

Cobham Aviation Services Australia

Modern Slavery Statement

Calendar Year 2020



1. Introduction & Reporting Entity

This joint statement constitutes the modern slavery statement for Cobham Aviation Services Australia Pty Ltd (**Cobham**) for the calendar year 1 January 2020 – 31 December 2020, covering all fully owned and operating subsidiaries and business units within Australia. Cobham supports the principles contained in the Universal Declaration of Human Rights and seeks to reflect these in the context of its business activities. This report confirms Cobham's position in respect of such matters and highlights the steps that are being taken to safeguard that there is a process to identify, address and minimise any slavery or human trafficking known to be taking place in the course of business activities.

2. Business Structure

Cobham's structure consists of a parent company; Cobham Aviation Services Australia, and a number of subsidiaries that operate two business units namely, Cobham Special Mission, and Cobham Regional Services ("**Cobham**"). Each business unit has its own leadership team and managing director who report into the chief executive. Until July 2020, Cobham also operated the Boeing 717 fleet on behalf of Qantas. These operations were conducted by National Jet Systems Pty Ltd ("**NJS**"), a former subsidiary of Cobham acquired by Qantas in July 2020. Cobham has continued to support NJS throughout 2021 as it transitions to a wholly owned subsidiary of the Qantas Group.

Headquartered in Adelaide, Cobham has a national footprint, operating out of metropolitan centres and regional bases and employing more than 800 people across Australia. Cobham Aviation Services Pty Ltd is a major provider of contract aviation services in Australia. Its Special Mission business unit provides aerial border surveillance and search-and-rescue operations spanning the Australia's exclusive economic zone and search-and-rescue region under contract with the Australian Government. The Regional Services business unit provides closed charter (fly-in, fly-out) services to remote sites in support of mining, oil and gas projects, a small closed charter operation also operating in Papua New Guinea, and outsourced freight services for Qantas. Cobham's engineering functions supports the line and base maintenance of its Regional Services and Special Mission aircraft fleet in various locations around Australia.

Cobham's aircraft fleet includes a range of aircraft types including, Embraer 190, BAE 146, Avro RJ100, Avro RJ85, Bombardier Challenger CL604 and Bombardier Dash 8s.

3. Operations, Supply Chains and The Risks of Modern Slavery

Cobham utilise approximately 1,000 suppliers in support of the operational activity, these are categorised into;

- 1) direct suppliers (aircraft parts and components) and
- 2) in-direct suppliers (non-aircraft materials and services).

The procurement activity is managed and controlled utilising a single ERP system, where suppliers are loaded, controlled and integrated with Cobham's finance team.

Direct Suppliers

Cobham's annualized spend with its direct suppliers is in excess of \$150M, with approximately 40% spend within Australia. This direct spend accounts for 45% of Cobham's total spend, utilising approximately 350 suppliers with the majority of these being Original Equipment Manufacturers (OEMs) and approved maintenance repair and overhaul facilities of aircraft parts and components.

These suppliers are mostly located in North America, Western Europe, Singapore and Australia. Cobham's direct suppliers are governed by international aviation regulatory and industry quality standards which are subject to established audit schedules and regulatory reviews.

In-Direct Suppliers

Cobham's in-direct spend accounts for the remaining 55% of Cobham's total spend, utilising approximately 650 suppliers. Of that spend, around 45% is spent with aviation centric multinational companies supplying industry services and products such as fuel, aircraft leasing, airline travel and pilot training services which are subject to the same industry standards as Direct suppliers. From the remaining 55% of spend 70% are Australian based suppliers. These are business consumables and supplies for the running of a large national and geographically diverse aviation business.

Cobham is yet to find any indication of modern slavery risks through operations and supply chain, but acknowledges a greater risk exposure within its in-direct spend in areas such as textiles, i.e. uniforms, face masks and paper-based consumable products.

4. Measures for Controlling, Assessing and Addressing the Risks

Cobham assesses modern slavery risks through both internal operations and external supply chains using the major modern slavery risk indicators stated within the Commonwealth Modern Slavery Act 2018 Guidance for Reporting Entities.

Internal Assessment – Cobham Aviation Services Australia Operations

Cobham identifies and assesses potential modern slavery risks within its organisation by means of business wide training programs, whistleblowing and grievance mechanisms.

Cobham's utilises an internal training system, which is updated on a regular basis. Every Cobham employee completes modern slavery and grievance training upon employment commencement and is also completed by long term contractors that Cobham engages. This reduces the risks of any modern slavery occurrences and generates awareness within the Cobham group.

Cobham uses a whistleblowing reporting hotline "Your Call" which has the capability to receive anonymous disclosures about any wrongdoings or inappropriate practices, and promotes business integrity and transparency by providing employees with a confidential reporting avenue where concerns of modern slavery risks may be raised.

External Assessment – Cobham Suppliers

Cobham identifies and assesses modern slavery risks identifiers of its suppliers through a questionnaire included in the supplier assessment form during the onboarding of new suppliers or renewal of existing suppliers. The scope of the questionnaire includes:

- i. **Supplier Identification** – general business information such as business name, address, key personnel, banking details, ABN / DUNS.
- ii. **Workforce Diversity** – information regarding the total number of employees and details regarding both female and/or indigenous ownership and small to medium enterprise (SME).
- iii. **Policy and Supply Chain Practices**– requires the supplier to acknowledge and disclose policies in place that includes bribery and corruption, universal declaration of human rights, conflict minerals, human trafficking and modern slavery that covers the identification and management of modern slavery risks within the company's supply chain.

Should Cobham identify any risk indicators of modern slavery across its supply chain through the supplier initial onboarding or renewal process or indeed during the ongoing operations, Cobham will conduct further investigation.

5. Effectiveness of the Measures

Cobham is yet to identify any modern slavery concerns through its operations or its supply chain. Cobham's process of conducting business, including operations and supplier management, is mandated and monitored by Cobham's safety and quality, regulatory and ISO requirements. These measures allow identification of modern slavery concerns through internal reporting and subsequent actions based on any findings.

Cobham has a modern slavery working group that consists of the Head of Logistics from each business unit, the Strategic Procurement Director of Special Mission, who until recently was responsible for all of Cobham's procurement activities and the Head of Legal for Special Mission ("**Working Group**"). The Working Group meet quarterly to discuss the modern slavery reporting requirements and address any potential risk. This ensures that each business unit works together to address any modern slavery risks and collaboratively implements or will amend relevant policies and procedures that are required under the Commonwealth Modern Slavery Act 2018.

In terms of the effectiveness of the measures put in place by HR, the internal training results are logged within a database, so that a record of any reports, resolution that follow, and their effectiveness, are kept for future reference. The "Your Call" whistleblowing mechanism also has turnaround times put in place to measure its speed, ease and its effectiveness when it comes to the reporting of any perceived modern slavery risks.

Cobham remains focused and adaptive to all of the requirements of managing suppliers with now the inclusion of measuring and reporting any modern slavery findings in accordance with the guidelines of the Commonwealth Modern Slavery Act 2018.

6. Process of Consultation

Each Cobham business unit has an important part to play in assessing and addressing modern slavery risks within its operations and supply chains. This joint statement has been prepared in consultation with each reporting Cobham entity within the Cobham group.

The consultation process involved engagement from each the representatives of each business unit within the Working Group. The Working Group also consulted with Human Resources to assess the potential risks and measures imposed by Cobham within its Human Resources function.

The overall governance and approval of the statement was assessed and approved by the Managing Director of each business unit before ultimately being approved by Cobham's executive leadership team.

7. Conclusion

Cobham understands that there are some countries in which its supply chain operates that pose a level of risk to modern slavery as evidenced by the employee training modules, anti-slavery and human trafficking policies, and through direct and indirect supplier assessments. Cobham is currently taking steps to ensure that there is awareness and measures in place to address any identified risks across its businesses.

Cobham recognises that due diligence needs to be continuously applied and awareness and training programs improved and adapted to combat the ever changing and ever-present issue of human trafficking and modern slavery.

Endorsement

This Statement is made pursuant to the Commonwealth Modern Slavery Act 2018, and constitutes the modern slavery statement for Cobham Aviation Services Australia Pty Ltd, as well as all fully owned entities within Australia, for the calendar year 1 January 2020 – 31 December 2020.

This joint statement was approved by the Board of the Directors of the reporting entities on 6 July 2021 and is duly signed by:



John Boag

CEO – Cobham Aviation Services Australia
Director – National Jet Express Pty Ltd



James Woodhams

Managing Director – Special Mission
Cobham SAR Services Pty and Surveillance Australia Pty Ltd