our activities and suspected violations

of our policies, including via the mechanisms described in our Speak Up (Whistleblower) Policy.

As outlined in the Policy, if a grievance is raised, APAC establishes a Speak Up Committee to assess the information reported and determine an appropriate course of action which depending

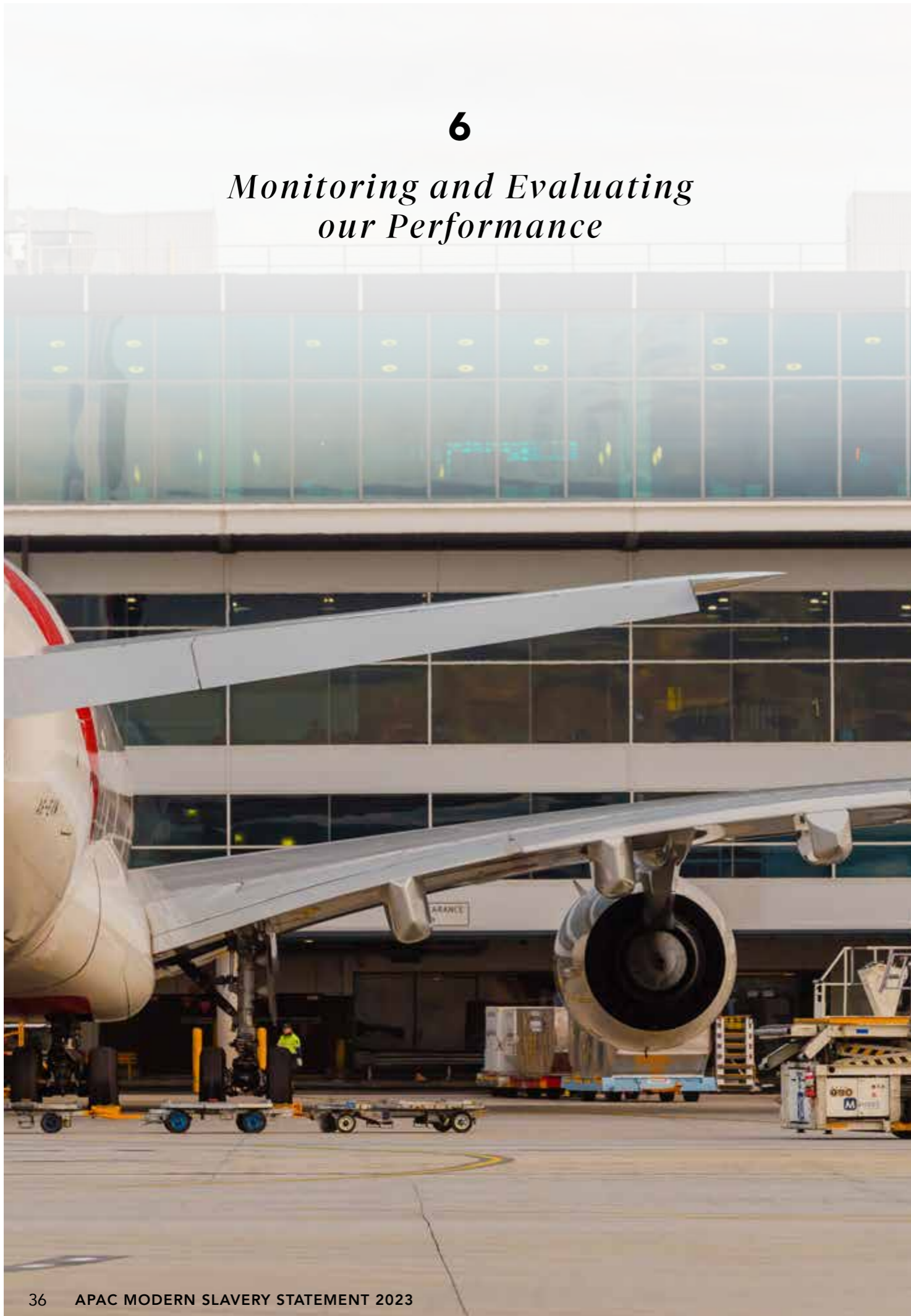
upon severity may incorporate an independent external investigation. APAC is committed to investigating, addressing and responding to any concerns and taking the appropriate corrective actions if required.

No modern slavery related issues were reported to APAC and no formal remediation plans were issued in 2023.



6

Monitoring and Evaluating our Performance



REGULAR REVIEW

APAC recognises the need to continue to regularly review the measures we have implemented to ensure that they are effective at identifying any modern slavery taking place in our supply chain. To achieve this APAC has established a Modern Slavery Committee under the Enterprise Risk and Compliance Committee. The Modern Slavery Committee is responsible for:

Regularly reviewing the internal risk assessment processes to ensure that they account for modern slavery risks and human rights more broadly.

Regularly reviewing the supplier risk assessments developed during procurement activities to ensure modern slavery risks are mitigated in new contracts.

Conducting regular assessments using the third-party risk assessment tool.

Monitoring the adherence to modern slavery mitigations within contracts by overseeing regular audits and inspections.

Monitoring any modern slavery related disclosures made to our Speak Up Hotline and identifying any trends.

Reviewing our modern slavery risk mitigations against industry best practice.

Periodically reviewing key policies relating to modern slavery risk mitigation such as the Code of Conduct, Supplier Code of Conduct and the Speak Up (Whistleblower) Policy.



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