



FY21 MODERN SLAVERY STATEMENT

MODERN SLAVERY ACT 2018 (CTH)



This statement is made by Brisbane Airport Corporation Pty Limited (ABN 54 076 870 650) ('BAC') pursuant to the *Modern Slavery Act 2018* (Cth) for the financial year ending 30 June 2021 (FY21). The statement has been approved by the Board of Directors of BAC.

This is the second statement which BAC has prepared and provides a key milestone in BAC's efforts to identify, detect and address the risk of modern slavery and human trafficking in its supply chain.

The statement describes the activities undertaken by BAC in addressing the risks of Modern Slavery in our operations and the supply chain through the reporting period, plus further activities planned for FY22.

BAC is committed to maintaining and continuously improving its practises to combat risks associated with modern slavery and human trafficking across Brisbane Airport.

This includes working with the many stakeholders across the Airport such as Australian Border Force, the Australian Federal Police, Airlines, service providers, contractors, and the broader Airport community in combatting this issue.

As a major international gateway into Australia and a potential entry point for trafficked persons, BAC has a responsibility and unique opportunity in leading the way in the prevention of modern slavery and human trafficking in its operations.

BAC respects the right to be free from slavery. Our commitment to this is anchored in our core values of collaboration, communication, courage and care.

Our FY21 Modern Slavery Statement provides an overview in the many ways BAC demonstrated its commitment over the past year.



8M
Passengers in
FY21



325
Direct employees

15,000
People from more than

350
Companies

49
Domestic Destinations

11
International Destinations

BAC's Structure

BAC is a private, Brisbane-based company and the operating entity in a consolidated group, with the ultimate holding company being BAC Holdings Limited. We do not own or control any other entities.

Our shareholders are major Australian and International organisations and institutional investors.

BAC has 300+ direct employees and over 15,000 people work on airport from over 350 companies. This makes Brisbane Airport (BNE) a significant employment location for Queensland.

BAC's Business

In FY21, Brisbane Airport welcomed 8 million passengers and serviced 49 domestic locations and 11 international locations. These figures are significantly reduced from FY19 (25M passengers for the pre-COVID-19 financial year) and a large portion of domestic passengers travelled to and from one of the 26 intra-state destinations all across Queensland. A large portion of passengers in FY21 were Fly-In Fly-Out workers to Regional Queensland mining areas. In pre-COVID-19 years, the majority of passengers are leisure travellers, visiting friends and relatives, or business travellers. These sectors have seen significant reductions in overall numbers due to border closures, lockdowns and living restrictions.

Air-Freight traffic in and out of Brisbane Airport has reduced 32% in FY21 compared to pre-COVID-19 levels. The major products imported through BNE are machinery for industrial production (especially mining, clothes/fashion, mobile phones, counter-season fruit and vegetables).

BAC also manage a large retail and commercial property portfolio. The retail business (mainly Brisbane's DFO and various stores and cafes at the Airport

Terminals) have suffered in FY21 due to the lower volume of passengers and foot traffic.

The commercial property business remained consistent through the year.

BAC worked closely with all its partners through the year in navigating the challenges that COVID-19 has brought to each business.

BAC's 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. BAC's supply chain is generally categorised into two parts – expense and revenue.

The expense side is further separated into operational and capital expenditures, categorised as follows:

- Property & Infrastructure development;
- Contract Services (Facilities Maintenance, Car-Park Services, Maintenance);
- Security Services;
- Technology;
- Utilities; and
- General Administration.

The revenue side entails BAC's many business partners such as tenants, airlines and retail partners, which range in size from a global entity such as Qantas to a sole-trader coffee shop.

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 FY21, 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.

BAC OPERATIONS AND SUPPLY CHAINS – FY21



800+ Suppliers
11 Countries



~99% Australian
Suppliers



\$140M
Procurement
spend on goods
and services

- In FY21, BAC engaged directly with close to 800 suppliers from 10 countries. Approximately 99 percent of our direct procurement spend was with Australian companies.
- BAC recognises that some of its suppliers are Australian entities as defined by the Act (i.e., a company that is resident in Australia for income tax purposes, however, are head-quartered overseas).
- BAC engaged with 14 companies from G20 countries other than Australia. We do not engage directly in 'low-cost country sourcing' or out-sourcing of administrative corporate services overseas.

Location of Selected Suppliers:

Country	Product / Service Supplied
Australia	Services supplied is our largest category and includes security services, cleaning, baggage handling system maintenance, facilities maintenance, kerbside management, bussing and IT services.
Canada	Airports Council International and IT Software services.
New Zealand	Airport Operating System and Credit Card payments application.
Switzerland	IT Software services.

RISKS OF MODERN SLAVERY PRACTISES IN OUR OPERATIONS AND SUPPLY CHAIN – FY21

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, the supplier provides these.

Similarly, for our construction related activities, we engage directly with a construction contractor who will in turn supply all services and materials to the site as needed.

This adds a risk of modern slavery through secondary, tertiary and further levels into the supply chain of our construction contractors.

We have identified these areas as high risk and this forms a large part of our current approach in mapping our supply chain.

ACTIONS TAKEN TO ASSESS AND ADDRESS MODERN SLAVERY RISKS

BAC's Modern Slavery Working group identified a key action for the reporting period was to continue mapping our supply chain.

As we outsource many services, including construction activity, we needed to gain visibility into the multiple layers involved in our supply chain.

The Procurement team at BAC is a lean team of four, and so a decision was made to seek external support such as a software solution to mapping our supply chain fully, rather than undertaking the task in-house. This resulted in BAC evaluating two separate options. At the end of the reporting period, a preferred solution has been identified which will be implemented through FY22.

BAC's Modern Slavery Working Group members attended the regular webinars provided by Australia Border Force (ABF) and Informed365 to gain an understanding on best practise in preparing a Modern Slavery Statement, plus lessons learned and observations from the ABF team.

Key areas of action in FY21	
<ul style="list-style-type: none">• Identified a supply chain map application which will be implemented in FY22.• Consulted with Informed365 on the options available re collaboration across industry.• Developed a supplier questionnaire for use in tendering, to issue to prioritised, high risk category suppliers.	<ul style="list-style-type: none">• Continued to raise awareness internally by posting multiple stories on BAC's internal portal page 'The Hanger'.• Commenced the development of a training program for frontline airport workers.• Provided an update to BAC's Board Sub-Committee on the progress of the Working Group to date.

ASSESSING THE EFFECTIVENESS OF THE 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.

To achieve this, we will:

- Review the effectiveness of our Modern Slavery Policy, Whistleblower Protection Policy and Supplier Principles.
- Ensure our supply chain remains under constant review through the use of a supply chain map for proactive supplier questionnaires and alerts functionality.
- Monitor and action any cases reported through our Whistleblowing Policy and through BAC's confidential reporting service 'BACConfidential'.
- Continue to engage and collaborate with our airport partners on site such as Australian Border Force, Australian Federal Police and our security services provider, ISS to review results and identify any further actions required as our response to Modern Slavery will continue to evolve and grow.

Case study – Airport Pavement Maintenance Works



Brisbane Airport has a requirement to proactively maintain the airside and landside road network and all runways, taxiways and aprons.

Examples of the scope for this contract includes the maintenance of:

- Roadways, bridges and culverts across the full airport precinct.
- Walkways and footpaths located externally to commercial buildings.
- Runways, taxiways and aprons.
- Pavement markings.



During the tender and entering into contract, the successful proponent was required to provide assurances that:

- They have thoroughly investigated labour practises to ensure that there is no Modern Slavery used in their business.
- The maintenance services are not a product of supply chains in which Modern Slavery is taking place.
- They have thoroughly investigated the labour practises of their personnel to ensure there is no Modern Slavery used by any of their personnel, and;
- That they have put in place all necessary processes, procedures and investigations to ensure Modern Slavery is not included in the supply chain or operations.



The Contractor has successfully transitioned onto site and commenced a three-year contract term with BAC.

COVID-19 BUSINESS IMPACT AND IMPACTS ON PLANNED ACTIVITIES



Our business has continued to be significantly impacted by COVID-19 and the closure of international and domestic borders.

The period of April to June 2021 did see an increase in traffic as all Australian borders were open and the creation of the Trans-Tasman travel bubble. Unfortunately, this recovery period was cut-short with the outbreak of the Delta variant in New South Wales and Victoria, combined with the cessation of the Trans-Tasman bubble.

- Despite a significant decline in passenger and flight numbers as a result of COVID-19, Brisbane Airport remained open and operational, albeit in a heavily reduced capacity.
- In FY21, it was intended to undertake training about human trafficking to our customer service staff and our Airport Ambassadors working in our terminals, who are well placed to identify potential victims. However, due to the lack of passenger movements in the terminals, this activity has been further deferred, pending the resumption of normal operations.
- We intend to revisit the training initiative for relevant staff as part of our modern slavery due diligence program in FY22.

CONSULTATION WITH ANY ENTITIES THE REPORTING ENTITY OWNS OR CONTROLS

We do not own or control any other entities.

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

Signature – Chair of the Board of Directors of BAC



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Mr David Peever

Chair of the BAC Board

DATE: 22 November 2021