

QANTAS MODERN SLAVERY AND HUMAN TRAFFICKING STATEMENT 2022



## CEO MESSAGE

During the past two years, we've seen what aviation means to all of us in Australia – mostly from its absence.

In FY22, we brought our people back to work and continued to ramp up our services, get our people and passengers back in the air and help millions of people reconnect. We also worked to enhance our modern slavery risk management, to help ensure we continue to identify and manage potential risk areas across our operations and supply chains.



Throughout the challenges the aviation industry has faced during COVID, our commitment to respect human rights has remained constant. We recognise that this commitment must be supported by meaningful action and I am pleased at the progress Qantas has made in FY22, including in relation to tackling modern slavery.

Key steps we have taken to support our modern slavery risk management include commencing the refresh of our salient human rights issues, implementing human trafficking training for our people to build awareness of potential trafficking indicators and victim-centred response protocols, strengthening our governance processes, and expanding the scope of our risk assessments.

The respect for human rights, including in relation to our modern slavery risk management, will remain a key focus in FY23, with our priorities for our modern slavery response including the following:

- Reviewing the effectiveness of our grievance mechanisms in line with the United Nations Guiding Principles on Business and Human Rights (UNGPs).
- Developing a framework to strengthen and guide our response to any modern slavery incidents or allegations which may arise in our operations and supply chains.
- Conducting a deep dive into potential modern slavery and broader human rights risks in our fuel supply chain.
- Acting on the outcomes of the refresh of our salient human rights issues and communicating these outcomes to stakeholders.
- Expanding our modern slavery training program, including by resuming face to face role-based training for our people overseas in specific jurisdictions.
- Exploring opportunities to deepen our engagement with our suppliers through capacity building and other outreach.

I am pleased to sign and present this Statement, which was approved by the Qantas Board on 16 December 2022.

**Alan Joyce**  
 Managing Director and CEO, Qantas Group  
 16 December 2022

## ABOUT THIS STATEMENT

This Modern Slavery Statement (Statement), is made under both the Australian *Modern Slavery Act 2018* (Cth) (MSA) and s54(1) of the *Modern Slavery Act 2015* (UK MSA). It sets out the actions taken by the Qantas Group to assess and address modern slavery risks in our operations and supply chains during the year ended 30 June 2022 (FY22).

Qantas Airways Limited (Qantas) is an Australian public company (ABN 16009661901), registered at 10 Bourke Rd, Mascot NSW, Australia. This Statement is a joint Statement on behalf of Qantas and its controlled entities (Qantas Group) deemed to be reporting entities under the MSA. This includes reporting entities which are wholly owned subsidiaries, as well as other entities over which Qantas has control under the Australian Accounting Standards. A list of the reporting entities covered by this Statement, and other controlled entities that do not meet the threshold for reporting entities, is provided in Appendix 1.

The information set out in this Statement is provided as a consolidated description for the Qantas Group, except where information is identified as relevant to specific reporting entities within the Group. References to the 'Qantas Group', 'Group' and the terms 'we' and 'our' are used in this Statement to refer collectively to the Qantas Group.

Prior to Board approval, this Statement was reviewed by the Group General Counsel, the Group Executive Corporate Affairs, the Chief Sustainability Officer, and an independent specialist business and human rights advisory firm. It was subsequently endorsed by the Chief Executive Officer (CEO) and Group Management Committee (GMC). Additional information about consultation with reporting entities and other owned and controlled entities is set out in section 6.

This Statement was approved by the Qantas Board on behalf of all reporting entities (acting as a higher entity under section 14(2)(d)(ii) of the Australian MSA) on 16 December 2022, and is signed by the CEO and a Director of the Qantas Board, as required by the Australian MSA and UK MSA.



## KEY AREAS OF ACTION IN FY22

During FY22, we took a range of important steps to further enhance our modern slavery risk management approach.



### REFRESHED OUR SALIENT HUMAN RIGHTS ISSUES

In line with the UNGPs on Business and Human Rights, we focus on addressing our most severe (salient) actual and potential human rights impacts. During FY22, we commenced a refresh of our salient human rights issues to help us to continue to prioritise our response to the impacts of human rights such as modern slavery.

See page 25



### IMPLEMENTED HUMAN TRAFFICKING TRAINING FOR OUR CREW

We re-commenced training to support our people with identifying, and responding appropriately to, suspected instances of human trafficking. During FY22, one potential human trafficking instance was identified by our people and reported to relevant authorities.

See page 30



### COMMENCED RISK ASSESSMENTS OF OUR UNASSESSED SUPPLIER BASE

We established a cross-functional project team to assess risks (including modern slavery) for our existing unassessed supplier base. This included developing a prioritisation model to guide our assessment.

See page 26



### STRENGTHENED OUR GOVERNANCE PROCESSES

We re-introduced our internal Supply Chain Assurance Working Group and governance forums, such as the Supply Chain Assurance Leadership Council, and business-led supplier governance mechanisms (which were previously suspended as a result of the impacts from the COVID pandemic).

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## 1. INTRODUCTION

Qantas is the oldest continuously-operating airline in the world and the only airline with a network that connects directly to every inhabited continent. As a business with an international footprint, we understand the importance of taking meaningful action to manage potential modern slavery risks across our operations and supply chains.

This is the Qantas Group's third Statement under the MSA and our seventh in line with the requirements of the UK MSA. As part of our commitment to continuous improvement, we are enhancing our modern slavery risk management approach, as well as deepening our disclosures through our annual Statements.

This Statement sets out our approach and actions to manage modern slavery risks in our global operations and supply chains throughout FY22. It outlines the practical steps we are taking, highlights our key achievements, and identifies areas where we plan to undertake further work.

Although this Statement focuses on our work to manage modern slavery risks, we recognise that we have a responsibility to respect all internationally recognised human rights. Our commitment to respect human rights, including rights related to freedom from slavery, is set out in our [Human Rights Policy Statement](#).

### HOW DOES OUR 2022 STATEMENT BUILD ON OUR 2021 STATEMENT?

We are committed to continually improving both our modern slavery risk management and our approach to reporting under the MSA.









Steps we have taken to strengthen the quality of our 2022 Statement include the following:

- Updating on our progress against key commitments.
- Providing additional detail about our operations and supply chains, including for our associated businesses such as analytics and actuarial firm Taylor Fry.
- Including new case studies to illustrate how we engage with our suppliers.
- Outlining our salient human rights assessment process.
- Highlighting how the human right to a clean, healthy and sustainable environment is relevant to our work on modern slavery.
- Explaining how we work with law enforcement to report suspected human trafficking and child sexual exploitation concerns.
- Enhancing our disclosures relating to how we assess the effectiveness of our actions to address modern slavery.

## 1. INTRODUCTION (CONTINUED)

### PROGRESS AGAINST OUR OBJECTIVES

In our 2021 Statement, we highlighted a range of planned initiatives to strengthen our approach to modern slavery risk management. We knew our progress would continue to be challenged by the exceptionally difficult operating conditions of FY22, as we navigated the ongoing impacts of COVID. We remain focused on delivering these initiatives and have outlined our progress in the adjacent table.

Initiatives	We said we would	Our progress in FY22
<b>Policy and Governance</b>	 Re-establish core working groups and committees with a clear mandate for modern slavery risk management, such as the Supply Chain Assurance Working Group and Steering Committee (now named the Supply Chain Assurance Leadership Council).	We re-established the Supply Chain Assurance Working Group and governance forums, such as the Supply Chain Assurance Leadership Council, and our business units are progressively re-instating formalised and periodic supplier governance channels, such as supplier performance management meetings. This will continue in FY23 (see page 21).
	 Review and uplift our human rights related policies, where required.	We revised our <a href="#">Code of Conduct and Ethics</a> and our <a href="#">Business Practices Document</a> , reaffirming our commitment to respect for human rights and articulating what this means in practice for our workforce. We also worked to update our <a href="#">Supplier Code of Conduct</a> , to strengthen our labour and human rights expectations, and work is underway to translate this document in to an alternate language to ensure understanding by suppliers. This document was published in November 2022 (see pages 22 and 23).
	 Continue to embed modern slavery clauses in our agreements and precedent contracts.	We have been progressively embedding our modern slavery clauses in our contracts, including our codeshare partner agreements, and work is underway to update our <a href="#">Supplier Requirements</a> to also include anti-slavery clauses (see page 23).
<b>Risk Assessment and Due Diligence</b>	 Re-assess the Group's most salient human rights issues to inform our overall strategy.	We engaged Pillar Two, an independent specialist business and human rights advisory firm, to refresh our salient human rights issues (see page 25). We will work to implement the outcomes of the refresh over FY23.
	 Review our due diligence and oversight processes to ensure continued consistent application across all forms of contracted services.	We identified that some contracts had been executed without going through our Supply Chain Assurance Program (although these contracts did include our modern slavery clause). In response, we undertook a review of the contract execution process and have implemented new controls to mitigate this risk. We also undertook retrospective due diligence on relevant suppliers to assess any potential risks, including in relation to modern slavery.
	 Extend the scope of the Supply Chain Assurance Program to include any remaining unassessed supplier base (rather than only new and renewing suppliers).	We established a dedicated project team with relevant expertise to risk profile and prioritise the assessment of long-term suppliers that had not previously been subject to Supply Chain Assurance assessment. The assessment of these suppliers will continue in FY23 (see page 26).
 Complete  Partially Complete – Continue in FY23		

## 1. INTRODUCTION (CONTINUED)

Initiatives	We said we would	Our progress in FY22
<b>Training and Awareness</b>	<p>→ Implement training to support identification and management of modern slavery risks.</p>	<p>We implemented human trafficking awareness training specifically for our pilots and cabin crew, and we also developed and rolled out an online human trafficking module for all employees (see page 24). We plan to continue to expand and revise our training, including resuming face-to-face training for our people based overseas, and updating our training to address changes to our risk profile, as appropriate.</p>
<b>Grievance Mechanisms and Remediation</b>	<p>→ Develop a supplier engagement strategy to raise awareness and improve accessibility of our Whistleblower reporting channels for our suppliers and their workers.</p>	<p>We took initial action to encourage employees, suppliers and workers in our supply chains to speak up, without fear of retribution, about any concerns they may have by making information about our Whistleblower program available and accessible on our website. We also plan to review our external grievance mechanisms against the UNGPs on Business and Human Rights criteria for effective non-judicial grievance mechanisms in FY23.</p>
	<p>→ Explore how we can better provide trusted and accessible grievance mechanisms, including by modifying our Whistleblower program to better address modern slavery grievances.</p>	
	<p>→ Strengthen our remediation processes and response protocols.</p>	
<b>Collaboration and Stakeholder Engagement</b>	<p>→ Engage relevant internal stakeholders in our salient human rights assessment.</p>	<p>We commenced collaboration with business units across the Group and select members of the GMC to participate in the refresh of our salient human rights issues. We also used this as an opportunity to deliver human rights training to those in attendance (see page 25).</p>
	<p>✓ Broaden stakeholder engagement across our controlled entities, other organisations and civil society.</p>	<p>We continued to collaborate with our peers across key forums, including the UN Global Compact Network Australia (GCNA) Modern Slavery Community of Practice. This included engaging on issues such as establishing effective grievance mechanisms and responding to modern slavery risks in high risk environments. We saw an increase in engagement from investors, regarding our modern slavery risk management, and provided briefings to those who enquired (see page 30). We also worked closely with our controlled entities to support modern slavery risk processes within their business, including Taylor Fry (see page 11).</p>

 Complete
  Partially Complete – Continue in FY23

### LOOKING AHEAD TO FY23 AND BEYOND

While we made solid progress against our initiatives, we recognise that there is more to be done. In line with our objective of continuous improvement, we will continue to operationalise and mature our approach in FY23.

In addition to progressing and expanding these initiatives, we will also work to progress a range of new stand-alone commitments, including the following:

- Developing a framework to guide our response to any potential modern slavery incidents or allegations relating to our operations and supply chains.
- Conducting a deep dive into potential modern slavery and broader human rights risks in our fuel supply chains.
- Exploring opportunities to deepen our engagement with our suppliers, through capacity building and other outreach.

## 2. OUR STRUCTURE, OPERATIONS AND SUPPLY CHAINS

### STRUCTURE AND OPERATIONS

Qantas (the Group parent), headquartered in Sydney, is Australia’s largest domestic and international airline and is a publicly listed company traded on the Australian Securities Exchange. Qantas has a range of subsidiary businesses that all, in one form or another, support the overall operations of the airline Group.



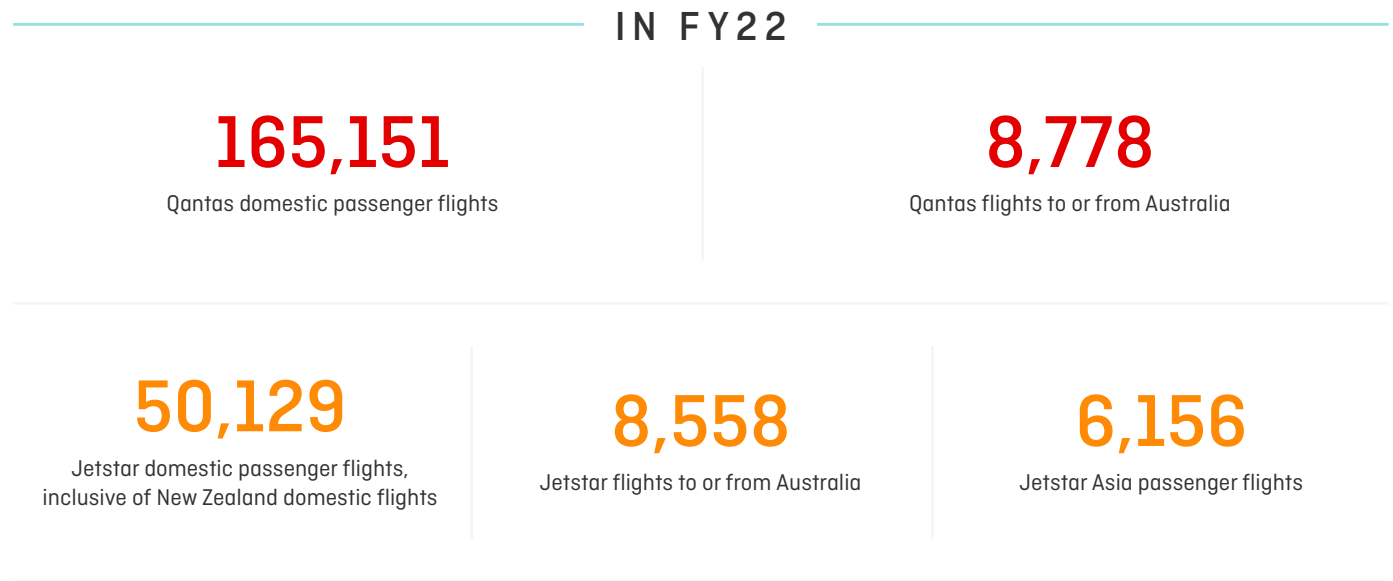
The Group primarily consists of four operating segments, which work together as an integrated portfolio:

- Qantas Domestic.
- Qantas International (including Qantas Freight).
- Jetstar Group.
- Qantas Loyalty.

The Group’s main business is the transportation of customers using two complementary airline brands - Qantas and Jetstar. Our airline brands operate regional, domestic and international air passenger services. This involves a range of operational activities and functions, both in-house and contracted, including pilot and cabin crew operations, aircraft engineering and maintenance, catering, ground handling, cleaning services, and other operational airline support services (see page 9).

The key hubs for our airline business are located in Australia, New Zealand, Singapore, the United Kingdom (UK) and the United States of America (USA). In these locations, we have commercial offices with teams performing corporate functions, such as finance, commercial, sales and marketing, as well as employees to support flying operations, such as cabin crew, engineering and freight.

In addition to the core business of transporting passengers, the Group’s broader portfolio of business operations include freight and an Australian road feeder service for international cargo, frequent flyer and business rewards programs, and online retail. The Group also has interests in associated businesses, which are described in Table 1.



























## 2. OUR STRUCTURE, OPERATIONS AND SUPPLY CHAINS (CONTINUED)

The table below provides more information about our key operations and businesses.

**Table 1: Overview of our Operations and Brands**

Operations	Overview	Businesses
<b>Airline</b>	Our main airline business transports customers using two complementary brands — Qantas and Jetstar. Our airline brands operate regional, domestic and international passenger services, and we have crew bases in Australia, New Zealand, the UK, Singapore and Japan.	     
<b>Loyalty</b>	Our Loyalty program undertakes activities connected to earning or redeeming Qantas Points, such as Qantas Wine, Qantas Store, Qantas Hotels and Holidays, Qantas Insurance and Money, Qantas Business Rewards, Retail Partnerships (e.g. Woolworths, BP). Most of these operations are in Australia, but some activity occurs in New Zealand. In FY22, Qantas Loyalty launched Qantas Business Money, a global payments platform for members to make international business payments. More information about Qantas Loyalty is included on page 11.	    
<b>Freight</b>	Qantas Freight is Australia’s largest independent air freight services business, shipping more than 4,000 air freight items to over 500 destinations globally every day. Dedicated cargo handling terminals are available in 22 locations around the world, and our trusted business partners also offer road transport and door-to-door services to complete the delivery cycle.	    
<b>Associated Businesses</b>	<p>Both Vii and Qantas Group Accommodation (QGA) are wholly-owned subsidiaries of Qantas. QGA is an online travel agent and takes bookings for hotels globally. Vii is a gift card technology service provider, which has a mostly-Australian customer base; however, Vii has some international transactions in the UK, USA, New Zealand and Japan.</p> <p>In May 2022, Qantas took a majority shareholding in the Australian online travel business, Trip-A-Deal,<sup>1</sup> allowing Qantas Loyalty to expand its online package holiday offering.</p> <p>Qantas also holds a 51 per cent controlling interest in Taylor Fry, an actuarial and financial services provider that operates in Australia and New Zealand. More information about our work with Taylor Fry to manage modern slavery risks is set out on page 11.</p>	  
<b>Support Services</b>	Supporting our flying operations are a number of operational business areas, including Engineering and Maintenance, Flight Training, Safety and Security, Ground Handling, and Customer Services, as well as Group corporate support functions, such as Treasury, Legal, Strategy, Government Industry & International Affairs, Finance, Procurement, Human Resources, Risk, Compliance, and Technology. Most of these functions are conducted from Australia; however, we have corporate support teams located in New Zealand, Singapore, Japan, Hong Kong, USA and the UK.	  

<sup>1</sup> At the time of publication of this Statement, the Trip-A-Deal business has 101 direct employees (all based in Australia) and was a subsidiary of the Qantas Group for one month of FY22. Prior to the acquisition, it did not report separately under the MSA. We are working with Trip-A-Deal to define the reporting approach going forward and will provide more details in relation to this business in next year’s Statement. In the reporting period, neither Taylor Fry nor Trip-A-Deal were reporting entities under the MSA.



## 2. OUR STRUCTURE, OPERATIONS AND SUPPLY CHAINS (CONTINUED)

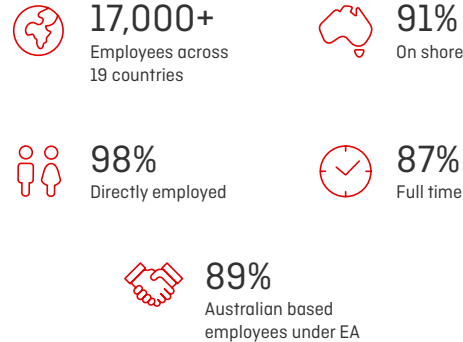
### OUR WORKFORCE

Our global workforce consists of more than 23,000<sup>2</sup> employees across 21 countries,<sup>3</sup> of whom 95 per cent are directly employed by a Group entity, either by an individual contract or under enterprise agreements (EA) and in accordance with relevant national employment legislation. Within Australia, 79 per cent of our employees hold operational roles, such as pilots, cabin crew, engineering and maintenance, customer service, freight operations, and safety. The remaining 21 per cent of our employees provide operational support, in areas such as aircraft load control, meteorology, flight planning services, or deliver corporate services, such as risk and compliance, finance, legal, treasury, and human resources.

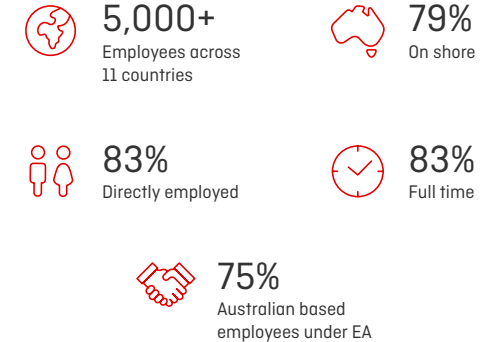
Our operations also include a proportion of indirect workers who deliver services under contracts between the Group and specialist providers, whereby we are one of many clients. These indirect workers include contractors, contingent workers and outsourced labour hire resources that support our business in areas such as cabin crew, ground handling, baggage services, catering, cleaning, security services, IT, and payroll services.



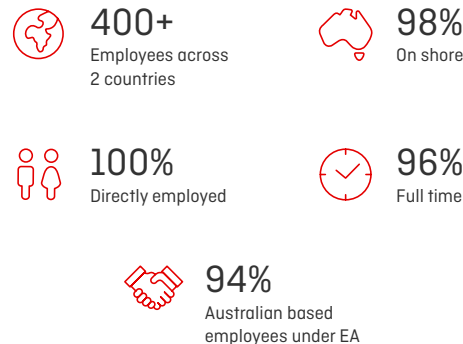
(Domestic, International & Freight)



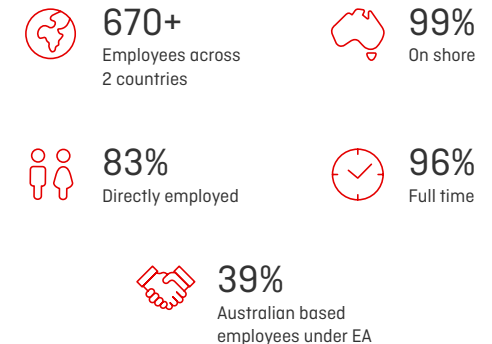
(incl: Jetstar Airways and Jetstar Japan)



(AAE, EFA, Jets, Qantas Courier)



(incl: Taylor Fry & Vii)



2 Total number of employees of wholly-owned entities of the Qantas Group, as well as Jetstar Asia Airways Pte Ltd, and majority owned entities Holiday Tours and Travel Ltd and Taylor Fry Holdings Pty Ltd by employment type, full-time or part-time.

3 This number is correct as of the end of the reporting period 30 June 2022.

## FROM TAKE-OFF TO LANDING

In FY22, we undertook over 230,000 passenger flights around Australia and internationally. The below highlights the people, products and services required to ensure each flight begins and ends safely.

### PRE-FLIGHT

Our air navigation, meteorology and flight dispatch teams work together to prepare flight plans. We produce approximately 370 flight plans daily for Qantas A380, B787, A330 & B737 flights.

Engineers tow the aircraft to the departure gate and conduct mechanical checks. Our Airbus A380 has over 4 million parts.

Our pilots and cabin crew prepare for the flight. On long haul international A380 flights, we operate with 4 pilots and 21 cabin crew.

Catering providers deliver inflight meals. Every month we serve over 3.6 million meals to passengers.

Our passengers check-in online or at the airport and pass through security screening at the port of uplift.

Ground handlers load baggage. Our Airbus A380 can carry up to 14 tonnes of baggage and cargo.

### IN THE AIR

Our passengers board at the gate. At 12 international ports, we engage contracted security providers to perform second line security checks before our passengers board our aircraft.

Passengers are seated and receive our safety briefing. In FY22, we carried over 22 million passengers.

Our pilots conduct final pre-flight checks and await clearance to depart. We have over 300 aircraft in our fleet.

Once cleared for departure, the plane safely takes off. 83% of our international flights are to Asia and the USA.

Our cabin crew deliver meal services and ensure the safety of our passengers during the flight. We have over 6,600 cabin crew across our network.

Our pilots liaise with ground control at our port of arrival to coordinate our arrival. We have approximately 4,500 domestic arrivals every week.

### ON THE GROUND

On landing, our aircraft is assigned a gate and our ground staff work to safely disembark passengers. In FY22 we safely operated over 230,000 passenger flights.

Our ground handlers unload passenger baggage, which is taken to the arrivals hall. Other cargo is also unloaded. Every year, we uplift over one million tonnes of cargo.

Our cleaning staff clean the aircraft and remove waste. We deal with more than 30,000 tonnes of waste per annum.

Inflight products such as headsets and blankets are restocked ready for use. We source nearly 4 million new headsets and blankets per year.

The plane is refuelled ready for the next flight. In FY22, we spent over \$2 billion on aviation fuel.

## 2. OUR STRUCTURE, OPERATIONS AND SUPPLY CHAINS (CONTINUED)

### HOW COVID AFFECTED OUR OPERATIONS AND SUPPLY CHAINS

Our international footprint means we were particularly exposed to the impacts of the COVID pandemic, which continued to have a significant effect on our operations and supply chains over FY22.

In the past year, we operated more than 220 repatriation flights for the Australian Government to bring people home, including from Buenos Aires, Chennai and Istanbul. In addition to COVID related assistance, we also supported critical government missions to repatriate Australians fleeing civil unrest in Afghanistan, operating 16 flights between Dubai and Australia.

The Group conducted more than 2,000 freight charters under the International Freight Assistance Mechanism, uplifting almost 33,000 tonnes of freight to keep Australian businesses connected to international markets and transport millions of doses of COVID vaccine.

As we recover from COVID, we are also expanding our domestic and international footprint and achieved the following in FY22:

- Launched over 20 new domestic routes.
- Restarted 19 international ports, including London, Johannesburg and Phuket.

- Announced eight new international routes.

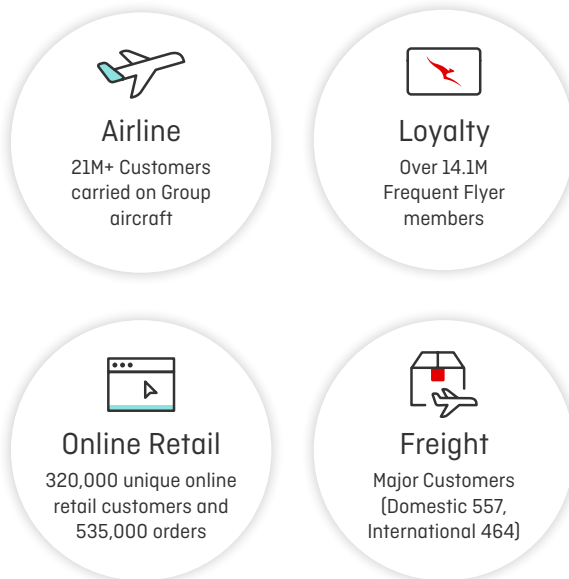
These changes affect both our operations and supply chain, as we work to ensure the people, products and services required to support these new routes are in place.

We provide more detail on page 19 as to how we are managing these changes, including in relation to modern slavery risk management.



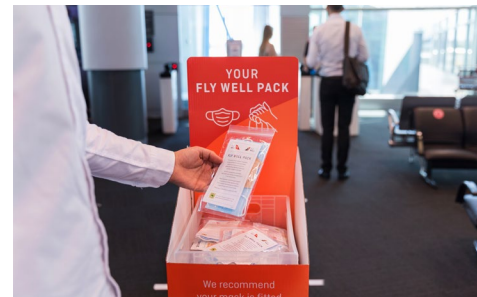
### OUR CUSTOMERS

We provide services to a diverse customer base in Australia and overseas. Our customers range from passengers travelling on any of our Group-branded airlines to our Loyalty and freight corporate customers and online retail customers. We also hold contracts with the Australian Government and its agencies to provide various services.



### OUR SUPPLY CHAIN

The Group procures services, goods for resale, and goods not for resale, though a diverse global supply chain.



The majority of our procurement across the Group is undertaken through our centralised Group Procurement function, which supports a consistent, Group-wide approach to modern slavery risk management in relation to our suppliers.<sup>4</sup> Our Group Procurement team lead the strategic sourcing, supplier selection and onboarding processes. Once on-boarded the business unit that has engaged the supplier is responsible for oversight and governance, including management of risks identified during the Supply Chain Assurance process.

<sup>4</sup> While each of our four operating segments predominantly conduct sourcing through the centralised Group Procurement function and are subject to the Supply Chain Assurance program, there are some limited exceptions to this. For example, Qantas Loyalty may form business partnerships to support revenue generation opportunities through white label products (for example credit cards and insurance through Qantas Insurance and Qantas Money). In such instances, these agreements are subject to risk assessment by subject matter experts, through our Treasury, Insurance, Legal, Taxation and Accounting process.

## 2. OUR STRUCTURE, OPERATIONS AND SUPPLY CHAINS (CONTINUED)

Our global supply chain footprint continues to reflect the impact of COVID on our operations. Pre-pandemic, our global supply chain consisted of approximately 10,000 direct suppliers.\* This number reduced to approximately 5,000 suppliers in FY21 and remained at a similar level in FY22. Across these suppliers, 80 per cent of our spend is concentrated with our top 100 suppliers. This concentration of spend with a smaller number of suppliers supports us building strong, long-term relationships with key suppliers, which can assist us to better understand a range of risks associated with our supply chain.

COVID also continues to influence the types of goods and services we procure. For example, while our procurement spend categories remained similar to pre-COVID expenditure, over FY21 and FY22 we significantly increased our procurement of cleaning services and products, such as masks, gloves, and rapid antigen tests, to respond to COVID specific requirements. Our 2021 Statement explains our work to manage potential modern slavery risks associated with this spend.

The map on the following page depicts key supplier spend information including the countries where we have the highest concentration of spend, the number of suppliers in those countries and our spend by category. This information supports our understanding of our modern slavery risk profile.

\* Total suppliers are reported at the parent level, however suppliers assessed through the Supply Chain Assurance Program include assessment at the child level.

### UNDERSTANDING OUR SUPPLY CHAIN: QANTAS LOYALTY

In addition to our airline passenger and freight services, our customer Loyalty program is a key component of our business. Our Loyalty program consists of a range of different business units primarily connected to the earning or using of Qantas Points. These operations focus on Australia and New Zealand and include Qantas Wine, Qantas Store, Qantas Hotels and Holidays, Qantas Insurance and Money, and commercial partnerships and financial services with partners such as Woolworths and BP.

Qantas Loyalty's supply chain may differ from the broader Group in key areas. For example, Qantas Wine engages with approximately 420 suppliers of food and alcohol products, which are sourced from over 20 countries, including Austria, Cuba, Greece, Japan and Poland. In FY22, these suppliers supported Qantas Wine to respond to over 200,000 orders from more than 80,000 unique online customers and over 20,000 unique call centre customers.

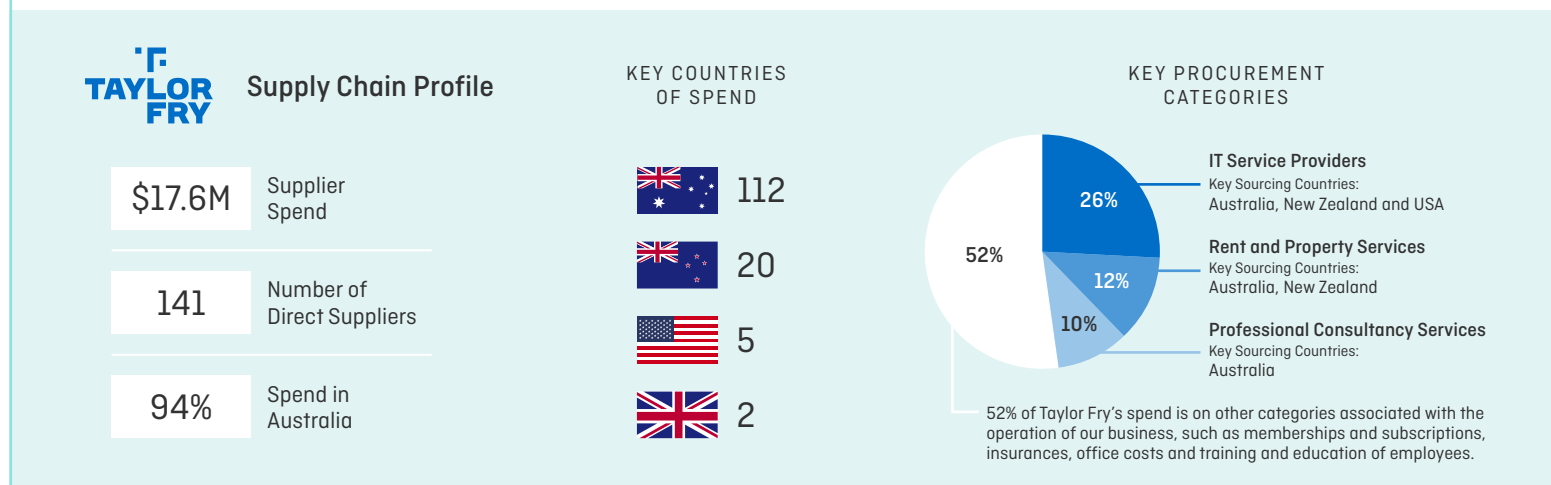
### BUILDING OUR UNDERSTANDING OF OUR ASSOCIATED BUSINESSES' SUPPLY CHAINS

Qantas Loyalty also manages the Group's interests in certain associated businesses, which are described in the table on page 7 and include Taylor Fry (an actuarial and financial services provider). At the time of publication, Taylor Fry had 111 direct employees located in Australia (103) and New Zealand (8).

The nature of our associated businesses' operations means that they may operate independently from the wider Group and use different supply chains. We understand the importance of working to address any modern slavery risks that may be associated with these businesses, including by integrating them into our wider modern slavery risk management response.

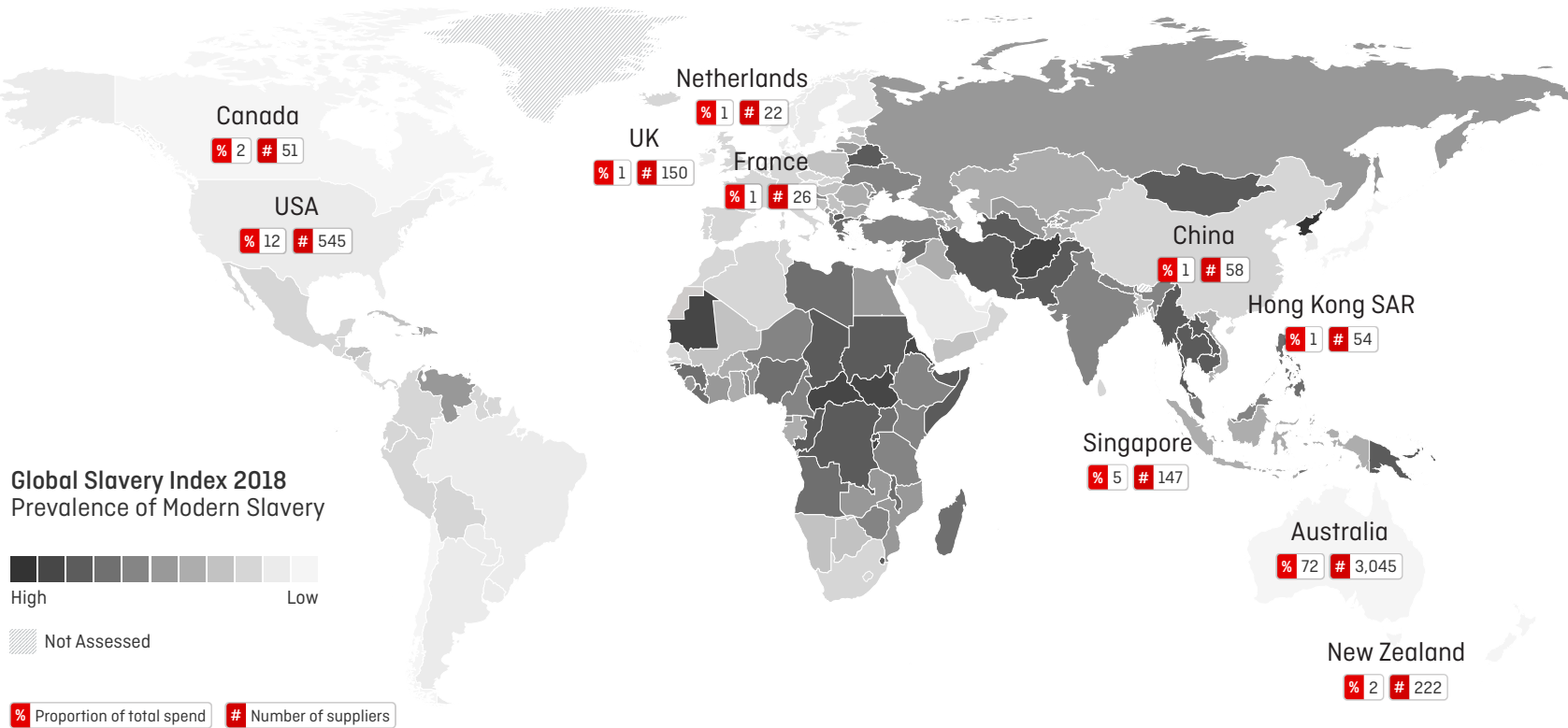
For example, Taylor Fry personnel are not subject to Group policies and procedures and it does not procure through the Group Procurement function. Taylor Fry only sources non-resale products and services to support its business operations. While, as a professional services business, the risk of modern slavery in its operations is assessed as low, we recognise that procurement of IT and property services more generally can involve modern slavery risks, including in relation to the raw materials used in IT equipment and the provision of cleaning and facilities management services for corporate offices.

Our Business Integrity and Compliance team continues to work with Taylor Fry to implement risk-based due diligence of selected direct suppliers, via our third party risk management platform, Exiger, to better understand its modern slavery risk profile and to support the company's approach to managing modern slavery risks.







## 2. OUR STRUCTURE, OPERATIONS AND SUPPLY CHAINS (CONTINUED)





### Total spend in high-risk categories: 17%

- 
**7%** (~400 suppliers)  
 Information and communications technology  
 Key sourcing countries: Australia, USA
- 
**5%** (~340 suppliers)  
 Food and beverage  
 Key sourcing countries: Australia, Singapore, USA
- 
**3%** (~400 suppliers)  
 People  
 Key sourcing countries: Australia, USA, Singapore
- 
**1%** (~350 suppliers)  
 Corporate goods and services  
 Key sourcing countries: Australia, USA, UK
- 
**<1%** (~35 suppliers)  
 Inflight goods and services  
 Key sourcing countries: Hong Kong SAR, Australia, USA, China


**Total spend:**  
\$6.5B


 **72%** Total spend in Australia

 **30%** Aviation, Aircraft Equipment and Maintenance  
Key sourcing countries: USA, Singapore, Australia


 **7%** Ground operations  
Such as such as aircraft maintenance, fuel and ramp services.  
Key sourcing countries: Australia, USA, China


**Total number of suppliers:**  
4,790\*


 **80%** Spent with the top 100 suppliers

 **31%** Fuel  
Key sourcing countries: Australia, USA, Singapore

 **5%** Property  
Key sourcing countries: Australia, USA, Singapore

 **96%** Spend with the top 500 suppliers

 **7%** Information & Communications Technology  
Key sourcing countries: Australia, USA, Ireland

 **20%** Other  
Spend categories outlined in the table on page 13















\* Total suppliers are reported at the parent level; however, the Supply Chain Assurance Program includes assessment of suppliers at the child level.

In this statement, country location is based on the supplier address recorded in our Accounts Payable system. We acknowledge this may not necessarily reflect the country from where the product or service is sourced.

The data represented in this table was accurate as of 30 June 2022; however, reported data will continually fluctuate with normal sourcing activity including new suppliers, deactivation of suppliers, sourcing needs and spend patterns and activity.

## 2. OUR STRUCTURE, OPERATIONS AND SUPPLY CHAINS (CONTINUED)

Table 2: Our Key Categories of Procurement Spend

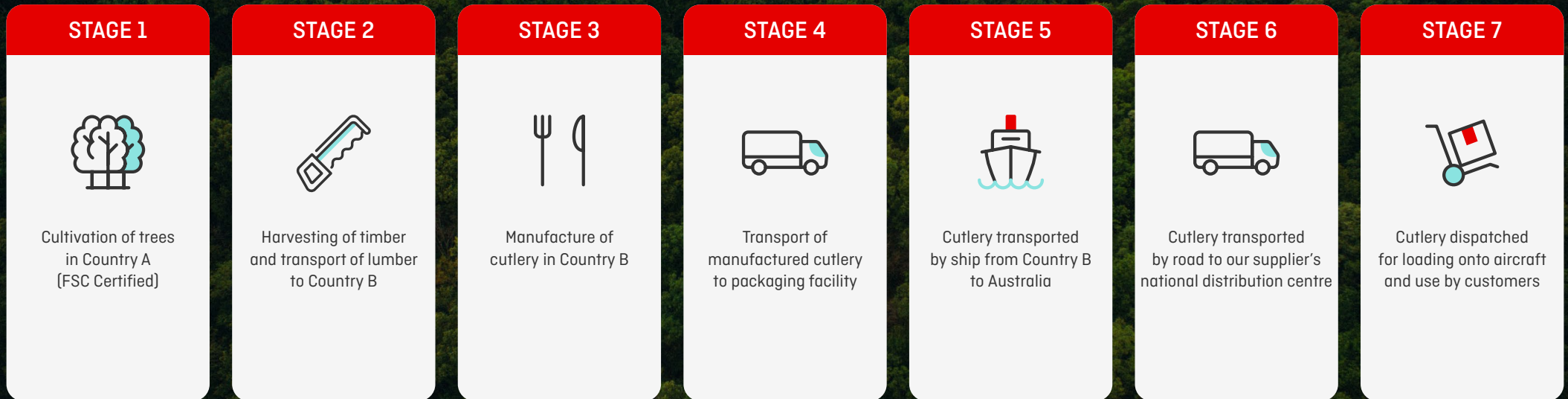
<p><b>30%</b></p> <p> <b>Aviation, Aircraft Equipment &amp; Maintenance Services</b></p> <p>This Category consists of equipment, components and materials used on aircraft and associated maintenance (for example aircraft parts, systems, engines, hydraulics and cabin interior and inflight entertainment electronics), as well as aviation charges incurred by airlines for their operations, including overflight and route navigation charges.</p>	<p><b>31%</b></p> <p> <b>Fuel</b></p> <p>The fuel category covers all air and ground-based fuel used to service transportation needs, domestically and internationally.</p>	<p><b>7%</b></p> <p> <b>Information &amp; Communications Technology (ICT)</b></p> <p>ICT covers managed service costs for outsourced services, including end user computing, infrastructure, cloud, network, communications, mobility and application support. ICT also includes project and external supplier costs for IT project development and system fees.</p>	<p><b>5%</b></p> <p> <b>Property</b></p> <p>The Property portfolio includes building design services, construction, fit outs, facilities maintenance, waste management, cleaning and utilities. These services are applicable to both Qantas Group owned and leased properties and includes passenger and freight terminals, offices, hangars, catering facilities and call centres.</p>	<p><b>7%</b></p> <p> <b>Ground Operations</b></p> <p>Ground operations encapsulates the parts, services and equipment used to service aircraft while parked at an airport terminal, and includes flight simulator services, security, company vehicles and hired vehicles.</p>
<p><b>20%</b></p> <p> <b>Food &amp; Beverage</b></p> <p>The Food and Beverages category refers to any food or drinks consumed by our customers onboard aircraft and in our lounges.</p>	<p> <b>Corporate Goods &amp; Services</b></p> <p>Corporate Goods and Services refers to products and services used by our staff, such as office supplies, general day to day operations, such as uniforms and clothing, and medical spend.</p>	<p> <b>Inflight Goods &amp; Services</b></p> <p>Inflight Goods and Services involve the purchases of items to facilitate positive inflight experiences for passengers during their travel journeys, such as passenger amenity kits, headsets, sleeper suits, blankets and pillows, as well as rotatable items such as glassware, teapots, cutlery and containers.</p>	<p> <b>People</b></p> <p>The People Category incorporates all professional services that support the growth and development of our employees, combined with consulting, contract and recruitment services.</p>	<p> <b>Marketing &amp; Promotions</b></p> <p>Marketing and Promotions refers to the end-to-end activities involved in researching customers, then using these insights to tailor strategies to attract new customers and better engage with existing customers.</p>
<p> <b>Travel, Accommodation &amp; Entertainment</b></p> <p>Travel covers varying needs of employees, customers, pilots and cabin crew for work related travel.</p>	<p> <b>Fleet Procurement</b></p> <p>Fleet Procurement relates to the purchasing and hire of aircraft fleet to fly customers to their destinations.</p>	<p> <b>Loyalty Costs</b></p> <p>Costs associated with fulfilling customer orders as a result of the redeeming of frequent flyer points through the Qantas Store, such as gift cards.</p>	<p> <b>Other</b></p> <p>This category covers the different types of financial transactions made by the Group for banking and corporate finance, carbon offset transactions and miscellaneous spend.</p>	

## 2. OUR STRUCTURE, OPERATIONS AND SUPPLY CHAINS (CONTINUED)

### UNDERSTANDING OUR EXTENDED SUPPLY CHAIN BELOW TIER ONE

We recognise that modern slavery risks in supply chains can often occur at tier two or below (that is, with suppliers with whom we do not directly contract). The complex and fast-moving nature of global supply chains can complicate efforts to understand and address these risks.

The flow chart below provides an example of the products, people and processes involved in the key stages of the global supply chain for the wooden cutlery used in our in-flight meals. Cutlery is one of many types of products we procure, and we are working to increase our understanding of our extended supply chain across different procurement categories.





### 3. RISKS OF MODERN SLAVERY PRACTICES IN OUR OPERATIONS AND SUPPLY CHAINS

The aviation sector operates in a complex and rapidly evolving global environment, and the Group undertakes a diverse range of business activities.

In this context, we understand that our risk profile will continue to shift over time and will be influenced by internal and external factors, both in our operations and across our supply chains. This includes factors such as the expansion of the Group to include new associated businesses, as well as broader structural factors, including the COVID pandemic and related supply chain pressures.

In line with the UNGPs, we understand ‘modern slavery risks’ as meaning the potential for our business to *cause*, *contribute* to, or be *directly linked* to modern slavery. We also assess modern slavery risks using the lens of ‘risk to people’ in addition to risk to our business. For example, although many of the potential risk areas identified in the table on page 18 are areas where our expenditure is comparatively low, the risk to people may be comparatively higher than other areas of our supply chain. The adjacent breakout box explains how businesses might *cause*, *contribute* or be *directly linked* to modern slavery under the UNGPs and includes a series of hypothetical examples relevant to the aviation sector to help show the potential risk of our involvement in modern slavery.



#### WHAT ARE MODERN SLAVERY RISKS?

The UNGPs are the authoritative global standard for how businesses should manage their involvement in potential and actual adverse impacts on human rights. They set out a three-part continuum of involvement, to support businesses to understand how they may be involved in potential and actual adverse human rights impacts, such as modern slavery. We have considered how this continuum may be applied across the airline industry and our operations and supply chains.

**CAUSE:** Businesses may be involved in modern slavery where their actions or omissions directly result in modern slavery occurring. For example, an airline could cause modern slavery if it intentionally subjected workers to serious exploitation, such as debt bondage or forced labour.

**CONTRIBUTE:** Businesses may contribute to modern slavery where their actions or omissions significantly facilitate or incentivise modern slavery to the extent that the exploitation would have been unlikely to occur without them. For example, an entity may contribute to modern slavery if it sets a deadline for a supplier to deliver products at a reduced cost or in a timeframe that it knows the supplier will be unable to meet without exploiting workers.

**DIRECTLY LINKED:** Businesses may be directly linked to modern slavery where their products, services or operations are directly linked to harm carried out by a third party, such as a supplier. For example, an airline may be directly linked to modern slavery if components in the aircraft it operates are manufactured by suppliers in the extended supply chain using materials produced using forced labour.

The nature of businesses’ involvement in modern slavery or other human rights harm also determines the manner in which businesses are expected to respond, including in relation to remediation.



### 3. RISKS OF MODERN SLAVERY PRACTICES IN OUR OPERATIONS AND SUPPLY CHAINS (CONTINUED)

#### HOW WE IDENTIFY POTENTIAL RISKS OF MODERN SLAVERY IN OUR OPERATIONS AND SUPPLY CHAINS

We recognise that the level of modern slavery risk in our operations and supply chains is influenced by a range of factors, including geographic, sector, and product specific factors, and we incorporate these considerations into our risk assessment processes.

We work to proactively identify potential modern slavery and broader human rights risks across our global operations and supply chains, performing environmental scanning to identify modern slavery trends, relevant changes in global legislation, thematic issues in investor discussions and civil society commentary. More information about how we assess our risks is set out in the below diagram and, in Table 3 on page 18, we outline the categories of products and services that we procure, in which we have identified the potential risk of modern slavery in our supply chains may be more prevalent..



#### POTENTIAL RISKS OF MODERN SLAVERY IN OUR OPERATIONS AND SUPPLY CHAINS

The following page summarises the key modern slavery risk areas we consider as relevant across the airline industry and, therefore, may be present across our global operations and supply chains. It also demonstrates how we understand these potential risks through the UNGPs' *cause, contribute, directly linked* continuum of involvement. We have not identified any significant changes to our risk profile since FY21 and consider we have a strong suite of controls in place to manage these risks.

#### MODERN SLAVERY RISKS AND LABOUR RIGHTS ISSUES RELATED TO OUR EMPLOYEES

We consider our direct workforce to involve a negligible risk of modern slavery, which is effectively mitigated by our existing human resources processes and controls. Our employees are directly engaged under contracts or enterprise agreements made under the provisions of Australian or relevant national employment legislation and are supported by a robust policy framework which aims to ensure a safe and fair working environment. In light of our understanding that broader labour exploitation may lay the foundations for modern slavery, we also recognise the rights of our employees to freedom of association with unions and collective bargaining, and the Group has established channels for engaging with respective unions. There are approximately 56 industrial instruments across the Group and representation from 13 unions.

While we consider our engagement of employees to present only negligible modern slavery risks, we acknowledge the ongoing impact of COVID on our employees, including furloughs or stand downs.<sup>5</sup> In December 2021, we were pleased to announce that those Australian-based employees impacted by stand downs were able to come back to work.

<sup>5</sup> We also recognise COVID has impacted our indirect workers and other workers throughout our supply chain.

### 3. RISKS OF MODERN SLAVERY PRACTICES IN OUR OPERATIONS AND SUPPLY CHAINS (CONTINUED)

#### POTENTIAL RISKS OF MODERN SLAVERY IN OUR OPERATIONS AND SUPPLY CHAINS

##### Potential modern slavery risks in our operations



The risk that we may be *directly linked* to or, without appropriate controls in place, we may *contribute* to, modern slavery should our airline services be used by third parties to transport modern slavery victims internationally or within countries.

We recognise that airline services may be used by offenders for illicit labour trafficking involving debt bondage or to travel overseas for the sexual exploitation of persons in travel and tourism.

We recognise that these risks are likely to increase as domestic and international travel recovers to pre-pandemic levels. We work collaboratively with relevant authorities and agencies to combat this issue.



The risk that we may be *directly linked* to, or without appropriate due diligence, contractual controls and monitoring processes, we may *contribute* to modern slavery involving our indirect workforce.

While we have assessed the risk of modern slavery involving our direct employees as low, we recognise that contracted or contingent workers, including those provided by third party labour hire and in certain geographic locations, may be more vulnerable to modern slavery, including where these workers are lower-skilled and/or temporary or migrant workers. This may include workers in areas such as aircraft and on-premise cleaning, call centre support, and catering.

##### Potential modern slavery risks in our supply chain



The risk that we may be *directly linked* to modern slavery through our procurement of goods for resale on our retail channels.

Approximately two per cent of our total procurement spend relates to goods for resale on our online rewards store and through Qantas Wine, including products such as electronic devices, homewares and textile products.

While we undertake due diligence on our suppliers, we recognise modern slavery risks in the supply chains of certain products can be challenging to identify and address.



The risk that we may be *directly linked* to modern slavery through our procurement of goods not for resale and related services.

We procure a range of goods and services not for resale to support our operations, including ICT equipment and services, aircraft equipment, merchandise, and uniforms and personal protective equipment.

Across the Group, we have assessed that the categories of inflight goods and services, apparel, catering, information technology supplies and people services, present a higher risk of modern slavery. These categories comprised 17 per cent of our total procurement spend in FY22 and the following page provides more detail about this risk area.

##### CONTEXT OF THE OUTSOURCING DECISION BY QANTAS

In August 2020, Qantas announced its plans to outsource ground handling – which involves services like baggage handling and aircraft cleaning – at 10 Australian ports, as part of its response to the COVID crisis. Ground handling operations had already been outsourced for several years at the remaining 55 ports across the country, and more than 60 ports internationally.

A competitive tender process was undertaken, which included inhouse bids put forward by employees and the Transport Workers Union (TWU). This confirmed that outsourcing these services would save in excess of \$100 million a year because of the efficiencies delivered by third party external ground handling specialists, the ability to avoid capital expenditure of approximately \$85 million in upgrading of ground services equipment, and the ability to vary the costs according to flying demand.
























The decision to outsource was made in November 2020. It resulted in around 1,700 Qantas employees being retrenched, and receiving redundancy packages, as the handover to third party external ground handling specialists was progressively completed by March 2021.






In August 2021, the Federal Court ruled that Qantas had contravened the *Fair Work Act* in relation to its decision to outsource the remainder of its ground handling function. While the Court accepted that the decision to outsource was made in response to the unprecedented impact of the COVID crisis, it found that Qantas had not *disproven* the TWU's claim that prevention of future protected industrial action was also a factor in the decision – which is the threshold for such cases. Qantas successfully made an application for special leave to appeal the decision of the Federal Court, and on 18 November 2022, the High Court of Australia approved leave to appeal. The matter will be heard in the High Court of Australia, at a date to be set in 2023.

### 3. RISKS OF MODERN SLAVERY PRACTICES IN OUR OPERATIONS AND SUPPLY CHAINS (CONTINUED)

**Table 3: Categories of products and services and the risks of modern slavery**

This table identifies potential areas of modern slavery risk within the airline industry that we recognise may be present in our operations and supply chains and that we have assessed as having a potential higher risk of modern slavery. It also demonstrates how we understand these potential risks through the UNGPs' *cause, contribute, directly linked* continuum of involvement. We have not identified any significant changes to our risk profile since FY21 and consider we have a strong suite of controls in place to manage these risks, which are set out below.

Product / Service Category	Example of Product or Service	% Total Supplier Spend	Primary Country of Spend	Source Country <sup>6</sup> in FY22 may include	Modern Slavery Risk Factors	Common Forms of Modern Slavery
 ICT	IT and Communications hardware and support desk services.	7%	Australia, USA, UK	India, Philippines, China	  	Children overseas could be exploited through the worst forms of child labour in the mining of minerals used in IT and Communications hardware.
 People	Services provided by contractors/contingent labour, including telesales and service centres.	3%	Australia, South Africa, Singapore	Philippines, Fiji, South Africa	  	Call centre workers could be exploited through debt bondage if they are charged excessive recruitment fees by a third-party labour hire company, which they are unable to repay.
 Food & Beverage	Catering – inflight and lounges.	5%	Australia, Singapore, USA	Australia, New Zealand	   	Fruit and vegetables used in catering meals could be harvested by migrant workers in Australia exploited through debt bondage.
 Corporate Goods & Services	Apparel – uniforms for pilots, cabin crew, ground staff, engineering, freight and other. General Merchandise – promotional products eg: model aircraft.	1%	Australia, USA, UK	Indonesia, China	   	Apparel sourced from overseas could be manufactured by factory workers exploited through forced labour.
 Inflight Goods & Services	Customer products: amenity kits, pyjamas, blankets, pillows, headsets.	<1%	Australia, UK, Hong Kong SAR, China	Hong Kong SAR, China	   	Inflight goods could be transported to Australia on shipping vessels crewed by seafarers who are exploited through forced labour and are unable to leave their vessels due to COVID related restrictions.

**KEY**  High risk geographies  Use of migrant workers  Use of seasonal labour  High risk raw materials  Use of low skilled labour

<sup>6</sup> Source country refers to the country location of the supplier address recorded in our Accounts Payable system, we recognise that the supplier may also operate in or source from other countries.

### 3. RISKS OF MODERN SLAVERY PRACTICES IN OUR OPERATIONS AND SUPPLY CHAINS (CONTINUED)

#### ASSESSING RISKS RELATED TO THE EXPANSION OF OUR INTERNATIONAL NETWORK

During FY22, we restarted 19 international ports and announced eight new international routes. This expansion of our international footprint included a diverse range of countries with differing modern slavery risk profiles, including the UK, India and a number of Pacific islands, such as Tonga and Samoa.

Prior to reopening or commencing new international routes, our specialist teams work carefully to assess potential risks across a range of areas, including in relation to human rights issues such as modern slavery.

In order to support each international route, we engage in-country suppliers to provide services such as ground handling, catering and security. We assess these suppliers through our Supply Chain Assurance Program, with suppliers requested to respond to our advanced due diligence questionnaire. The questionnaire has

been designed with consideration of key human rights standards, including modern slavery and other labour rights, and also to draw out information as to how the potential risk is addressed internally.

Suppliers are required to provide documentation to support their responses. This can include copies of relevant policies, processes, recruitment and hiring practices, and labour standards, as well as verification of wages, work hours and overtime levels. Where available, we also consider social audit reports. This information is reviewed collectively with other modern slavery risk indicators (e.g. geographic, sector, product/service) and a reputational assessment via Exiger, to inform the supplier risk rating.

While suppliers in new or re-opened ports have responded to our due diligence assessment, in some instances we have experienced challenges in obtaining the depth of information to adequately and

accurately inform the level of risk. Where this occurs, we may take steps to find information through other means. This can include, but is not limited to, observing working conditions and practices on the ground and engaging directly with workers to identify and understand any potential concerns. The suppliers' willingness and transparency in the due diligence process, and depth of information provided, is taken into consideration when we assess the risk and, where deemed inadequate, we apply an elevated risk rating to ensure a focus on mitigations and ongoing monitoring and oversight.

More information on our Supply Chain Assurance Program is set out on page 25.





## 4. ACTIONS TAKEN TO ASSESS AND ADDRESS IDENTIFIED MODERN SLAVERY RISKS

We proactively seek to identify, assess and address modern slavery risks in our global operations and supply chains. Importantly, we also integrate our response to modern slavery into our broader work to respect human rights. We have aligned our modern slavery response with the UNGPs and the key principles of the UN Universal Declaration of Human Rights (UDHR) and International Labour Organisation (ILO) Core Labour Standards. We are a signatory to the United Nations Global Compact (UNGC), the 10 key principles of which include commitments to human rights and labour rights, including the elimination of all forms of forced and compulsory labour and the effective abolition of child labour.

Our modern slavery response and actions to assess and address modern slavery risks in our operations and supply chain are based on five key foundations:

- **Policies.**
- **Training and Awareness.**
- **Risk Assessment and Due Diligence.**
- **Remediation.**
- **Collaboration and Stakeholder Engagement.**

While the five foundational elements which form the basis of our modern slavery response are well embedded, we are continually refining and seeking opportunities to improve our approach to manage modern slavery risk. Our work across these five foundational areas is supported by our strong governance framework.

The following sections outline our governance framework and explain our work across each of these five foundation areas. During FY21, our work to manage modern slavery risks was restricted by the necessary standdown of the majority of our employees. In FY22, we focused on strengthening our modern slavery risk management as we worked to recover from the pandemic, and this section explains the key steps we have taken.

### 1 Policies

Across the Group, we have established a comprehensive suite of internal policies to support our modern slavery response, including our [Code of Conduct and Ethics](#), the Board-approved [Non-Negotiable Business Principles](#) referenced in the [Qantas Group Business Practices](#), our [Human Rights Policy Statement](#), our [Procurement Policy](#), our [Whistleblower Policy](#), our [Supplier Code of Conduct and Ethics](#) and [Supplier Requirements](#).

### 2 Training and Awareness

Training and awareness are key controls in addressing the risk of modern slavery. We have delivered tailored training and awareness sessions to employees in key roles both onshore and offshore, and will work to formalise and expand this training across the group to build the capability of our employees to identify, manage and report potential modern slavery risks and red flags.

### 3 Risk Assessment and Due Diligence

The Group takes a proactive approach to identifying and eradicating modern slavery risk from our operations and supply chains. Our risk-based program and due diligence processes have been designed with reference to key human rights standards and enable us to identify, prevent, mitigate and account for how we address modern slavery risk in our supply chains. Our program is based on six key steps that enable us to take a consistent approach to identifying, assessing and managing risk:

Identify > Assess > Mitigate > Remediate > Communicate > Monitor

### 5 Collaboration and Stakeholder Engagement

Collaboration with our suppliers, our business partners, non-governmental organisations (NGOs) and relevant government agencies to effect change is a key feature of our strategy to combat modern slavery. Our stakeholder engagement and participation in various industry forums provide opportunities for shared lessons and valuable insights to inform our response to modern slavery and broader human rights issues.

### 4 Remediation

We are committed to respecting human rights across our businesses and supply chains. Where we identify impacts that we may have *caused*, or to which we may have *contributed* or be *directly linked*, we will seek to address this in line with the guidance provided under the UNGPs.

We have established reporting procedures and mechanisms whereby employees and third parties can report any concerns regarding unethical or illegal conduct, including in relation to modern slavery.

## 4. ACTIONS TAKEN TO ASSESS AND ADDRESS IDENTIFIED MODERN SLAVERY RISKS (CONTINUED)








### ACCOUNTABILITY AND GOVERNANCE

Our governance framework underpins our response to modern slavery and broader human rights risks, including by providing a clear structure for accountability. Sustainability, which includes the respect for human rights, is now one of the four key foundations for the Qantas Group, and one of the seven focus areas of our Corporate Strategy.

Our management of modern slavery risks in our operations and supply chains falls within our broader approach to human rights risks and is assessed and managed consistently within our established enterprise-wide risk framework. The Business Integrity and Compliance function leads the risk assessment, while accountability for managing the risk is embedded in the business, as described in the adjacent table.

The Qantas Board is periodically briefed on the Group’s modern slavery and wider human rights risk management. This includes bi-annual submissions to the Board’s Audit Committee (responsible for the oversight of such risks) which provide updates on the Supply Chain Assurance Program, including modern slavery risk. The Board also receives an annual Group Policy Framework update, which includes an overview from Group Business Integrity and Compliance and incorporates a global environmental scan, including human rights legislative developments, trends and themes.

Further information relating to the risk management framework can be found in the Governance section of the Group’s [Corporate website](#).

	<p><b>Qantas Board</b></p> <p>Responsible for oversight of the Group’s corporate governance framework and ensuring responsible, ethical and sustainable business practices, including in relation to human rights issues such as modern slavery.</p>
	<p><b>Audit Committee</b></p> <p>Responsible for oversight of the effectiveness of the Group’s risk management and internal control framework, and the review and monitoring of risk management programs, including in relation to human rights issues such as modern slavery.</p>
	<p><b>Group Management Committee (GMC)</b></p> <p>Responsible for the endorsement and leadership of the Group’s strategy to address human rights issues such as modern slavery.</p>
	<p><b>Supply Chain Assurance Leadership Council</b></p> <p>Responsible for oversight of the effective implementation of the Supply Chain Assurance Program, including modern slavery risk management and escalations. Key members include: Chief Financial Officer, General Counsel and Group Executive Office of the CEO, Chief Financial Officer for Jetstar Group, and other senior leaders responsible for the risk areas within scope of the Supply Chain Assurance Program. This group was re-established during FY22 and was formerly called the Supply Chain Assurance Steering Committee.</p>
	<p><b>Supply Chain Assurance Working Group</b></p> <p>Responsible for driving work to optimise supply chain risk management, including modern slavery, delivered via the Supply Chain Assurance program. The working group is chaired by Group Procurement and members include risk subject matter experts (SME) in the areas of Corruption, Modern Slavery, Environment, Privacy, Cyber Security and Work Health &amp; Safety.</p>
	<p><b>Business Integrity and Compliance</b></p> <p>Responsible for setting the strategy and leading the Group’s modern slavery program on a day-to-day basis, and providing SME advice on human rights issues, including modern slavery risk management. Reports to the General Counsel and Group Executive, Office of the CEO.</p>
	<p><b>Business Units</b></p> <p>Accountability for implementing actions to address modern slavery and other human rights risk is cross-functional across the different business areas of the Group. Business units are responsible for identifying and reporting potential modern slavery risks and managing modern slavery risk relevant to their business area, with support from Business Integrity and Compliance. Group Procurement supports any supplier contractual escalations.</p>



## 4. ACTIONS TAKEN TO ASSESS AND ADDRESS IDENTIFIED MODERN SLAVERY RISKS (CONTINUED)

### POLICIES

Across the Group, we have established a comprehensive suite of policies to support our modern slavery response and outline our commitment to respect human rights.

Our policies clearly articulate the standards we expect from our people, our suppliers and our business partners, including in relation to preventing and addressing modern slavery. This section outlines our key policies relevant to modern slavery and how they are implemented across the Group.

We are committed to continually improving and refining these policies to ensure they remain fit for purpose. For example, during the reporting period, we revised our Business Practices Document and worked to update our Supplier Code of Conduct, as described on the following page. We also further strengthened our management of modern slavery risks by continuing to embed bilateral modern slavery compliance clauses into our precedent contracts, to require suppliers (including sub-contractors) to assess and address modern slavery risk in their operation and supply chain.

### Qantas Group Code of Conduct and Ethics

#### RELEVANCE TO MODERN SLAVERY:

The Qantas Group Code of Conduct and Ethics is our principal corporate governance policy and governs the conduct of our employees. It outlines the minimum requirements and responsibilities necessary to achieve the Non-Negotiable Business Principles. Relevant to modern slavery, this Code includes requirements for employees to conduct the business of the Group with the highest level of ethics and integrity, and to respect and support human rights.

#### HOW WE IMPLEMENT THIS POLICY:

The Qantas Group Code of Conduct and Ethics is publicly available on our Corporate site and is published on internal communication channels. We also provide training to our employees on the Code of Conduct and Ethics upon onboarding and as part of our ongoing mandatory training framework. Any breach of the requirements set out in the Code will be investigated and may result in disciplinary action.

### Board approved Non-Negotiable Business Principles, referenced in the Qantas Group Business Practices Document

#### RELEVANCE TO MODERN SLAVERY:

The Business Practices Document provides an overview of our behaviours, values and business practices and highlights the standards to be upheld by all employees. The eight Non-Negotiable Business Principles, within the Business Practices Document, include commitments relevant to modern slavery, such as proactively managing risks and acting with honesty and integrity and upholding ethical standards. During FY22, we updated the Business Practices Document to include a specific section on respecting human rights. This section reiterates our commitment to respect human rights and expectation that our people consider our risks of involvement in actual or potential human rights impacts and report potential risks to Business Integrity and Compliance.

#### HOW WE IMPLEMENT THIS POLICY:

The Business Practices Document is publicly available on our Corporate site and is published on internal communication channels. Any breach of the requirements set out in the Business Practices Document may result in disciplinary action.

### Human Rights Policy Statement

#### RELEVANCE TO MODERN SLAVERY:

The Human Rights Policy Statement provides the foundation of our approach to human rights and ensures our employees understand the standards set for the Group. It also outlines the standards we expect of those in our supply chain and our business partners. The Human Rights Policy Statement explicitly prohibits engaging in child labour and forced, bonded or compulsory labour or any other form of modern slavery. It also highlights that where we identify that we have *caused, contributed or are directly linked* to adverse human rights impacts, we will seek to address, remediate or co-operate with remediating these impacts in line with our commitments under the UNGPs.

#### HOW WE IMPLEMENT THIS POLICY:

The Human Rights Policy Statement is publicly available on our Corporate site and published on internal communication platforms. The Statement encourages reporting of any concerns regarding unethical or illegal conduct, including in relation to human rights. Reports can be made internally through established reporting channels, as well as through the Whistleblower program.



## 4. ACTIONS TAKEN TO ASSESS AND ADDRESS IDENTIFIED MODERN SLAVERY RISKS (CONTINUED)

### Whistleblower Policy

**RELEVANCE TO MODERN SLAVERY:**

The Whistleblower Policy outlines the operation of the Qantas Whistleblower program. This includes information about how to make a disclosure, which could potentially include modern slavery-related complaints.

**HOW WE IMPLEMENT THIS POLICY:**

The Whistleblower Policy is publicly available on our Corporate site and published on internal communication channels. Tailored training is provided to those involved with the program, and information regarding the policy is embedded in numerous training courses, including those provided upon onboarding and as part of our ongoing mandatory training framework.

During FY22, we took action to make our policy and available reporting mechanisms more accessible to our suppliers and workers in our supply chains, including by enhancing our external facing website.

### Supplier Code of Conduct

**RELEVANCE TO MODERN SLAVERY:**

The Supplier Code of Conduct establishes our expectations of suppliers, and their supply chain, in providing goods and services to the Group. This includes our expectation that suppliers ensure that no forced labour, child labour or involuntary labour is used, as well as broader expectations relating to safe and fair workplaces, including in relation to freedom of association, rest periods and freedom from discrimination and harassment. In FY22, we worked to update our Supplier Code of Conduct (published in November 2022) to more clearly outline our expectation for respect for human rights by suppliers, prohibit all forms of modern slavery, and more clearly articulate our expectations in regard to labour standards such as wages, mandatory benefits and prohibition of withholding of workers' identity documents, and charging of recruitments fees.

**HOW WE IMPLEMENT THIS POLICY:**

Our Supplier Code of Conduct is published on our Corporate website. We expect our suppliers to ensure the Supplier Code of Conduct is communicated to all their sub-contractors, in the local language and in a manner that can be understood. Supplier compliance with the Code of Conduct may also be assessed through audits and self-assessments. Any potential breaches are investigated by Qantas and may result in a range of actions, up to and including suspending provision of services by the supplier.

### Supplier Requirements

**RELEVANCE TO MODERN SLAVERY:**

The Supplier Requirements apply to all suppliers and set out the standards we expect from suppliers and their personnel (including their sub-suppliers). The Supplier Requirements impose a range of legally binding obligations on suppliers, including a requirement not to use child and/or forced or involuntary labour. We are currently updating our Supplier Requirements to integrate our modern slavery and anti-trafficking clauses, as well as to require suppliers to implement policies and processes to address modern slavery, commensurate with the structure, size and operations of their company. As part of this process, we are exploring scope to address key modern slavery risk factors, such as charging of recruitment fees and withholding of identity documents.

**HOW WE IMPLEMENT THIS POLICY:**

The Supplier Requirements are publicly available on our Corporate site and are communicated to suppliers during the onboarding process. Our standard contract clauses require suppliers to comply with the Supplier Requirements, as well as our Group Compliance Statement, which includes specific modern slavery clauses. Any potential breaches are investigated by Qantas and may result in a range of actions, up to and including suspending provision of services by the supplier.



## 4. ACTIONS TAKEN TO ASSESS AND ADDRESS IDENTIFIED MODERN SLAVERY RISKS (CONTINUED)

### TRAINING AND AWARENESS

Training and awareness-raising are key controls in addressing modern slavery risks

#### TRAINING FOR OUR PEOPLE

In FY22, we launched our face-to-face training on human trafficking risks to coincide with the resumption of our flying operations and the return to work of our people. This training focuses on building key employees' awareness of indicators of human trafficking, to help us recognise potential trafficking victims who may be travelling passengers and to apply victim-centred response protocols.

In addition to this targeted face-to-face training, all employees receive more general human trafficking awareness training when they join the Qantas Group and on a periodic basis. We developed this training using guidance material for airlines about human trafficking, produced by the International Air Transport Association (IATA). Key content includes an overview of how human trafficking is relevant to airlines and an explanation of human trafficking red flags.

We are also developing an online knowledge hub as a resource for our employees to readily access a range of information on human rights issues, such as modern slavery and human trafficking, including reporting mechanisms. Upon implementation, we will explore opportunities to extend access to our suppliers.

We value feedback from participants about our training. For example, we have received positive feedback from our aircrew in relation to our human trafficking training, including that it has helped them better understand the prevalence of human trafficking and how they can play a role addressing this crime.



#### SUPPORT FOR OUR SUPPLIERS

We recognise the importance of providing training and support to our suppliers, to build their capacity to effectively manage modern slavery risks. Our interactions with our suppliers, those in our extended supply chain and our business relationships are a valuable experiential learning opportunity. We invest time and resources engaging in two-way dialogue to build understanding of international standards on human rights, including modern slavery, and providing guidance on implementation of appropriate actions to address potential human rights risks.

#### CASE STUDY: ENGAGEMENT WITH SUPPLIER MANUFACTURING INFLIGHT PRODUCTS

Two social audits indicated a range of potential labour rights breaches at a supplier factory which produces headsets. Key non-compliances related to excessive overtime, non-payment of social insurance, and occupational health and safety.

We engaged with the supplier to understand the reasons for the non-compliances, explain our expectations and identify opportunities to address the issues identified. During this engagement, the supplier emphasised its willingness to implement improvements and identified key factors relating to the use of excessive overtime.

We provided guidance on development of a workforce capacity plan, which included ensuring the supplier has sufficient workers to meet order volumes, and the capacity to deliver orders within timeframes, that do not require excessive overtime from workers. Other guidance included consideration of known and predicted peak times, production timeframes and the number of workers required to complete orders without overtime.

The supplier committed to actively manage and monitor the amount of overtime each month, including a daily cap on workers' overtime, and to improve tracking of working hours.

We have continued to meet with the supplier at periodic intervals to monitor progress in reducing overtime levels, taking the opportunity to share our knowledge of modern slavery and build management's understanding of broader human rights issues. Since working with the supplier, it has addressed the safety related non-compliances and, over a six month period, based on a sample of selected records, has been able to achieve a 20 per cent reduction in the number of workers who are working excessive overtime, and a 24 per cent reduction in overall overtime hours.

We recognise that sustainable change takes time and, given the commitment to ongoing improvement, we are continuing to work with the supplier.

## 4. ACTIONS TAKEN TO ASSESS AND ADDRESS IDENTIFIED MODERN SLAVERY RISKS (CONTINUED)

### HUMAN RIGHTS SALIENCY ASSESSMENT

We integrate our understanding of modern slavery risks into our broader approach to human rights risk management. In FY22, we engaged an external business and human rights advisory firm to work with us to refresh our salient human rights issues.

Our salient human rights issues identify the areas of our operations and supply chains where the most severe (salient) potential impacts on human rights could occur. We completed our first salient human rights assessment in 2018 and undertook the refresh process to help ensure these issues continue to reflect our operating environment and supply chains.

The refresh process included a cross-functional workshop with key staff from across the Group to identify potential human rights impacts. This workshop also included targeted training about human rights, the reasons that they are relevant to our business, and the expectations for business action to respect human rights under the UNGPs.

Following the workshop, we held specific consultation sessions with relevant GMC members responsible for key aspects of the Group's operations.

We finalised the results of our salient human rights assessment in FY23, and will report in more detail on the outcomes of this process and how we are implementing these findings in our next Statement. Importantly, the assessment found that 'respecting labour rights in our supply chains' is a salient human rights issue for us. This recognises that workers in our supply chains may be vulnerable to a range of human rights impacts, including modern slavery. The assessment also considered other human rights issues, including in relation to our employees and customers.

### RISK ASSESSMENT AND SUPPLIER DUE DILIGENCE

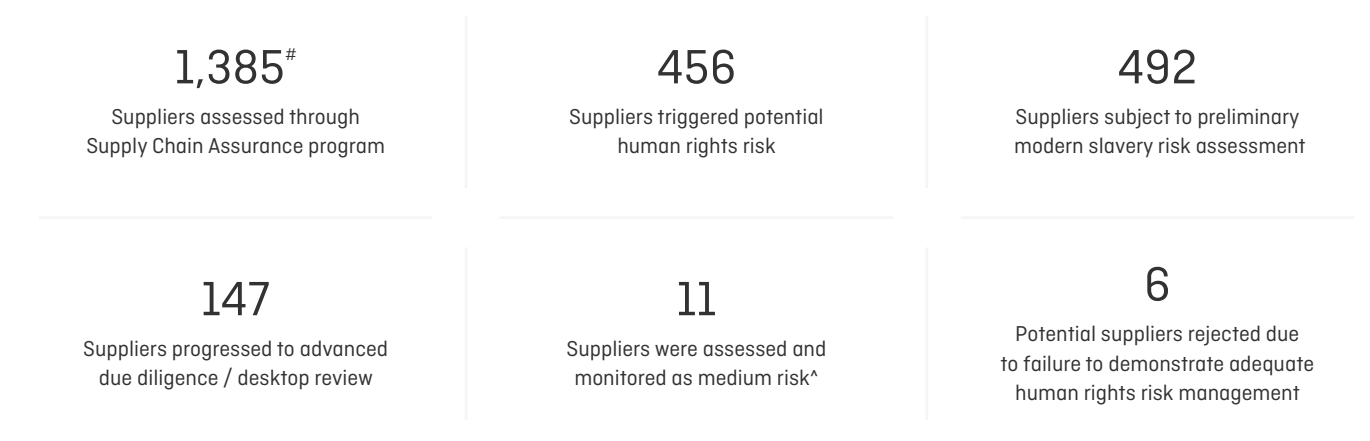
The Group takes a proactive approach to identifying and managing modern slavery risks in our operations and supply chains through our risk assessment and supplier due diligence processes.

Our Supply Chain Assurance program, launched in 2018, is led by Group Procurement and standardises the way that the Group identifies, assesses and manages modern slavery risks in our supply chains. Importantly, this program helps us to understand how our suppliers are producing or sourcing the goods and services we procure and enables us to make an informed assessment as to suppliers' human rights standards, practices and management of modern slavery risk in their operations. During FY22, we further expanded the scope of the program to include previously unassessed suppliers (see page 26) and, in response to the evolving risk profile, we adjusted our human rights risk triggers, both of which have resulted in a natural increase in the number of supplier risks triggered.

We recognise that the most significant risks of modern slavery may be present at tier two or below in our supply chain, where we have less visibility of working conditions and sub-supplier practices. The case study on page 27 provides an example of how we took action to better understand and mitigate the potential risk arising from the sub-contracting practices of our labour providers.

Our established due diligence processes ensure that, for procurement categories which we have assessed as being associated with a higher prevalence of potential modern slavery, we look beyond tier one. For example, where a supplier may provide inflight products, such as amenity kits, headsets, sleeper suits or blankets, we perform due diligence on the tier one supplier and the tier two (or below) manufacturer, including requiring the source manufacturer to provide a social audit report. This enables us to assess the standards, practices and working conditions of the factory where the products are manufactured, even where we do not hold a direct contract with the source manufacturer. This process is outlined in further detail in the following section.

### Supply Chain Assurance and Statistics for FY22



Data is correct as of the end of reporting period FY22.

<sup>#</sup> This number includes both parent and child entities, and includes new and recontracting suppliers, as well as some suppliers assessed through the Unassessed Supplier Project (refer page 26).

<sup>^</sup> Currently there are zero suppliers in our supply chain assessed as residually high modern slavery risk.

## 4. ACTIONS TAKEN TO ASSESS AND ADDRESS IDENTIFIED MODERN SLAVERY RISKS (CONTINUED)

### OUR MODERN SLAVERY RISK ASSESSMENT AND SUPPLIER DUE DILIGENCE ECOSYSTEM

Our modern slavery risk assessment and supplier due diligence ecosystem have been designed to align with our broader Group-wide risk management framework. This alignment helps to ensure consistency in the application and common understanding of risk across the Group. The six key pillars – identify; assess; mitigate; remediate; communicate; and monitor – are well embedded and, collectively, form our approach to managing human rights risk within our supply chain. These six pillars are outlined below.

#### 1 IDENTIFY

The initial supply chain assessment includes questions that assess key modern slavery risk criteria, such as the location(s) where the product or service is both manufactured and provided, the sector, the category of product or service and how it is to be used by the Group. Where a potential human rights risk is identified (including in relation to modern slavery), our Group Procurement team enters the supplier details into our third-party technology platform (Exiger) and the supplier risk is referred to the Business Integrity and Compliance risk SME for triage.

We utilise a range of tools to strengthen our risk assessment program, including indices from reputable third party providers and the Global Slavery Index. We also consider information and resources made available through organisations such as the [Global Compact Network Australia](#), [TRACE International](#), the [Transparency International Corruption Perceptions Index](#), and the [UK Government Modern Slavery Registry](#).

#### 2 ASSESS

Exiger has been designed to assess potential human rights risks by applying weighting and scoring methodology against universally recognised human rights risk indices (such as civil and political rights, labour standards, access to remedy and business integrity), tailored to our operating environment. The initial assessment of risk is based on three key inputs: The responses to the initial questionnaire described above; the output of Exiger’s negative screening capability; and a subsequent preliminary risk assessment which is completed by the sourcing business unit.

Where a potential modern slavery risk is evaluated as medium or above, or where the supplier is providing a product or service that we have assessed as a higher risk procurement category, the supplier is subjected to a modern slavery desktop assessment. This assessment is undertaken by the human rights risk SME in the Business Integrity and Compliance function and requires the supplier to answer more in-depth questions in respect of its operations and also the site from where the product or service is manufactured or provided. The supplier is required to provide supporting evidence, such as relevant internal policies and procedures,

independent site/factory audit reports and evidence of labour practices (overtime, wages, worker conditions). In some instances, the Group will sponsor an independent audit of the supplier’s operations or undertake a site visit. Due to COVID related travel restrictions, we did not undertake any site visits in FY22.

During FY22, the number of medium risk suppliers assessed through Exiger increased comparative to FY21, due to a range of factors. We have seen an increase in the proportion of the medium risk suppliers in our freight business, which operates in countries generally considered to have a higher prevalence of modern slavery. In some of these countries, we may experience challenges working with suppliers to complete our supply chain assessment questionnaire due to language and cultural barriers. Geopolitical factors may also affect suppliers’ willingness to engage with us. We are exploring alternative ways to strengthen our ability to understand and manage these risks, including translating our third-party supplier due diligence questionnaire and Supplier Code of Conduct into relevant languages and revising our questionnaire to address supplier feedback.

#### CASE STUDY: REVIEWING UNASSESSED SUPPLIERS PROJECT

When launched in 2018, our Supply Chain Assurance Program focused on assessments of all new and re-contracting suppliers managed through our central procurement function.

To further enhance the effectiveness of the Supply Chain Assurance Program, in FY22, we worked to identify and review unassessed suppliers onboarded prior to 2018. Our Procurement team, Risk SMEs and the Supply Chain Assurance Working Group collaborated to develop a segmentation model to prioritise assessments of these suppliers, which drew on key criteria such as country, category, value of spend and tenure with the Group.

We are currently working to assess these suppliers, using a phased approach which focuses on the higher priority supplier segments. The Supply Chain Assurance Leadership Council is providing oversight of this work, which is being supported by an external expert consultancy.



## 4. ACTIONS TAKEN TO ASSESS AND ADDRESS IDENTIFIED MODERN SLAVERY RISKS (CONTINUED)

### 3 – 5 MITIGATE / REMEDIATE / COMMUNICATE

In line with the UNGPs, we favour working with suppliers to resolve or substantially mitigate issues identified through our risk assessment and supplier due diligence processes. We recognise the importance of using our leverage to drive change to supplier practices and understand that immediately ending supplier relationships can have potential adverse effects on the livelihood of the supplier's employees.

Achieving change in supply chains takes time and can be complex, which is why we seek to share our expertise to support suppliers to build their capability to meet international standards, including in relation to modern slavery (see the case study on page 24). Further information about our Group specific remediation processes is set out in the following section.



### 6 MONITOR

Suppliers that are referred to Exiger and subsequently approved for onboarding, are subjected to continuous monitoring regardless of risk rating. This monitoring activity provides auto-generated alerts of any publicly available negative news screening across a range of

categories that include human rights violations, corruption, legal breaches and allegations of misconduct. This enables us to review and, if necessary, undertake appropriate action with the supplier in a timely manner.

#### CASE STUDY: MONITORING RISKS RELATING TO OUTSOURCED LABOUR

We carefully consider potential risks relating to outsourced labour, including where subcontracting is involved. Subcontracting can increase risks of worker exploitation, such as modern slavery, by limiting visibility of working conditions.

Although modern slavery may be comparatively more prevalent in other countries, it can also occur in Australia. In FY22, the industry faced chronic labour shortages, primarily due to the ongoing impact of the pandemic. This resulted in increased levels of worker sickness, thereby creating increased demand for labour services, coinciding with a high demand for travel.

In response, we adjusted our internal human rights risk triggers to reflect the

change in the operating environment, increased efforts to monitor potential risks associated with outsourced labour, and worked closely with relevant outsourced labour providers to manage potential risks.

For example, during FY22, we worked with a selected Australian services provider to increase our visibility of subcontracting within its operations. We have introduced specific reporting requirements to monitor the level of subcontracting by this provider, which we oversight through regular quarterly meetings. We have also worked with the supplier to verify and understand its processes and due diligence of sub-contracted labour providers, and we have a contractual requirement for it to seek approval from us before engaging new subcontractors to work in our operation.



## 4. ACTIONS TAKEN TO ASSESS AND ADDRESS IDENTIFIED MODERN SLAVERY RISKS (CONTINUED)

### RECOGNISING THE RIGHT TO A CLEAN, HEALTHY AND SUSTAINABLE ENVIRONMENT

In July 2022, the UN General Assembly recognised the human right to a clean, healthy, and sustainable environment.

As outlined in our [Sustainability Report](#), we recognise human-induced climate change is a significant issue for the aviation industry and are committed to minimising our impact on the planet – in the air and on the ground – to help preserve and protect our environment. This includes reducing our emissions in line with the Paris Climate Agreement.

The right to a clean, healthy and sustainable environment is relevant to our work to manage modern slavery risks in a number of ways.

In particular, we recognise that transitioning to cleaner energy solutions may expose us to new or evolving modern slavery risks. For example, the use of Sustainable Aviation Fuel is central to achieving our interim targets and net zero by 2050 goal. We are undertaking work during FY23 to better understand the human rights risks involved in this sector, including in relation to modern slavery.

We also understand that any instances of modern slavery or other worker exploitation in our supply chain may involve environmental damage. For example, factories with poor working conditions may also have weak environmental controls to address issues such as pollution.

More broadly, expert stakeholders have also highlighted that climate change will increase the vulnerability of people around the world to human trafficking and other forms of modern slavery.

Going forward, we are committed to continuing to build our understanding of the physical and transitional risks that may arise from a changing climate, including by considering how these issues may intersect with modern slavery.



## 4. ACTIONS TAKEN TO ASSESS AND ADDRESS IDENTIFIED MODERN SLAVERY RISKS (CONTINUED)

### REPORTING AND REMEDIATION

We value a *speaking up culture* where our people and our suppliers feel safe to raise concerns about modern slavery and other human rights issues.



#### OUR COMMITMENT

We are committed to respecting human rights across our business and supply chains.

As set out in our Human Rights Policy Statement, where we identify adverse human rights impacts (such as modern slavery) that we may have *caused*, or to which we may have *contributed*, we will seek to address these impacts in line with the guidance provided under the UNGPs, including by providing for or cooperating in remediation. We also recognise we may play a role in remediation where we identify that we are *directly linked* to an adverse human rights impact.



#### OUR PROCESSES

We have established reporting procedures and mechanisms where employees and third parties (including suppliers and their workers) can report any concerns regarding unethical or illegal conduct, including in relation to modern slavery. Employees can report to their manager or, if they wish to remain anonymous, employees and third parties (including suppliers and their workers) are able to report through our independently-managed Whistleblower channels, via phone and email, via our online portal, or by contacting an eligible recipient as named in our [Whistleblower Policy](#).

If we receive a modern slavery-related complaint through these processes, we will investigate the report in line with the Group's established investigation protocols, internal grievance resolution guidelines, and with reference to the expectations set out in the UNGPs. This would involve taking steps to verify the allegations, while working to protect the confidentiality and safety of the complainant. We understand that modern slavery investigations can be complex, and we would also seek to draw on external expertise, including from human rights experts, where appropriate.



#### HOW WE WORK TO MAKE OUR GRIEVANCE MECHANISMS TRUSTED AND ACCESSIBLE

All reports received through the Whistleblower program are treated confidentially and with regard to the protection of the complainant.

Our Whistleblower program is promoted to our employees through our mandatory training courses, via periodic employee communications and through information available on our internal company intranet sites. The Whistleblower Policy is also publicly available on our Corporate website and contains information on how to make a report.

We undertook an internal audit of our Whistleblower program framework in FY22, which led to a number of enhancements to the program. These included strengthening the effectiveness of processes and controls and improving how we communicate the availability of the Whistleblower mechanism to our suppliers.

In line with the UNGPs, we recognise that effective grievance mechanisms should be trusted and accessible to vulnerable complainants and other stakeholders. In FY23, we will work with a specialist business and human rights advisory firm to review the effectiveness of our grievance mechanisms with reference to the UNGPs.



#### WHAT WE EXPECT FROM OUR SUPPLIERS

Our Supplier Code of Conduct requires our suppliers to have their own Whistleblower policy or equivalent process, as well as a grievance management process for their employees and suppliers. We continue to consider how we can best reach workers in our supply chain to increase awareness of and improve the accessibility of our Whistleblower reporting channels.

During FY22, we updated our supplier procurement portal and Corporate website to include additional information about our Whistleblower Policy and to make information about our reporting mechanisms more accessible to our suppliers and workers in our supply chains.



#### COMPLAINTS RECEIVED DURING FY22

During FY22, one suspected instance of human trafficking was identified by staff at an airport and reported to authorities (see case study below).

While none of the complaints received through our various Whistleblower channels during FY22 related to modern slavery, we acknowledge that the absence of complaints does not necessarily indicate an absence of harm. We also responded to multiple grievances regarding the conduct of suppliers within our supply chain, which included complaints relating to issues such as underpayment and safe and respectful working conditions.



## 4. ACTIONS TAKEN TO ASSESS AND ADDRESS IDENTIFIED MODERN SLAVERY RISKS (CONTINUED)

### Report of suspected human trafficking

Due to their global connectivity, airlines carry a risk that their services may be used by third parties to facilitate human trafficking (a form of modern slavery) and the sexual exploitation of children in travel and tourism.

The Australian Government estimates that only one in five modern slavery victims exploited in Australia are identified. This means that it is important our people are equipped to safely identify and report modern slavery red flags. If our people identify human trafficking or other modern slavery-related concerns in relation to passengers transiting through airports, we report these concerns to authorities, as appropriate.

During the reporting period, a Qantas employee reported a suspected instance of human trafficking relating to international travel from Australia by two persons. The

Australian Federal Police was notified and engaged with both travellers to verify the circumstances of their travel.

In another instance, prior to the FY22 reporting period, our people identified a potential concern relating to the travel of a minor. We engaged with Australian Border Force and Australian Federal Police in relation to these concerns. Australian Government authorities subsequently prevented two relevant passengers from travelling.

More broadly, we engage with law enforcement agencies globally to support investigations into suspected human trafficking and child sexual exploitation. This can include providing information to investigating authorities in response to formal requests and working collaboratively on campaigns to promote awareness.

### COLLABORATION AND STAKEHOLDER ENGAGEMENT

Collaboration is a key component of our modern slavery response. Working closely with our suppliers, business partners, NGOs and relevant government agencies enables us to share lessons and insights, identify and contribute to the development of good-practice responses, help shape effective legislative responses, and to support meaningful, sector wide progress in combating modern slavery.

During the reporting period, we continued to participate in multi-stakeholder forums and collaborate on human rights issues (including modern slavery) with the following groups.



We are a signatory to the UNGC, the world's largest corporate sustainability initiative. We are also an active member of the UN GCNA and the UN GCNA's Modern Slavery Community of Practice. During the reporting period, we engaged on issues such as establishing effective grievance mechanisms and responding to modern slavery risks in high risk environments.



**International Air Transportation Association (IATA):** Qantas is an IATA member and our CEO is a former member of the Board of Governors. We actively contribute to the development of international standards and practises for global airlines, including in relation to human trafficking. We have leveraged the IATA guidance on human trafficking provided to airlines in the development of our human trafficking training program (see page 24).



**International Civil Aviation Organisation (ICAO):** ICAO is a specialised agency of the United Nations that establishes internationally aligned aviation standards to realise safe, secure and sustainable air operations, including efforts to prevent human trafficking. We have participated in government consultation regarding proposed ICAO measures to combat trafficking.



**Department of Home Affairs (and other government departments and agencies):** We participate in government consultation processes on broader human rights issues impacting our industry and is in regular discussions with key departments and agencies on a range of issues.



More broadly, we also collaborate with industry peers to progress our collective response to modern slavery. For example, we are currently seeking to progressively introduce modern slavery clauses into our codeshare partner agreements, in an attempt to strengthen our industry response to take steps to address modern slavery and human trafficking. We also engage with our investors to explain our modern slavery risk management approach. During the reporting period, a number of investors requested specific sessions to better understand how we manage and mitigate modern slavery risks.

## 5. ASSESSING THE EFFECTIVENESS OF OUR ACTIONS

### Assessing the effectiveness of our actions to manage modern slavery risk is key to our continuous improvement

For the Group, being effective in managing modern slavery risks means that we can affect positive change through our processes and actions and be able to demonstrate and communicate how we do so. Our Business Integrity and Compliance function is primarily responsible for considering the effectiveness of our actions.

We see the core components of an effective response to modern slavery as including the following:

- Robust standards that set clear expectations for workers in our operations and supply chains, and are meaningfully communicated to workers, suppliers and other stakeholders.
- Meaningful risk assessment and broader due diligence processes that enable the accurate and timely identification and prevention or mitigation of potential modern slavery risks.
- Trusted and accessible grievance mechanisms to facilitate the reporting and remediation of modern slavery-related complaints.

Credibly tracking the effectiveness of actions in a modern slavery or broader human rights context is complex. We recognise that high level key performance indicators and metrics may not always provide a meaningful representation of effectiveness. In light of these challenges, we are committed to continuing to refine our approach to assessing effectiveness, including through engagement and collaboration with key industry peers and external human rights experts.





## 5. ASSESSING THE EFFECTIVENESS OF OUR ACTIONS (CONTINUED)

CORE COMPONENT OF OUR RESPONSE	INDICATIVE ASSESSMENT CRITERIA / KPIs	HOW WE ASSESS OUR EFFECTIVENESS	KEY OUTCOMES
<b>Robust standards that set clear expectations for workers in our operations and supply chains and are meaningfully communicated to workers, suppliers and other stakeholders.</b>	<ul style="list-style-type: none"> <li>- Our policy frameworks are fit for purpose and meaningfully implemented.</li> <li>- Our modern slavery risk management response aligns with good practice across sectors and responds to new and emerging issues.</li> </ul>	<ul style="list-style-type: none"> <li>- Periodically reviewing key policy frameworks to assess whether they are fit for purpose.</li> <li>- Considering feedback from suppliers, investors and other stakeholders, including benchmarks, to identify opportunities for improvement.</li> </ul>	<ul style="list-style-type: none"> <li>- We updated our <a href="#">Business Practices Document</a> and <a href="#">Supplier Code of Conduct</a> to more clearly outline our expectations with regard to human rights issues, such as modern slavery (see page 4).</li> <li>- Work is underway to translate our Supplier Code of Conduct and our due diligence questionnaire into another key language, including revising our questionnaire, following supplier feedback (see page 4).</li> <li>- We met with investors to explain our modern slavery risk management (see page 30).</li> <li>- We reviewed the results of relevant modern slavery Statement benchmarks to understand key reporting trends and opportunities to enhance our Statement.</li> </ul>
<b>Meaningful risk assessment and broader due diligence processes that enable the accurate and timely identification and prevention or mitigation of potential modern slavery risks.</b>	<ul style="list-style-type: none"> <li>- Our risk assessment processes accurately identify our modern slavery risks.</li> <li>- Our due diligence processes enable us to identify and manage modern slavery risks relating to suppliers and other third parties.</li> <li>- Our training programs equip our people to understand and manage modern slavery risks, including safely reporting concerns.</li> </ul>	<ul style="list-style-type: none"> <li>- Periodically refreshing our salient human rights issues to help ensure they continue to reflect our risk profile.</li> <li>- Revising our risk triggers, as required, to respond to the evolving risk environment.</li> <li>- Monitoring the number of suppliers re-evaluated from medium to low risk following implementation of corrective actions, to identify where we have effected sustainable change.</li> <li>- Tracking completion rates for our training and monitoring feedback from participants.</li> </ul>	<ul style="list-style-type: none"> <li>- During the reporting period, we worked with a specialist business and human rights advisory firm to refresh our salient human rights issues (see page 25).</li> <li>- We reviewed and adjusted our risk triggers to respond to changes in our risk profile, including to reflect changes in the global labour market, whereby shortages and high demand could result in increased vulnerability to workers (see page 27).</li> <li>- We implemented human trafficking training for our people, including pilots and cabin crew.</li> </ul>
<b>Trusted and accessible grievance mechanisms to facilitate the reporting and remediation of modern slavery-related complaints.</b>	<ul style="list-style-type: none"> <li>- Relevant stakeholders trust and are able to access our grievance mechanisms.</li> <li>- Any modern slavery related complaints received are appropriately identified and investigated.</li> <li>- Where we identify we have <i>caused</i> or <i>contributed</i> to human rights harm, we provide for or cooperate in remediation.</li> </ul>	<ul style="list-style-type: none"> <li>- Monitoring the number of modern slavery and broader human rights complaints received, to help us understand whether our grievance mechanisms are trusted and accessible.</li> <li>- Reviewing the operation of our grievance mechanisms, including through internal audits.</li> </ul>	<ul style="list-style-type: none"> <li>- We undertook an internal audit of our Whistleblower program during the reporting period (see page 29).</li> <li>- In FY23, we will review our grievance channels against the criteria for effective grievance mechanisms set out in the UNGPs (see page 29).</li> <li>- One human trafficking concern was reported by our people (see page 30).</li> </ul>

## 6. CONSULTATION WITH REPORTING ENTITIES<sup>7</sup> AND OWNED OR CONTROLLED ENTITIES

This Statement was developed through a Group-wide consultation process. This included consultation with the reporting entities covered by the Statement, as well as owned and controlled entities across the Group. A final draft of the Statement was made available to each of the reporting entities and the other owned and controlled entities covered by this Statement, prior to publication.

In addition to the consultation process to develop the Statement, all entities across the Group work closely on an ongoing basis to implement and monitor our modern slavery risk management approach, including through our supply chain assurance activity.



### OUR WHOLE-OF-GROUP CONSULTATION PROCESS

The Business Integrity and Compliance function led a whole-of-Group consultation process to develop this Statement. This consultation process involved the key teams that work together to mitigate and manage potential modern slavery risk in our operations and supply chains, including our Procurement, Legal, People, Industrial Relations, Loyalty, Risk and Corporate Governance functions. These functions provided input to the development of this Statement, and a draft was made available for their review prior to publication.

The Statement was reviewed by the Group General Counsel, Group Executive Manager Corporate Affairs, Chief Sustainability Officer, and an independent specialist business and human rights advisory firm, and was endorsed by the CEO and GMC, before being reviewed and approved by the Board.

This cross-functional consultation helped to ensure the Statement reflects our Group-wide approach to modern slavery and facilitates ongoing engagement from key internal stakeholders on our response to modern slavery.

### CONSULTATION WITH REPORTING ENTITIES

In addition to the cross-functional consultation process outlined, we consulted with the Qantas Group Company Secretary as a representative of each reporting entity. Separate consultation in the development of this Statement was also undertaken with representatives of other reporting entities covered by this Statement. This included senior leaders of the Jetstar Group, Qantas Freight and Taylor Fry.

We used this additional consultation to inform our understanding of each reporting entity's operations, supply chain and modern slavery risk profile, including any changes since FY21, and to confirm their endorsement for the preparation of a joint Statement prepared on their behalf by Qantas. This process also provided an opportunity to raise awareness of the actions that are undertaken at a Group level to identify, assess and manage potential modern slavery risks and the role these reporting entities play in supporting these actions.

### CONSULTATION WITH OWNED AND CONTROLLED ENTITIES

Our owned and controlled entities within the scope of this Statement were consulted on a draft of the Statement at Company Secretary level.

<sup>7</sup> Reporting entity in this Statement has the meaning defined in the Australian Modern Slavery Act 2018 (Cth) and is an entity which has a consolidated revenue of at least \$100 million for the reporting period, if the entity is an Australian entity at any time in that reporting period or carries on business in Australia at any time in that reporting period.

## APPENDIX 1: LIST OF REPORTING ENTITIES AND OWNED OR CONTROLLED ENTITIES

**AAL Aviation Limited<sup>8</sup> (83 008 642 886)**

The principal activities during the period were that of a non-operative holding company.

**Airlink Pty Limited<sup>8</sup> (76 010 812 316)**

The principal activities during the period were to provide passenger air transportation services.

**Australian Air Express Pty Ltd<sup>8</sup> (74 054 307 336)**

The principal activities during the period were the provision of freight ground operation services.

**Australian Airlines Limited<sup>8</sup> (85 099 625 304)**

The principal activities during the period were that of a dormant non-operative company.

**Australian Regional Airlines Pty. Ltd.<sup>8</sup> (25 006 783 633)**

The principal activities during the period were that of a non-operative holding company.

**Eastern Australia Airlines Pty. Limited<sup>8</sup> (77 001 599 024)**

The principal activities during the period were to provide passenger air transportation services.

**Express Freighters Australia (Operations) Pty Limited<sup>8</sup> (54 119 093 999)**

The principal activities during the period were the employment, training and provision of personnel.

**Express Freighters Australia Pty Limited<sup>8</sup> (73 003 613 465)**

The principal activities during the period were to provide freight air transportation services.

**Impulse Airlines Holdings Proprietary Limited<sup>8</sup> (67 090 590 024)**

The principal activities during the period were that of a non-operative holding company.

**Jetstar Airways Pty Limited<sup>8</sup> (33 069 720 243)**

The principal activities during the period were to provide passenger air transportation services.

**Jetstar Asia Holdings Pty Limited<sup>8</sup> (86 108 623 123)**

The principal activities during the period were that of an investment holding company.

**Jetstar Group Pty Limited<sup>8</sup> (64 003 901 353)**

The principal activities during the period were to provide cabin crew services.

**Jetstar International Group Australia Pty Limited<sup>8</sup> (17 152 774 395)**

The principal activities during the period were that of an investment holding company.

**Jetstar Services Pty Limited<sup>8</sup> (19 107 638 326)**

The principal activities during the period were to provide airline ground services.

**National Jet Operations Services Pty Ltd<sup>8</sup> (33 055 887 575)**

The principal activities during the period were to provide cabin crew services.

**National Jet Systems Pty Ltd<sup>8</sup> (11 008 279 203)**

The principal activities during the period were to provide passenger air transportation services.

**Network Aviation Holdings Pty Ltd<sup>8</sup> (081 505 008)**

The principal activities during the period were that of a non-operative holding company.

**Network Aviation Pty Ltd<sup>8</sup> (082 007 350)**

The principal activities during the period were to provide passenger air transportation services.

**Network Holding Investments Pty Ltd<sup>8</sup> (110 179 818)**

The principal activities during the period were that of a non-operative holding company.

**Network Turbine Solutions Pty Ltd<sup>8</sup> (20 110 180 008)**

The principal activities during the period were maintenance of Fokker F100 and Airbus A320 aircraft.

**Osnet Jets Pty Ltd<sup>8</sup> (99 128 559 419)**

The principal activities during the period were that of a dormant non-operative company.

**Phone a Flight Pty Ltd<sup>8</sup> (41 608 735 664)**

The principal activities during the period were that of a dormant non-operative company.

**Q H Tours Ltd<sup>8</sup> (81 001 262 433)**

The principal activities during the period were that of an investment holding company.

**Qantas Airways Domestic Pty Limited<sup>8</sup> (52 123 140 152)**

The principal activities during the period were that of an Air Operator Certificate holding company.

**Qantas Asia Investment Company Pty Ltd<sup>8</sup> (26 125 048 044)**

The principal activities during the period were that of an investment holding company.

**Qantas Courier Limited<sup>8</sup> (32 003 890 328)**

The principal activities during the period were to provide domestic freight services within New Zealand.

**Qantas Domestic Pty Limited<sup>8</sup> (21 134 556 255)**

The principal activities during the period were to provide cabin crew services.

**Qantas Freight Enterprises Limited<sup>8</sup> (55 128 862 108)**

The principal activities during the period were that of a non-operative holding company.

**Qantas Frequent Flyer Limited<sup>8</sup> (12 129 456 908)**

The principal activities during the period were that of a non-operative holding company.

**Qantas Frequent Flyer Operations Pty Limited<sup>8</sup> (22 132 484 210)**

The principal activities during the period were that of a non-operative holding company.

**Qantas Ground Services Pty Limited<sup>8</sup> (43 137 771 692)**

The principal activities during the period were to provide airline ground services.

**Qantas Group Accommodation Pty Ltd<sup>8</sup> (32 152 774 457)**

The principal activities during the period were that of an Online Travel Agent for hotels and selling flight and accommodation packages.

**Qantas Group Flight Training (Australia) Pty Limited<sup>8</sup> (45 128 258 677)**

The principal activities during the period were to provide flight training services.

**Qantas Group Flight Training Pty Limited<sup>8</sup> (29 128 258 104)**

The principal activities during the period were to provide flight training services.

**Qantas Information Technology Ltd<sup>8</sup> (99 000 005 372)**

The principal activities during the period were to provide information technology services.

**Qantas Road Express Pty Limited<sup>8</sup> (56 130 392 111)**

The principal activities during the period were to provide road transportation services carrying international air cargo.

**Qantas Ventures Pty Limited<sup>8</sup> (47 003 806 960)**

The principal activities during the period were that of an investment holding company.

**QF Cabin Crew Australia Pty Limited<sup>8</sup> (46 128 382 105)**

The principal activities during the period were to provide cabin crew services.

**QF A332 Leasing 1 Pty Limited<sup>8</sup> (11 100 511 813)**

The principal activities during the period were that of an aircraft leasing company.

**QF A332 Leasing 2 Pty Limited<sup>8</sup> (13 100 511 886)**

The principal activities during the period were that of an aircraft leasing company.

**QF BOC 2008-1 Pty Limited<sup>8</sup> (22 100 510 674)**

The principal activities during the period were that of an aircraft leasing company.

**QF BOC 2008-2 Pty Limited<sup>8</sup> (35 100 510 727)**

The principal activities during the period were that of an aircraft leasing company.

**QF Dash 8 Leasing No. 4 Pty Limited<sup>8</sup> (91 135 258 445)**

The principal activities during the period were that of an aircraft leasing company.

**QF Dash 8 Leasing No. 5 Pty Limited<sup>8</sup> (31 149 204 713)**

The principal activities during the period were that of an aircraft leasing company.

**QF Dash 8 Leasing No. 6 Pty Limited<sup>8</sup> (35 164 390 238)**

The principal activities during the period were that of an aircraft leasing company.

**QF ECA 2008-1 Pty Limited<sup>8</sup> (71 133 356 475)**

The principal activities during the period were that of an aircraft leasing company.

**QF ECA 2008-2 Pty Limited<sup>8</sup> (73 133 356 420)**

The principal activities during the period were that of an aircraft leasing company.

**QF ECA A380 2010 No.1 Pty Limited<sup>8</sup> (14 145 079 312)**

The principal activities during the period were that of an aircraft leasing company.

**QF ECA A380 2010 No.2 Pty Limited<sup>8</sup> (78 145 079 205)**

The principal activities during the period were that of an aircraft leasing company.

**QF ECA A380 2010 No.3 Pty Limited<sup>8</sup> (61 145 079 134)**

The principal activities during the period were that of an aircraft leasing company.

**QF ECA A380 2010 No.4 Pty Limited<sup>8</sup> (42 145 079 054)**

The principal activities during the period were that of an aircraft leasing company.

**QF ECA A380 2011 No.1 Pty Limited<sup>8</sup> (11 145 078 931)**

The principal activities during the period were that of an aircraft leasing company.

**QF ECA A380 2011 No.2 Pty Limited<sup>8</sup> (19 146 437 774)**

The principal activities during the period were that of an aircraft leasing company.

**QF EXIM B787 No.1 Pty Limited<sup>8</sup> (53 166 786 321)**

The principal activities during the period were that of an aircraft leasing company.

**QF EXIM B787 No.2 Pty Limited<sup>8</sup> (49 166 786 367)**

The principal activities during the period were that of an aircraft leasing company.

**Regional Airlines Charter Pty Limited<sup>8</sup> (21 147 543 806)**

The principal activities during the period were to provide passenger air transportation services.

**Sunstate Airlines (Qld) Pty. Limited<sup>8</sup> (82 009 734 703)**

The principal activities during the period were to provide passenger air transportation services.

**TAD Holdco Pty Ltd<sup>8</sup> (90 637 674 376)**

The principal activities during the period were that of a non-operative holding company (the Group's interest in this entity was acquired on 31 May 2022).

**Taylor Fry Holdings Pty Limited<sup>8</sup> (604 441 483)**

The principal activities during the period were that of an investment holding company.

**Taylor Fry Pty Limited<sup>8</sup> (29 087 047 809)**

The principal activities during the period were the provision of actuarial, financial modelling, statistical and analytics services to businesses and governments.

**Trip a Deal Holdings Pty Ltd<sup>8</sup> (97 617 898 263)**

The principal activities during the period were that of a non-operative holding company (the Group's interest in this entity was acquired on 31 May 2022).

**Trip a Deal Pty Ltd<sup>8</sup> (50 149 240 433)**

The principal activities during the period were providing online travel agent services, specialising in tour-based packages (the Group's interest in this entity was acquired on 31 May 2022).

**VII Pty Limited<sup>8</sup> (83 619 963 263)**

The principal activities during the period were that of an IT Service Provider for gift cards.

8 These entities are reporting entities for the purposes of the Australian Modern Slavery Act.

9 These entities are not reporting entities for the purposes of the Modern Slavery Act but have been included in this list in the interest of transparency.