



AIR CANADA

August 1, 2022

Modern Slavery and Human Trafficking Statement¹

President and Chief Executive Officer's statement

Air Canada is committed to comply with applicable laws and to act with care, integrity and responsibility when dealing with its employees, customers, and suppliers and when interacting with communities. Recognizing the suffering caused by modern slavery and human trafficking, we have no tolerance for any form of slavery or human trafficking in our operations and supply chain. As a global airline, we also recognize that we have an on-going responsibility to ensure that appropriate measures are implemented 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 — a consistent, fundamental pillar of our sustainability and 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, the country's flag carrier and a founding member of Star Alliance, the world's most comprehensive air transportation network celebrating its 25th anniversary in 2022. Air Canada provides scheduled passenger service directly to 51 airports in Canada, 51 in the United States and 86 internationally. It is the only international network carrier in North America to receive a Four-Star ranking from Skytrax, which in 2021 gave Air Canada awards for the Best Airline Staff in North America, Best Airline Staff in Canada, Best Business Class Lounge in North America, and an excellence award for its management of COVID-19. Through its leading travel loyalty Aeroplan program, Air Canada offers the ability to earn or redeem points on the world's largest airline partner network of 45 airlines, and through

¹ This statement is made pursuant to the Modern Slavery Act 2015 (UK) and the Australian Modern Slavery Act 2018 and sets out the steps Air Canada (the "Company" or "we") has taken to ensure that slavery and human trafficking are not taking place in any part of our business or supply chains.

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 cargo-only flights with its fleet of Boeing 767-300 freighters. Air Canada has committed to a net zero emissions goal from all global operations by 2050.

As one of the leading commercial airlines in the world, we always work to high standards and to comply with all laws, regulations and standards relevant to our business. Sustainability is an intrinsic part of our culture and we aim to make a lasting and positive impact on 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.

Addressing Human Trafficking Risk

We are committed to ensuring our suppliers do not engage in human trafficking or any form of slavery. Many of our existing policies contain provisions which target or contribute to mitigating the risk of slavery and human trafficking taking place in any part of our global business or supply chain.

Our relevant policies include:

- *Corporate Policy and Guidelines on Business Conduct*, better known as the Air Canada Code of Conduct.

Among other things, the Code addresses compliance with laws, human rights, privacy, violence prevention, discrimination and harassment, fair dealing with other people and organizations and reporting violations of the code. The Code also includes guidance on how individuals can report actual or potential misconduct on an anonymous basis including through an independent confidential reporting system. The system provides an online reporting portal, as well as toll-free telephone lines for Canada and several locations around the world.

- *Recruitment Policy*
- *Duty to Accommodate Policy*
- *Employment Equity Policy*
- *Workplace Violence and Harassment Prevention Policy*
- *Remuneration and other employment standards and guidelines*
- *Safety Policy*

- *Safety and Security Reporting Policy*
- *Victim of a Crime – Reference Document*
- *Public Disclosure Policy*
- *Supplier Code of Conduct*

These policies are regularly monitored by their owners, working closely with the General Compliance Officer, in addition to all relevant departments within the Company, including Legal, Human Resources, Health and Safety, Operations, Information Technology and Strategic Procurement.

What we are doing

Respect for human rights is a fundamental value at Air Canada that is reflected in its policies, procedures and activities. We are committed to supporting an environment which protects and promotes human rights for our employees and customers. Air Canada promotes human rights through its relationships with suppliers and other business partners by making clear that we expect them to respect human rights.

We recognize we have an on-going responsibility to ensure that appropriate measures are implemented to mitigate the risk of slavery and human trafficking in our operations, either directly or through our service providers and community partnerships. To that end, we have taken the following steps:

We have a Supplier Code of Conduct (“SCC”) which 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 that its principles be taken into account as part of our procurement and purchasing decisions. To contract with Air Canada, suppliers must confirm they adhere to the SCC or an acceptable equivalent. We are committed to working with our suppliers to support compliance with the SCC, including through our right to seek confirmation or to audit whether they meet our expectations.

- We carry out due diligence when onboarding new suppliers, including to identify legal or other risks or concerns, and to obtain visibility on relevant recruiting and employment practices. Our risk assessment includes a human trafficking risk component.

In particular, the screening process reports on Special Interest Persons (SIP) located in the US, Canada and Asia and on any reported topics of people and human organs 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 related to human trafficking and forced labour associated with our operations and supply chain in relation to new routes and at new destinations.

- We and our subsidiary, Touram Limited Partnership (doing business as Air Canada Vacations®), seek to ensure that its 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 the Air Canada Foundation, whose initiatives in these respects are aligned with our own:

- In 2021 and continuing in 2022, 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 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 purpose of the program is to educate about 10,000 youths, 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 yearly to The Stormont Dundas Glengarry/Ahkwesahsne Childrens' Treatment Centre in support of their fundraising initiatives. The Childrens' Treatment Centre is committed to the prevention and treatment of child abuse. Their program and services include assessment and counselling services: 1) for children ages 5 to 18 who have been physically and/or sexually abused; 2) for adolescents, ages 12 to 17 who have committed sexual offences against young children; and 3) for children ages 5 to 11 who are sexually reactive or sexually aggressive towards same age peers.

Approval

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

A handwritten signature in black ink, appearing to read "Michael Rousseau". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Michael Rousseau
President and Chief Executive Officer