



rex.



# Modern Slavery Statement 2023

Regional Express Holdings Ltd

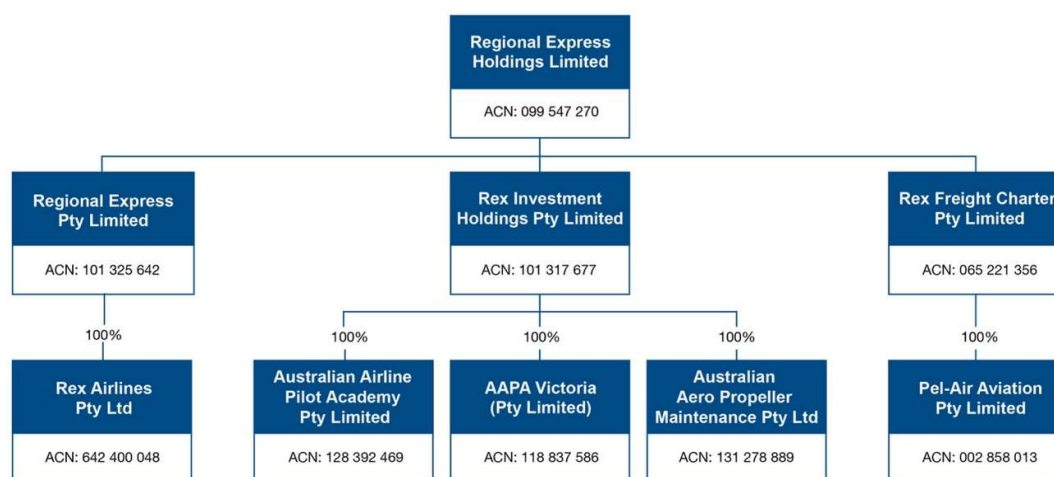
30 June 2023

## Business Structure and Supply Chain

### Rex Group

This joint Statement was prepared by Regional Express Holdings Ltd ACN 099 547 270 and covers the reporting period 1 July 2022 to 30 June 2023. Regional Express Holdings Ltd is the parent company with eight (8) subsidiaries as outlined below and with a consolidated revenue of 643 million for Financial Year 2023.

All Rex subsidiaries are wholly owned.



- **Regional Express Holdings Limited**

Formerly known as Australia Wide Airlines Limited, Regional Express Holdings Limited was incorporated on 12 February 2002, and is listed on the ASX. It is the holding company of the subsidiaries.

- **Regional Express Pty Limited**

Previously known as Australian Express Airlines Pty Limited, this arm was incorporated on 11 July 2002. It operates the business of the airline Regional Express (Rex). It also holds the Air Operator's Certificate to conduct the company's airline and charter activities as well as the Certificate of Approval to undertake aircraft and aircraft component maintenance and overhaul.

- **Rex Airlines Pty Limited**

Rex Airlines Pty Limited was registered on 6 July 2020 as part of Rex's domestic expansion plans. Rex Airlines Pty Ltd issues tickets on behalf of Regional Express Pty Limited.

- **Rex Freight & Charter Pty Limited**

Previously Hazelton Air Charter Pty Limited, this subsidiary was incorporated on 22 June 1994. It is the company which holds the 100 percent investment shareholding in Pel-Air Aviation Pty Limited.

- **Pel-Air Aviation Pty Ltd**

Pel-Air Aviation Pty Ltd (Pel-Air) was incorporated in 1984 and has evolved to become a successful and leading air charter company with a niche in Fly In / Fly Out charters, Air Freight charters, Corporate Jet charters and Aeromedical transport.

Pel-Air became a wholly-owned subsidiary of Rex in June 2007.

Pel-Air now employs about 80 personnel with operational and maintenance facilities in Adelaide SA, Brisbane QLD, Melbourne VIC and Sydney NSW.

Pel-Air currently has a fleet size of 15 aircraft, consisting of Saab 340, Westwind 1124, Learjet 35/36 and Beechcraft King Air B200C aircraft types. Pel-Air also has access to over 50 Saab 340 aircraft owned by Rex.

- **Rex Investment Holdings Pty Limited**

Incorporated on 10 July 2002, this subsidiary, previously known as Country Express Pty Limited, holds investments.

- **Australian Airline Pilot Academy**

The Australian Airline Pilot Academy (AAPA) was established in 2007 to offer an intensive training program which enables students to graduate with a Commercial Pilot Licence, Multi-Engine Rating, and Instrument Rating; amongst other training programs that cater to the needs of the parent company as well as other airlines. Originally located in Mangalore, Victoria, AAPA was relocated to Wagga Wagga, New South Wales, in April 2009.

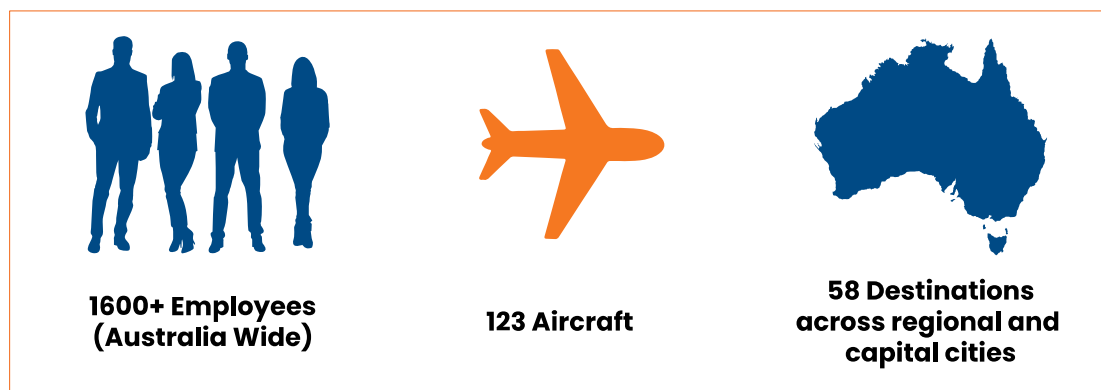
AAPA is a Registered Training Organisation (RTO) and accredited to conduct pilot training in Australia to local and overseas students and deliver nationally recognised diplomas in aviation to its graduates. AAPA is approved by the Civil Aviation Safety Authority (CASA), the Civil Aviation Authority of Vietnam (CAAV) and the General Civil Aviation Authority (GCAA-UAE), as well as an approved supplier to Vietnam Airlines.

- **AAPA Victoria**

AAPA Victoria (AAPAV), located at Ballarat, Victoria, is a pilot academy founded over 10 years ago to provide airline cadet pilot training for global carriers. AAPAV was acquired by the Rex Group on 19 November 2019. In addition to being accredited by the Civil Aviation Safety Authority of Australia (CASA), AAPAV is also accredited by the Civil Aviation Authority of China (CAAC) and the Civil Aviation Authority of Singapore (CAAS).

- **Australian Aero Propeller Maintenance Pty Ltd**

Australian Aero Propeller Maintenance (AAPM) is a large propeller Maintenance Repair Organisation for both composite and metal propeller systems located in Victoria. It holds CASA/EASA approvals.



Data as 30 June 2023

## Supply Chains

Rex's supplier requirements are specific to the aircraft industry and cover items such as aircraft parts, clothing and consulting services, and sourcing products and services from over 2500 suppliers locally and 1000+ internationally either on a one-off basis or regularly. We source from over 19 countries, with the United States of America being Rex's main international country for goods and services.

Countries:

- USA
- Philippines
- UAE
- Czech Republic
- Thailand
- Germany
- Australia
- UK
- China
- Canada
- Papua New Guinea
- Sri Lanka
- Vietnam
- Poland
- Spain
- Hong Kong
- Indonesia
- Malaysia
- New Zealand

## Risks

While Rex focused on the assessment of our international suppliers this financial year, Rex is committed to assessing, identifying and eliminating all forms of modern slavery across all its supply chains locally and internationally. It is understood that the employment of vulnerable workers, recruitment practices, type of work and conditions of work are multiple factors that contribute to the risk of modern slavery.

Rex has identified and assessed potential risks of modern slavery by utilising the Global Slavery Index risk factors, considering geographical location and industry.

It was determined that out of our international suppliers based on geographical location only, twenty-four fell into the medium or high risk category.

Rex expects all suppliers to ensure alignment with the international standards for human rights and applicable modern slavery laws, and further report any instances they become aware of that may contravene the laws.

The procurement activity is managed through and controlled using the finance system, where suppliers are loaded, controlled and integrated. The aviation industry is a highly regulatory platform meaning that many of our overseas suppliers are governed by international aviation regulatory standards, meaning they are audited and subject to reviews.

As part of its review so far, Rex has not discovered any concerns around modern slavery in the parts of the business that purchases parts, general products or engages consulting or use of facilities but acknowledges that further due diligence is required to dive deeper into the supply chains internationally and conduct reviews of the local chains, with either it being via direct or indirect suppliers.

AAPA Victoria Pty Ltd and Australian Airline Pilot Academy in Wagga Wagga is an educational facility for local and international students and provide a service of training engaging resources locally under Australian Industrial Instruments, therefore does not present any modern slavery risk.

## Actions | Assessing and Addressing the Risks

### External Measures

#### Questionnaires

For this financial year, Rex developed two questionnaires which are to be issued based on risk factor and/or expenditure.

For organisations that Rex spend more than \$200,000 per year, and/ or the risk rated as medium to high on the risk profile they are to receive the detailed questionnaire.

This questionnaire requests information on:

<b>Supplier Information</b>	general information about the business.
<b>Worker Diversity</b>	total number of workers (male or female), including permanent, seasonal, contract or through agencies and/or outsourced labour companies.
<b>Modern Slavery Response</b>	policies, due diligence, practices and processes around child labour, employment conditions, supplier chain management, forced labour, bonded labour, human trafficking, grievance and redress mechanisms

For organisations that Rex spends less than \$200,000 per year and the risk factor is rated lower than medium, they are to receive a short questionnaire.

This questionnaire requests information on:

<b>Supplier Information</b>	general information about the business
<b>Worker Diversity</b>	total number of workers (male or female), including permanent, seasonal, contract or through agencies and/or outsourced labour companies.
<b>Modern Slavery Response</b>	policies, practices and due diligence on modern slavery.

The questionnaire responses are reviewed and where Rex identifies any risk indicators of modern slavery it will investigate further.

### **Know Your Customer**

Rex created a "Know your Customer" Policy. The objectives of this policy are:

- 1) to reduce the risk of working with Stakeholders that may be involved in money laundering, terrorist financing, drug and human trafficking, corruption, bribery and other activities that the Board may from time to time designate as strongly objectionable; and
- 2) to enable Rex Group to know and understand its Stakeholders and their financial dealings better which, in turn, will allow the Rex Group to manage its risks.

For the purposes of this policy, a Stakeholder is defined as a company or entity that has a business relationship with the Rex Group or any other relationship that could have a reputational damage on the Group.

### **Internal Measures**

The internal measures were as follows:

As part of the Rex Group Code of Conduct it is the duty of all employees, agents, contractors to report actual, potential or suspected breaches of law. Rex established a whistleblower mechanism where individuals can report a disclosure anonymously if desired through to the Company Secretary and they will be protected and where reporting unacceptable behavior has been done in good faith.

Rex established a Modern Slavery Statement/Policy which was provided as part of Rex's tenders to demonstrate our commitment to prospective customers.

The Board and Senior Management were briefed on the Company's Modern Slavery obligations.

## Effectiveness of Measures

Rex was not able to identify any modern slavery risks as yet through the questionnaire process and did not receive any reports as part of the whistleblowing mechanism. The questionnaires when completed, provided insight into the organisations modern slavery practices, but there were challenges with ensuring the questionnaires were returned.

To increase the number of responses the following actions will be undertaken:

- 1) Investigate an automated system for the dissemination of the questionnaires and collection of responses and;
- 2) Introduce the questionnaires when assessing new suppliers.

As part of next Financial Year's commitment to eliminating the risk of modern slavery will carry out the following actions in addition to the above:

- 1) Modern slavery on-line training module for individuals responsible for procurement including accounts employees. The training to cover:
  - What is modern slavery
  - Impact of modern slavery
  - Processes for risk rating
  - Procedure for reporting concerns, including whistleblower mechanism.
- 2) Clauses in purchasing contracts regarding Rex's expectations around modern slavery.
- 3) Establishment of a working group to assess modern slavery responses and investigate further if required.
- 4) Establishment of a modern slavery risk register.
- 5) Re-educate staff on the Rex Group Whistleblower reporting mechanism.

## Consultation

The Board who represents the Rex Group and the Management Committee Members who are the relevant leaders of the respective business units were provided with information and consulted during the quarterly board meetings leading up to this joint Modern Slavery Statement. Activities associated with assessment, identification and management of modern slavery will continue to be presented to the Board as tabled in the agenda.

The business will continue to consult with employees responsible for procurement of goods and services, and those individuals assigned to the working group.

This statement was assessed and approved by the Board.

## Conclusion

Rex recognises the importance of developing a greater understanding of the factors and indicators which play a part in the risks of modern slavery and therefore is committed to working towards the introduction of further policies and practices around the assessment, monitoring and education of modern slavery; delving deeper in to the local direct and indirect supply chains.

## Endorsement

This joint statement is made in accordance with the Modern Slavery Act and represents the statement for Regional Express Holdings Ltd and its' fully owned subsidiaries for the reporting period 1 July 2022 to 30 June 2023 approved on 28 November 2023.

This joint statement was approved by the Board for Regional Express Holdings Ltd and subsidiaries and is duly signed by:

A handwritten signature in blue ink, appearing to read 'N. Howell', written over a horizontal line.

Neville Howell  
Chief Operating Officer