

## Modern Slavery and Human Trafficking Statement

This statement is made pursuant to Section 54 of the UK Modern Slavery Act 2015 and Part 2 of the Australian Modern Slavery Act 2018 and highlights the programs and initiatives American Airlines, Inc. has undertaken to combat modern slavery and human trafficking during the financial year ending 2020.

### Our commitment

American is committed to respecting human rights, including combating illegal human trafficking and child exploitation. As a prominent part of the worldwide travel industry, we conduct our business so it protects human rights and the rights of children within our sphere of influence. We have adopted responsible workplace practices and endeavour to conduct our business operations free from complicity in human rights abuses.

### Our structure and operations

American is one of the largest airlines in the world, providing scheduled air transportation for both passengers and cargo throughout the United States and around the world. American is a founding member of the oneworld Alliance, which brings together a global network of 13 world-class member airlines and their affiliates, working together to provide a superior and seamless travel experience.

Approximately 95 million passengers boarded our flights in 2020, a decrease from about 215 million passengers in 2019. During 2020, we experienced an unprecedented decline in the demand for air travel due to the impact of coronavirus (COVID-19). COVID-19 has been declared a global health pandemic by the World Health Organization and has surfaced in nearly all regions of the world, which has driven the implementation of significant, government-imposed measures to prevent or reduce its spread, including travel restrictions, testing regimes, closing of borders, “stay at home” orders and business closures. But while the COVID-19 pandemic has substantially affected our business and operations, American has remained resilient.

### Assessment of our modern slavery risk

Millions of people trust American to transport them safely to the moments that matter most. We fly over borders, walls, and stereotypes to connect people from different races, religions, nationalities, economic backgrounds, and sexual orientations. Unfortunately, making the world a smaller place can come with the risk of exploitation by human traffickers. The breadth of products and services American procures across its global supply chain also may expose the company to modern slavery risk.

American’s assessment of its operational and supply chain risk falls within a broader enterprise-wide risk management framework. Modern slavery risk is first assessed without consideration given to the mitigation controls American has in place, producing an inherent

risk level. In determining this inherent risk level, the company evaluates both internal and external stakeholder data and source material.

The inherent risk is then considered with American's existing controls to produce an assessment of the current, or net, level of risk. The goal of this process is to allow senior management to understand if the company is appropriately controlling its risks and if not, what additional measures the company should take.

American annually updates its risk assessment to identify potential modern slavery and human trafficking risk the company is likely to encounter such as entry into new markets, new regulations, and changes in the supply chain. Risk matrices are reviewed by the Chief Ethics & Compliance Officer, and risk areas rated Serious or High are reviewed yearly with an officer—usually the General Counsel.

In 2018, American also undertook a materiality analysis of environmental, social, and governance issues, which included illegal trafficking, to identify the most critical risk areas for the company. We considered the concerns and expectations of stakeholders to identify areas of risk and opportunity. To gain maximum insights, we also evaluated where the key impacts of material issues occur across our value chain, which has allowed us to more precisely define our scope of reporting while prioritising strategic actions for each issue. This work will serve as a foundation for ongoing stakeholder engagement and developing more targeted initiatives and messaging related to our corporate responsibility strategy. We anticipate renewing the materiality analysis in 2021-2022.

## Our program

As a global airline, we recognise our unique role and responsibility to combat human trafficking and modern slavery. We embrace this responsibility by maintaining a comprehensive human trafficking prevention program. American's program is comprised of four essential elements: (1) policies addressing human trafficking; (2) training to identify and report suspected human trafficking; (3) internal accountability; and (4) external engagement and collaboration.

## POLICIES

Our commitment to human rights is outlined in our [Standards of Business Conduct](#), which require American's team members to uphold the human rights of all persons, including permanent and temporary team members both domestically and internationally. We do not knowingly conduct business with any individual or company that participates in the exploitation of children (including child labour), physical punishment, forced labour, or human trafficking.

For many years, we addressed expectations about our commitment to human rights in our Standards of Business Conduct for team members and suppliers. In 2020 we strengthened those expectations through the adoption of a [Human Rights Statement](#) that embodies our core values and commitment to respecting human rights in all aspects of our business and geographies where we operate. Our Human Rights Statement applies to all team members

and contractors, employees of our wholly owned subsidiaries, and our suppliers and other business relationships.

Also, as a U.S. federal government contractor, American is subject to the Trafficking Victims Protection Act of 2000 and implementing Federal Acquisition Regulation (FAR) 52.222-50—Combating Trafficking in Persons—which was enacted to combat all forms of human trafficking and forced labour. We have adopted both a Policy Prohibiting Trafficking in Persons and a Combating Trafficking in Persons Compliance Plan that serve as guides to address and comply with these regulatory requirements. We also flow down FAR 52.222-50 as required to our government subcontractors and agents. Any violations of the FAR or American’s policy prohibiting trafficking in persons by team members, agents, or subcontractors may cause the agent’s or subcontractor’s removal from the contract, termination of the contract, reduction in a team member’s benefits, or termination of employment.

American’s policies and other information on human trafficking and modern slavery, including links to educational and training resources, are available to all team members on the company’s intranet site.

## TRAINING

American provides human trafficking awareness training to our pilots, flight attendants and airport customer service team members. We also provide anti-trafficking training to team members with relevant purchasing responsibilities, including those who conduct on-site visits to American’s international suppliers on how to recognise signs of human trafficking and what action to take if they suspect human trafficking. All told, we train over 70,000 team members each year.

## INTERNAL ACCOUNTABILITY

American encourages the reporting of any incidents of suspected human trafficking or other activity inconsistent with our Standards of Business Conduct. American’s Business Ethics helpline, EthicsPoint, is available 24/7 to all team members and business partners globally, and reporters can remain anonymous. They can call a toll-free number or use an online, secure web portal to ask questions or report questionable conduct. American’s Business Ethics & Compliance Office and Legal department also receive reports by telephone, mail, and email. We also inform team members they may report any activity inconsistent with U.S. government policy or American’s policy by contacting The National Human Trafficking Hotline.

We will protect anyone suspected of being victims of or witnesses to prohibited activities. We will also cooperate fully with any trafficking-related audits and investigations by the U.S. federal government, including providing reasonable access to our facilities and staff.

American has a zero-tolerance policy against retaliation. Any team member who violates this policy will be subject to appropriate discipline, including reduction in benefits or termination of employment.

## EXTERNAL ENGAGEMENT AND COLLABORATION

Collaboration with government agencies, industry partners, and non-government organisations is a key facet of our human trafficking prevention program.

In January 2018 American signed ECPAT-USA's Tourism Child-Protection Code of Conduct. ECPAT-USA is the leading policy organisation in the United States seeking to end the commercial, sexual exploitation of children. The Code, which represents a joint venture between the tourism private sector and ECPAT, is a voluntary set of business principles travel and tour companies can implement to prevent child sex tourism and trafficking of children.

American is also proud to be involved with the U.S. Department of Homeland Security's Blue Campaign, a national public awareness campaign designed to educate the public, law enforcement and other industry partners to identify the indicators of human trafficking, and how to appropriately respond to possible cases.

Recognising our responsibilities as one of the largest employers in the state of Texas, we joined Texas Businesses Against Trafficking (TBAT) in 2019, a business partnership established by the Office of the Texas Secretary of State aimed at combating human trafficking by fostering collaboration between the public and private sectors in Texas. American was recognised for its commitment to combating human trafficking by the Texas Secretary of State at the inaugural TBAT forum in October 2019.

Other notable activities include:

- Joining forces with New Friends New Life (NFNL), a Texas-based organisation working to restore and empower formerly trafficked teenage girls and sexually exploited women and their children. In the first months of the partnership, NFNL held training sessions for over 100 American team members at our headquarters in Fort Worth, Texas, and another 120 at Miami International Airport. Our legal team is also providing pro bono services to NFNL, such as helping the organisation's clients expunge criminal records from their time being trafficked.
- During National Slavery and Human Trafficking Awareness Month in 2020, Executive Vice President Elise Eberwein represented American at a Department of Transportation (DOT) event led by U.S. Transportation Secretary Elaine Chao, which brought together the U.S. transportation industry in a unified show of opposition to human trafficking. On behalf of the company, Elise signed a [pledge](#) to educate team members about human trafficking, raise awareness and share progress on our efforts with DOT.
- In advance of Super Bowl LIV, on inbound flights to Miami, American featured campaign content from the anti-trafficking organization It's A Penalty, including a 30-second inflight film.
- Marking World Day Against Trafficking in Persons on July 30, 2019, by sharing a message with 1.6 million followers on Twitter. In 2019, we also published an American Story on the

company's Newsroom web page highlighting participation in the Safeguarding All from Exploitation (SAFE) Action Project.

- Sponsoring an ECPAT-USA forum on Capitol Hill for the release of the organisation's Public Resource Guide.
- Sponsoring a 5K run/walk at the Global Business Travel Association Convention in Chicago, which raised funds for ECPAT-USA.

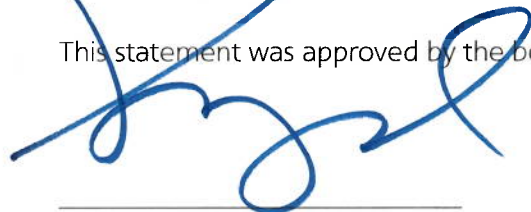
## Vendor management and supply chain assurance

Our commitment to running a responsible airline also extends to our supply chain. We procure high-quality, cost-competitive goods and services from over 10,000 suppliers. The most significant elements of our supply chain include jet fuel, aircraft and aircraft parts, inflight food and beverages, technology, and office supplies.

Key criteria for doing business with American include providing the best value in price and quality, understanding the airline industry, being financially stable, and certifying ethical business practices. These expectations are outlined in our [Standards of Business Conduct for Suppliers](#) and on an accompanying Supplier Management Portal. To ensure suppliers meet our standards, we include a risk matrix in our standard requests for proposal, which asks about their policies and practices around labour, business ethics, the environment, health, and safety. We monitor supplier performance against these criteria and assess potential risks, such as labour standards or workplace safety violations. In certain situations, particularly in geographic locations or product and service industries where modern slavery risk may be higher, our Procurement team will inspect a prospective supplier's facilities and operation to validate workplace practices.

American also encourages its suppliers to share our commitment to combat modern slavery. Through our [Standards of Business Conduct for Suppliers](#), we require suppliers to not use forced labour or traffic in persons. We also added a provision in our supplier contract templates requiring suppliers to comply with laws and regulations to prevent human trafficking and commercial sexual exploitation of children, including preventing the use of American's premises or products for such exploitation.

This statement was approved by the board of directors of American Airlines, Inc.



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Stephen L. Johnson, Director  
American Airlines, Inc.  
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