



## **1. AGS Group Modern Slavery Act 2015 Statement**

AGS Airports Holdings Limited, including its group of Airports, Aberdeen International Airport Limited, Glasgow Airport Limited and Southampton International Airport Limited, and its subsidiaries AGS Airports Limited, AGS Airports Investments Limited, AGS Airports Pension Trustees Limited, BAA Lynton Limited and Airport Holdings NDH1 Limited (herein referred to as the “AGS Group”) is publishing this statement in compliance with section 54(1) of the Modern Slavery Act 2015.

This Modern Slavery Statement has been approved by the Board of Directors of AGS Airports Limited, on behalf of the AGS Group, on 27<sup>th</sup> January 2022. Information contained within this statement is correct at the date of publish. It details the steps taken by the AGS Group in order to comply with the provisions of the Modern Slavery Act 2015 to aid the prevention of modern slavery and human trafficking for the financial year ending 31 December 2022.

## **2. Our Business**

AGS Airports Holdings Limited, a consortium of Ferrovial S.A. and Macquarie Infrastructure and Real Assets (MIRA), owns Aberdeen International Airport Limited, Glasgow Airport Limited, Southampton International Airport Limited, AGS Airports Limited, AGS Airports Investments Limited, AGS Airports Pension Trustees Limited, BAA Lynton Limited and Airport Holdings NDH1 Limited.

Macquarie and Ferrovial have a long established and successful relationship, working together across several infrastructure projects and partnerships in airports.

## **3. Our Supply Chain**

AGS’ supply chain covers many goods and/ or services across the airports and covers many industry sectors. These goods and services are grouped into the following categories:

- Capital
- Operational
- Professional services
- Digital
- IT Services and Telecoms
- Commercial (includes airlines, ground handlers and retailers)

Each department within the airports will, to a greater or lesser extent, have a supply chain in which it depends on, and the interdependencies of the various departments, as well as the commonality of goods and services required across the AGS Group, results in some suppliers that have dealings with more than one department and/or airport.



We have in the region of 756 suppliers across the AGS Group. Many of these will have turnovers greater than £36 million which trigger the compliance requirements of the Modern Slavery Act 2015 and are required to produce a Modern Slavery Statement. AGS recognises that suppliers under this threshold can still be a risk, however they still go through our onboarding process and rigorous checks.

#### **4. Our Policies**

##### **AGS Sustainable and Ethical Procurement Policy**

Reflects our commitment to acting ethically and with integrity in all our business relationships, and to implement and enforce effective systems and controls to address the risk of modern slavery and human trafficking within our business or supply chain.

##### **Code of Professional Conduct**

To assist in achieving the highest standards of professional behaviour from AGS employees in dealings with colleagues, customers, suppliers, and other parties with whom AGS has a relationship.

##### **Recruitment Policy**

The business has a transparent, thorough recruitment process, which serves as a deterrent from the infiltration of trafficking groups with victims of modern slavery. AGS is committed to applying its equal opportunities policy, at all stages of recruitment and selection process.

##### **Whistleblowing Policy**

Primarily covers how to deal with serious concerns in the workplace, where the interests of others or that of the organisation is at risk. We offer three defined channels for whistleblowing and include modern slavery and potential victims of human trafficking in the list of potential disclosures.

#### **5. Due Diligence**

##### **Procurement**

AGS' Group Procurement perform due diligence checks on AGS supply chain on an annual basis and at the commencement of any new sourcing activity to ensure modern slavery compliance.

Prior to a tender process, all new suppliers are sent a Pre-Qualification Questionnaire ("PQQ") or an Invitation to Tender, which includes a section on modern slavery. The Supplier may not progress beyond the tender stage if they are highlighted as high-risk at this stage.

When AGS engage with a new supplier out with a tender process, AGS invite the supplier to complete a new supplier form via our onboarding platform, which includes a modern slavery section to satisfy AGS requirements in respect to the Act.



AGS Procurement review the response to these questionnaires and determine whether there are any risks associated with the response, assess suitability of the supplier and any steps required to manage the modern slavery risk based on the response provided. AGS Procurement also record any modern slavery risk in the Procurement risk register until mitigation is in place.

#### **Audit**

If a supplier provides insufficient details to the questionnaire during the procurement process, or is highlighted as being a high-risk supplier, such as manufacturing companies or uniform providers, Procurement will carry out further investigations into the supplier. This will be completed by carrying out a desk-top audit, a telephone audit or by visiting the suppliers premises to carry out a full audit.

The audit documents delve deeper into a business's ethical behaviour, duty of care to employees, and the policies they have in place to satisfy Procurement that the risk of modern slavery is satisfactorily managed by the supplier. AGS also provide feedback and corrective actions to mitigate any potential risks.

If after an audit a supplier is deemed to be non-compliant with our standards or the Modern Slavery Act 2015, if within scope, and unwilling to improve, the supplier will be removed from the supply chain, and an alternative supplier will be sourced. AGS Airports monitor all supplier's modern slavery compliance on the Procurement risk register.

During 2021, AGS Procurement continually reviewed all suppliers in the supply chain for compliance with the Act. AGS conduct quarterly supplier performance reviews ensuring compliance with act where applicable.

#### **Partnership with Slave-Free Alliance**

In 2021, AGS Group continued its partnership with Slave-Free Alliance ("SFA"), who act as our 'critical friend' in addressing the risk of modern slavery. In April, SFA conducted a Gap Analysis to assess current performance of AGS's response to address the risk of modern slavery, identify key risks of modern slavery, highlight areas of good practice and recommend potential areas for improvement.

The process entailed desk reviews of relevant policies and processes, discussions with employees across the business, a detailed report and a collaborative debrief. From there, we discussed next steps to develop an action plan.

*"As with the wider aviation industry, AGS was heavily impacted by the COVID-19 pandemic. While planes were grounded and passenger footfall sharply declined, AGS matured its anti-slavery agenda to prevent the risk of modern slavery and labour exploitation taking place on its grounds. Most significantly AGS asked SFA to conduct a gap analysis to help it identify salient risks and address gaps in its mitigation strategy. Slave-Free Alliance looks forward to our continued partnership*



*to protect workers and passengers in its airports by supporting AGS's action plan with the goal of embedding best practice into business-as-usual.'*

*Rachel Hartley, SFA Training and Technical Services Manager*

The SFA Gap Analysis report provided AGS with the foundation for a best practice modern slavery strategy, identified four key risks (see page 3), and offered a range of proportionate recommendations to strengthen our approach in addressing the risk of modern slavery. For example, the report identified opportunities to expand our governance structures. In 2022, AGS will expand the scope of the Health, Safety, Security and Environmental ("HSSE") governance and committee to incorporate modern slavery and human rights.

## **6. Risk**

The SFA Gap Analysis identified the following four modern slavery risk areas for AGS:

- Concession and Management Agreements
- Construction and Labour Agencies
- Uniform Supply Chain
- Passengers in transit as potential victims of human trafficking and modern slavery

AGS have developed a Modern Slavery Action Plan based on the recommendations of the SFA Gap Analysis and will begin to deliver various actions in 2022. For more information see our commitments on page 5.

## **7. Training**

Our CEO has a strong commitment to understand and manage the risk of modern slavery that cascades into the business and supports the progression of our work. To further strengthen that commitment at executive level, SFA provided training in September 2021 to the AGS Executive Team on the following areas:

- Modern slavery awareness
- Modern slavery legislation and what it means for AGS
- The risks of modern slavery faced by AGS
- What's at stake for AGS and the importance of transparency
- The findings and recommendations from the SFA Gap Analysis

## **8. Effectiveness in Addressing Modern Slavery**

This past year, AGS have made significant progress to understand the risk of modern slavery faced by the business. We recognise that as we begin to take action to



address these risks, the next steps will be to develop effective KPIs that measure our performance.

In 2021, AGS were proud to welcome World Leaders and Delegates to Glasgow for COP26. AGS recognises the interlinks between climate change and modern slavery, particularly how climate-induced migration is increasing the risk of modern slavery and renewable energy supply chains face significant risk of forced labour. As we progress our anti-slavery agenda, we intend to remain mindful of the environmental links and dual impacts.

Looking ahead AGS will begin implementing the Modern Slavery Action Plan in 2022. We commit to delivering the following actions:

- Collaborate with our suppliers to map their sourcing locations of goods and services
- Map the uniform supply chain
- Further develop the Supplier PQQ to include intelligence driven questions for suppliers
- Expand the scope of the HSSE governance and committee to incorporate modern slavery and human rights
- Develop effective KPIs that measure our performance in addressing the risk of modern slavery

The AGS Group is committed to persistently monitoring and tackling modern slavery and human trafficking. We continually review our approach and focus on continuous improvement to effectively delivery strategies that address the risk of modern slavery.

Signature .....  
Name DEREK PROVAN  
Title CEO  
Date 31/01/2022