

# Halifax International Airport Authority 2024 Supply Chain Transparency Report

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## INTRODUCTION

This report has been prepared for the financial year ending December 31, 2024, pursuant to Section 11 of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*. This report describes the steps the Halifax International Airport Authority ("HIAA") has taken to prohibit forced labor and child labor in HIAA's supply chain.

HIAA's board of directors (the "**HIAA Board**") approved this report on March 28, 2025.

## STRUCTURE, ACTIVITIES, AND SUPPLY CHAINS

### HIAA's Structure

HIAA is a locally controlled, non-share capital corporation first incorporated on November 23, 1995 under the *Canada Corporations Act* and continued on April 7, 2014 under the *Canada Not-for-profit Corporations Act*. HIAA has Members rather than shareholders or other equity holders and its Members are also its Directors. HIAA is governed by a Board of Directors whose members are nominated by the Halifax Chamber of Commerce, the Halifax Regional Municipality, the Province of Nova Scotia, and the Government of Canada.

### HIAA's Business & Activities

HIAA took over the management of Halifax Stanfield International Airport ("**Halifax Stanfield**") from Transport Canada on February 1, 2000.

Since then, HIAA has helped ensure Halifax Stanfield, which is a key community and economic asset, can continue to provide the world-class service for which it has become internationally known. HIAA's mission is to accelerate the growth of our communities by connecting people and goods to the world.

As a community-based, non-share capital corporation all profits are reinvested back into the airport and the region. HIAA's sole business is the operation and development of Halifax Stanfield and HIAA does not engage in business activities outside of Canada. As of December 31, 2024, HIAA employed 228 persons engaged in management, technical, administrative, and general labour activities.

### HIAA's Supply Chain

In 2024, HIAA purchased goods and services from 514 companies, of which 448 companies were located within Canada, and 66 companies outside of Canada. Approximately \$7.4 million or 11.3% of purchase orders for goods and services were issued to suppliers outside of Canada. Goods and services were imported from the United States, the United Kingdom, the European Union, Switzerland, Israel, and Australia, that originated in the United States, the United Kingdom, the European Union, Australia, Israel, and China. HIAA imported goods and contracted services related to baggage handling, passenger experience, professional services, marketing, security, and airport and aircraft operations, maintenance, and safety, including, but not limited to:

- Electric vehicle chargers
- Passenger boarding bridges and repair parts
- Baggage handling systems and repair parts
- Air terminal maintenance parts
- Communications equipment
- Automotive parts
- Commercial equipment

HIAA assesses the risk of forced labour and child labour in its supply chain to be nil based on the nature of the goods and services procured and the locations from which the goods and services originate.

## POLICIES & DUE DILIGENCE PROCEDURES

### Supplier Code of Conduct

While recognizing the cultural and regulatory differences around the world, HIAA expects all suppliers to protect the fundamental human rights and dignities of their workers. HIAA has developed a Supplier Code of Conduct (the "**Supplier Code**") that sets out HIAA's principles and expectations for how organizations, including their representatives, employees, and subcontractors (collectively, our "**Suppliers**"), who supply goods, services and construction to HIAA should conduct business with HIAA.

HIAA is committed, and expects our Suppliers to be committed, to upholding and promoting international laws and human and labour rights, including anti-bribery and anti-corruption laws; the principles and rights outlined by the International Labour Organization, the principles of the United Nations Universal Declaration of Human Rights; the United Nations Guiding Principles on Business and Human Rights; and the OECD Guidelines for Multinational Enterprises.

The current version of the Supplier Code requires Suppliers to comply with applicable laws in the jurisdictions where they operate. HIAA is in the process of revising the Supplier Code to support the prevention and reduction of forced labour and child labour practices and risks among Suppliers and include guidance related to the evaluation and prevention of forced labour and child labour risk in HIAA's supply chain. The current version of the Supplier Code was incorporated by reference into each of HIAA's Supplier contracts in 2024 and the planned revisions will be adopted into all of HIAA's Supplier contracts once finalized.

### Contracting and Procurement Policy

HIAA has consistently acknowledged the need for transparency in its supply chain, particularly where there is only one source of supply for certain goods, services, and construction. HIAA employs a variety of competitive procurement processes for obtaining goods, services and construction, depending on the nature of the purchase. A sole source acquisition is permitted only in limited circumstances and under stringent review processes. Otherwise, HIAA must use a public competitive acquisition process, subject to few exceptions. Evaluation of bidder submissions can be made using objective criteria, such as price, or subjective criteria, such as experience. The overall intention is to obtain the best value for HIAA, in compliance with our governance and regulatory obligations, sound purchasing and supply chain practice, and our commitment to sustainability and diversity.

As such, HIAA's Contracting and Procurement Policy (the "**Procurement Policy**") outlines the internally approved methods of contracting for the procurement of goods, services and construction, which result in the best value to HIAA while ensuring staff follow sound supply management principles and good business practices in support of HIAA's commitment to sustainability and diversity. While the current version of the Procurement Policy does not explicitly contemplate the evaluation of forced labour and child labour risk among potential suppliers, HIAA is working with external counsel to develop a risk- and context-aware approach to contracting, including asking specific questions on forced labour and child labour in our calls for bids, and implementing a matrix of contract clause options that are responsive to different supplier risk profiles. Consistent with emerging best practice, HIAA intends to continue revising the Procurement Policy and our procurement contracting document suite in 2025 to support and reflect our commitment to preventing forced labour and child labour in HIAA's supply chain.

## Code of Business Conduct

HIAA has a Code of Business Conduct (the "**Business Code**") that serves to act as a guide for all employees in their day-to-day work, including those employees who engage in Supplier relationship management and contract on behalf of HIAA. The foundation of the Business Code is the belief that conducting business ethically is critical to the success of HIAA. This means upholding not only the law but also the highest standards of integrity, professionalism, and honesty. The guiding principles of the Business Code include commitments to maintaining a safe and healthy workplace, compliance with all laws and regulatory standards, and transparency in reporting practices.

## FORCED LABOUR AND CHILD LABOUR RISK ASSESSMENT

HIAA has a clear understanding of the locations from which it purchases goods and the manufacturers from whom goods are purchased. HIAA is continuing to examine practices and procedures to determine if there are significant risks of forced labour and child labour in its supply chain, such as:

- (a) monitoring regulatory and legislative trends and guidance;
- (b) referring to UN Guiding Principles on Business and Human Rights;
- (c) referring to 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 Organization's Declaration on Fundamentals Principles and Rights at Work;
- (d) conducting internal reviews to assess processes of contracting with Suppliers to ensure compliance with HIAA policies and procedures; and
- (e) identifying or using a third-party service provider to identify product categories/suppliers with a medium and high risk of modern slavery and audit medium and high-risk suppliers.

## REMEDATION MEASURES

As of December 31, 2024, HIAA has not become aware of any forced labour or child labour in its activities and supply chains and as such, no remediation measures were necessary. HIAA has established a confidential reporting procedure for employees through which anyone may report a breach of the Business Code. HIAA plans to expand the scope of this confidential reporting procedure in 2025 to include breaches of the Supplier Code. Reports are reviewed, investigated, and addressed by the President & CEO, the Vice President, People, the General Counsel and supported by the People & Legal Department.

## REMEDATION OF LOSS OF INCOME

As of December 31, 2024, HIAA has not become aware of any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labour or child labour in its activities and supply chains and as such, HIAA has not taken any remedial measures with respect to loss of income as a result of efforts to reduce forced and child labour. HIAA views determination of whether vulnerable families have experienced such a loss of income as integral to this process and procedures for making such determinations will be considered as they become relevant.

## TRAINING & AWARENESS

HIAA has engaged in awareness-raising activities regarding forced labour and child labour among its leadership team and will engage in efforts to more broadly communicate and increase awareness of the requirements described in the Supplier Code, particularly with employees who are engaged in supply chain management or with suppliers. HIAA's leadership team participated in a training workshop hosted

by external legal counsel in November 2024 that included an overview of Canada's supply chain transparency framework, discussion of HIAA's current and planned supply chain governance practices, and a conversation about the evolving role of leadership in supporting supply chain transparency. HIAA is working toward implementing training on forced labour and child labour for all employees engaged in supply chain management or who otherwise engage with HIAA's Suppliers.

## PROGRAM EFFICACY

As of December 31, 2024, HIAA has not identified any risks of forced labour or child labour in its supply chains. If such risks are identified HIAA will take actions to prevent and reduce such risks in its goods importation activities and supply chains.

In order to continuously strengthen its ability to assess the effectiveness of its efforts, HIAA annually reviews its supply chain practices and procedures and implement such changes as may be required over time to ensure the success of such practices and procedures in future years.

## ATTESTATION

In accordance with the requirements of the Act, I, the undersigned, solely in my capacity as Chair of the HIAA Board, for and on behalf of the HIAA Board, and not in my personal capacity, attest that this report was approved by the HIAA Board on March 28, 2025, pursuant to subparagraph 11(4)(a) of the Act.

### HALIFAX INTERNATIONAL AIRPORT AUTHORITY

Per:



Name: John S. Fitzpatrick, K.C.

Title: Chair, Board of Directors

Date: March 28, 2025

*I have the authority to bind Halifax International Airport Authority.*