



August 11, 2023

Modern Slavery and Human Trafficking Statement¹

Air Canada is committed to complying with applicable laws and to acting with care, integrity, and responsibility when it deals with its employees, customers, and suppliers and when it interacts with communities. Recognizing the suffering they cause; we do not tolerate any form of slavery or human trafficking in our operations and supply chain. As a global airline, we also recognize the importance of implementing appropriate measures to mitigate the risk of slavery and human trafficking in our operations, either directly or through our service providers.

We maintain an unwavering commitment to human rights and to our core value, Safety First, Always, which is fundamental to our sustainability and our future. Taking action to mitigate the risk of slavery and human trafficking is an integral part of this lasting commitment.

Our organization

Air Canada is Canada's largest airline and flag carrier and a founding member of Star Alliance™, the world's most comprehensive air transportation network that celebrated its 25th anniversary in 2022. Air Canada provides scheduled service directly to 185 destinations in Canada, the U.S. and internationally on six continents.

We are the only global network carrier in North America to receive a Four-Star ranking from Skytrax, which, in 2022, gave Air Canada awards for being the World's Most Family Friendly Airline and the Best Airline in Canada, and for Best Airline Staff in North America, Best Airline Staff in Canada and Best Business Class Lounge in North America. Air Canada also received an Excellence award for its management of COVID-19. Through Aeroplan, Canada's premier travel loyalty program, Air Canada gives members the ability to earn or redeem points on the world's largest airline partner network of 45 airlines and through an extensive range of merchandise, hotel and car rental rewards. Its freight division, Air Canada Cargo, provides air freight lift and connectivity to hundreds of destinations across six continents using Air Canada's passenger flights and its fleet of cargo-only freighter aircraft.

¹This statement, in respect of the financial year ending December 31, 2022, is made on behalf of Air Canada and its wholly owned operating subsidiaries, Aeroplan Inc. (Aeroplan), Touram Limited Partnership, doing business under the brand name Air Canada Vacations® (Air Canada Vacations), and Air Canada Rouge LP, doing business under the brand name Air Canada Rouge® (Air Canada Rouge) and pursuant to the *Modern Slavery Act 2015* (U.K.) and the *Modern Slavery Act 2018* (Australia) and sets out the steps Air Canada (Corporation) has taken to prevent slavery and human trafficking in our business and supply chain.

Air Canada Vacations® is a leading Canadian tour operator, developing, marketing and distributing vacation travel packages in the outbound leisure travel market (Caribbean, Mexico, U.S., Europe, Central and South America, South Pacific, Australia, and Asia) and the inbound leisure travel market to destinations within Canada, and offering cruise packages in North America, Europe, and the Caribbean. Air Canada Rouge® is Air Canada's leisure carrier.

Air Canada is committed to advancing sustainability throughout its business for the long term and aims to achieve an ambitious net-zero emissions goal from all our global operations by 2050.

As one of the world's leading commercial airlines, we always work to high standards and to abide by all laws and regulations that are relevant to our business. Sustainability is an intrinsic part of our culture; we aim to make a lasting and positive impact on all our stakeholders, including on the communities in which we live and work.

We expect nothing less than the same from our suppliers and business partners.

Our policies addressing slavery and human trafficking risk

We are committed to working with suppliers and business partners that do not engage in human trafficking or any form of slavery. Our policies contain provisions that target or contribute to mitigating the risk of slavery and human trafficking in any part of our global business or supply chain.

Our relevant policies include:

Corporate Policy and Guidelines on Business Conduct (Code)

The Code addresses compliance with laws, human rights, privacy, violence prevention, discrimination and harassment, fair dealing with people and organizations and reporting violations. The Code includes guidance on how individuals can anonymously and confidentially report actual or potential misconduct including through an independent online reporting portal, as well as through toll-free telephone lines for Canada and locations around the world.

Supplier Code of Conduct (SCC)

The SCC forms an integral part of Air Canada's supplier contracts. The SCC is principle based and sets out our expectations of suppliers with a goal of aligning supplier behaviours to Air Canada standards in the following key areas: business integrity; responsible business practices; responsible treatment of individuals; and respect for the environment. The SCC includes provisions on forced and child labour, human rights, health and safety matters and ethical behaviours. The SCC seeks to promote transparency and accountability in the supply chain and ensure its principles are considered as part of our procurement and purchasing decisions. To contract with Air Canada, suppliers must confirm they adhere to the SCC or to an

acceptable equivalent. We are committed to working with our suppliers to support compliance with the SCC, including through a contractual right to seek confirmation or to audit to verify whether they meet SCC expectations.

Other policies also contribute to mitigating any form of exploitation including our Employment Equity Policy, Workplace Violence and Harassment Prevention Policy, Remuneration and other employment standards and guidelines, Safety Policy, Safety and Security Reporting Policy and Victim of a Crime Reference Document.

Policies are updated periodically or as needed by their owners who work closely with the Corporate Compliance lead and all relevant departments within the Corporation, for accuracy and relevance to changing conditions.

What we are doing

Respect for human rights is a fundamental value at Air Canada. We strive to take appropriate measures to protect and promote human rights for our employees and our customers, while also mitigating the risk of slavery and human trafficking in our operations, either directly or through our service providers and community partnerships. We also work closely with law enforcement agencies globally to help investigate and identify suspected human traffickers and protect victims of human trafficking. To that end, we have taken the following steps:

- We carry out due diligence toward our suppliers, including identifying legal or other risks or concerns and obtaining visibility on relevant recruiting and employment practices. Our risk assessment includes a component related to potential labour issues. We screen existing and potential suppliers to help assess if they are the subject of adverse media on issues which may be of concern.
 - The screening process reports on Special Interest Persons (SIP) located in the U.S., Canada and Asia and on any reported topics of people and human organ trafficking.
 - With respect to employment practices and child or workforce rights issues, our process includes searches for adverse media on discrimination against workers, clients, prospects or other entities, child labour, forced labour and discrimination.
 - We also assess risks including those related to human trafficking and forced labour that may be associated with our operations and supply chain, which correspond to new routes and new destinations.
- We and Air Canada Vacations seek to ensure that our partner hotels support our zero-tolerance policy with respect to the sexual exploitation of children, and that their business practices do not compromise this policy in any manner.
- All Air Canada and Air Canada Rouge® flight attendants are trained on modern slavery and human trafficking awareness and on how to recognize and report suspicious behaviour. We are planning to expand this form of awareness training to more customer-facing agents in Canada and abroad.

We continue to work closely with our Air Canada Foundation, that works to improve the health and well-being of children, alleviating poverty among children and wish-granting for seriously ill children. The Foundation's initiatives are aligned with and support our efforts to mitigate the risk and alleviate the impact of slavery and human trafficking:

- In 2022 and continuing in 2023, the Air Canada Foundation supported the Joy Smith Foundation to safely transport human trafficking survivors back home. The Joy Smith Foundation's mission is to ensure that every Canadian is safe from manipulation or the abuse of power that is designed to lure and exploit them into the sex trade or forced labour.
- Every year since 2017, the Air Canada Foundation has donated funds to the Missing Children's Network to support SHINE, a program for preventing sexual exploitation of Quebec youth. The program educates about 10,000 youth, on an annual basis, about sexual exploitation, the dangers that runaways face and how to protect themselves and find help.
- The Air Canada Foundation also donates airline tickets each year to the Toba Centre for Children and Youth, Manitoba's sole child advocacy centre, whose mission is to restore the health and well-being of those affected by child abuse. Children who have witnessed violent crimes are interviewed in a safe, neutral, family-friendly setting by independent, highly trained forensic interviewers. Toba Centre also provides services to children and families who are impacted by abuse and helps them navigate the systemic response to the investigation and the healing journey.

Approval

This statement has been approved by the Board of Directors of Air Canada.



Michael Rousseau
President and Chief Executive Officer