

Qantas  
Modern Slavery and  
Human Trafficking  
Statement  
2021





## CEO FOREWORD

Qantas has long shown leadership on important social issues, including doing business responsibly so that we protect the people, communities and environment in which we operate and in our supply chains. Taking action to address modern slavery is a core element of this and our commitment to uphold human rights.

FY21 has been the most challenging period of operations in our 100 year history, and while the widespread impact of the pandemic has slowed our progress to advance some continuous improvement initiatives to address modern slavery, it has not weakened our commitment.

As Australia and the world move to reopen, we are committed to further strengthening our modern slavery response. During FY22, our key priorities include enhancing our modern slavery risk assessment and due diligence framework, re-establishing our modern slavery training program and further ensuring our remediation processes are trusted and accessible.

At Qantas, we hold ourselves to high standards in everything we do and seek to give others the information to evaluate our performance against those standards. Consistent with this, we look forward to continuing to build on our response to modern slavery, communicating our progress, and helping drive meaningful change within the aviation sector to address modern slavery risks.

I am pleased to present this Statement, which was approved by the Qantas Board on 10 December 2021.

**Alan Joyce**  
CEO Qantas Group  
10 December 2021



### KEY AREAS OF ACTION IN FY21

- Reviewed our human rights risk triggers, weighting and assessments to ensure they were reflective of increased vulnerabilities in global supply chains and changed risk profile arising from the pandemic.
- Assessed human rights risk indicators in our new and recontracted supplier relationships, including the assessment of Personal Protective Equipment (PPE), and Safety and Medical goods and service providers as part of our response to the pandemic.
- Updated our Code of Conduct and our Human Rights Policy Statement.
- Further strengthened our management of modern slavery 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 operations and supply chains.

## 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) and 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 2021 (FY21).

This Statement is submitted by Qantas Airways Limited (Qantas) as a joint statement on behalf of Qantas and its subsidiaries and related bodies corporate (Qantas Group) deemed to be reporting entities under the MSA. This includes reporting entities which are wholly owned subsidiaries, as well as other entities which Qantas has control of under the Australian Accounting Standards. A list of the reporting entities covered by this Statement 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 human rights consultancy firm. It was subsequently endorsed by the Group Chief Executive Officer and Group Management Committee. 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 (acting as a higher entity under section 14(2)(d)(ii) of the Australian MSA) on 10 December 2021, and is signed by the Chief Executive Officer of the Group, a Director of the Qantas Board as required by the Australian MSA and UK MSA.

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## 1. INTRODUCTION

This is the Qantas Group's second Statement under the Australian Modern Slavery Act and our sixth Statement in line with the requirements of the UK Modern Slavery Act.

This Statement sets out our approach and actions to manage modern slavery risks in our global operations and supply chains throughout FY21. In this context, it also outlines the devastating impact of COVID-19 on our operations and our response to the crisis, which impacted almost every aspect of our business. This included an impact to both our supply chain assurance program, which saw an increased focus on managing new risks emerging from the need to source large amounts of personal protective equipment from a range of suppliers, and our broader modern slavery program which saw our planned continuous improvement initiatives slowed or stopped due to the crisis. We also outline our plan for continuous improvement going forward.

Our actions to assess and address modern slavery risks support our commitment to respect human rights, in line with the UN Guiding Principles on Business and Human Rights (UNGPs). Modern slavery involves grave breaches of human rights and includes a range of serious exploitive practices, such as slavery, servitude, forced labour, forced marriage, the worst forms of child labour, debt bondage, deceptive recruiting for labour or services and human trafficking.

The Group remains committed to collaboration, consultation and meaningful engagement with government and non-government organisations (NGOs), and with our industry peers to share knowledge, discuss good-practice approaches, and build on lessons to address the increasing complexity of modern slavery risk. We are also committed to evolving our broader work to respect human rights, including by continuing to evaluate our processes and practices against the UNGPs and other relevant human rights standards, and implementing changes where required.

### HOW DOES OUR 2021 STATEMENT BUILD ON OUR 2020 STATEMENT?

We are committed to continually improving both our modern slavery risk management and our approach to reporting under the MSA. We have taken a number of steps to strengthen the quality of our 2021 statement, including:

- Providing additional information about our operations and supply chain to help explain our modern slavery risk profile;
- Expanding our description of modern slavery risks to more clearly explain potential risk areas in our operations and supply chains;
- Including case studies about supplier due diligence to provide a practical insight into our actions to manage modern slavery risks;
- Detailing our approach to assessing the effectiveness of our actions; and
- Providing a detailed overview of our approach to consultation with our owned or controlled entities in addition to the reporting entities covered by this Statement.

## 2. OUR STRUCTURE, OPERATIONS AND SUPPLY CHAINS

The COVID-19 pandemic had a devastating impact on our operations and supply chains during FY21. More information about the extent of these impacts and how we worked to manage them is set out in section 8, Navigating the Recovery & Looking Forward.

### STRUCTURE & OPERATIONS

Qantas (the Group parent) 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; and
- 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 and cleaning services and other operational airline support services.

### IN FY21

**124,740**

Qantas domestic passenger flights

**1,910**

Qantas flights to or from Australia

**43,265**

Jetstar domestic passenger flights

**8,646**

Jetstar flights to or from Australia, inclusive of NZ domestic flights

**2,622**

Jetstar Asia passenger flights

### DURING THE PANDEMIC

**400**

Flights to repatriate Australians and maintain vital links with pacific island nations and Timor-Leste

**30,000**

Australian who have returned home on Qantas repatriation flights

**18 million**

Kilograms of Australian exports including fresh milk and abalone to China, beef and cheese to Japan, fruit and veggies to Thailand, and lobsters and flowers to the USA

**2,000+**






Freight flights operated, helping support more than 1300,000 jobs in export industries

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

In addition to the core business of transporting passengers, the Group’s broader portfolio of business operations include freight and road transport (road transport within Australia only), frequent flyer and business rewards programs and online retail. The Group also has interests in associated businesses, including an online booking platform for holiday and travel and Taylor Fry, a data analytics and actuary consultancy firm.

The following table provides more information about our key operations and brands.

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

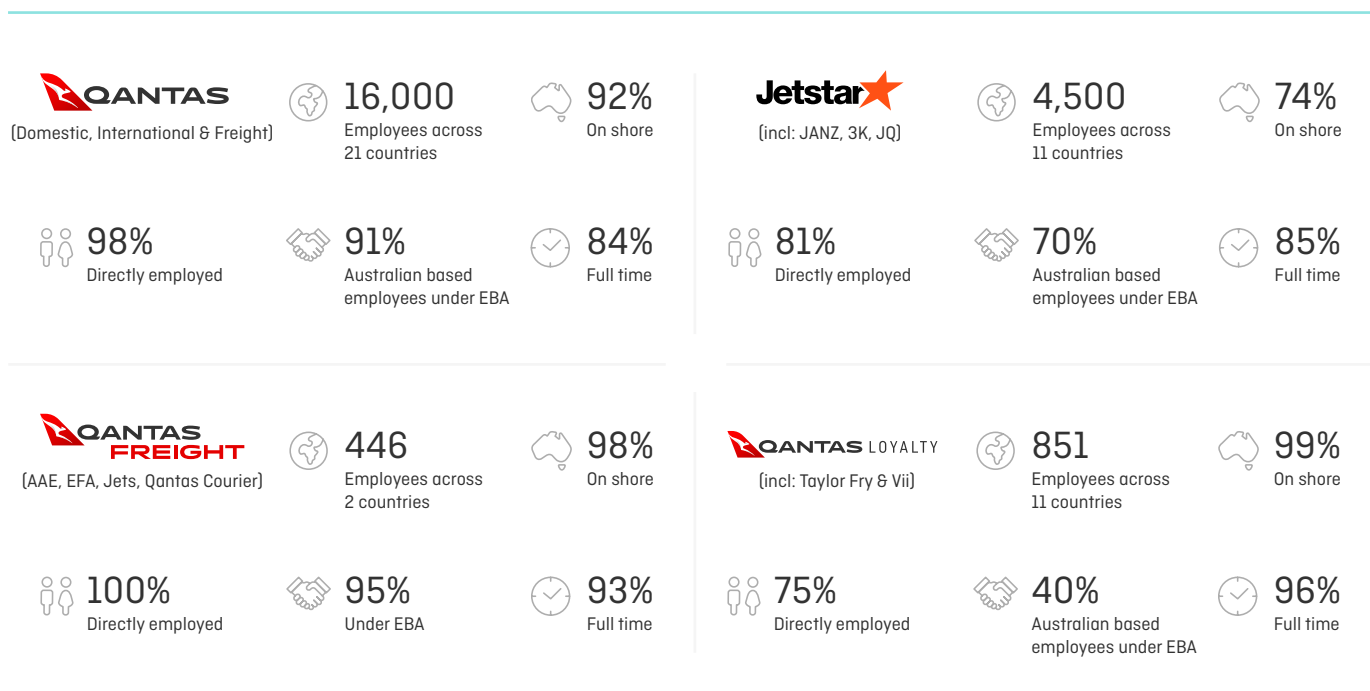
Operations	Overview	Brands
Airline	The Qantas Group’s main business is the transportation of customers using two complementary airline brands – Qantas and Jetstar. Our airline brands operate regional, domestic and international passenger services from our bases in Australia, New Zealand and Singapore	
Loyalty	Our Loyalty program undertakes activities connected to earning or using Qantas Points, such as Qantas Wine, Qantas Store, Qantas Hotels and Holidays, Qantas Insurance and Money, Qantas Business Rewards, Retail Partnerships (eg: Woolworths, BP, Uber). Most of these operations are in Australia, but some activity occurs in New Zealand	
Freight	Qantas Freight is Australia’s largest independent air freight services business, shipping more than 4000 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.	
Associated Businesses	Both Vii Pty Ltd and Qantas Group Accommodation Pty Limited (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. Our customers are mostly Australian based, but with some transactions occurring in the UK, US, New Zealand and Japan.	
Group Business Units	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 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 support teams located in New Zealand, Singapore, Japan, USA and the UK.	

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

The Group is headquartered in Sydney, with the key hubs for our airline business located in Australia, New Zealand, Singapore, the United Kingdom and the United States. 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.

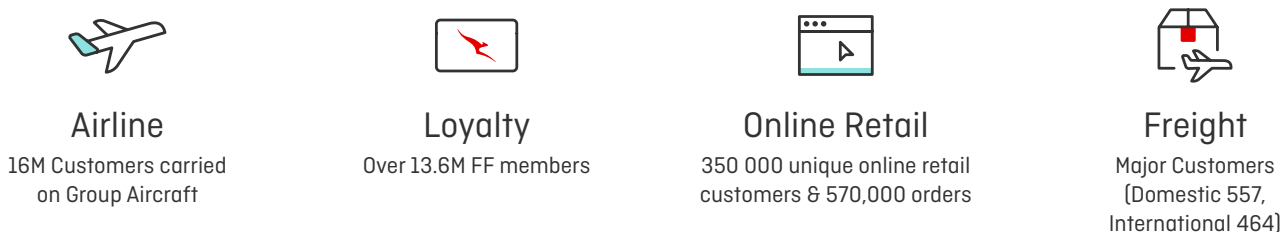
Our global workforce consists of 22,000 employees across 21 countries<sup>1</sup>, of which 95% are directly employed by a Group entity, either by an individual contract or under enterprise agreements and in accordance with relevant national employment legislation. Within Australia, 81% of our employees hold operational roles such as pilots, cabin crew, engineering and maintenance, customer service, freight operations, and safety. The remaining 19% of our employees are in office-based roles providing operational support in areas such as aircraft load control, meteorology, flight planning services and delivering 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 that the Group has with specialist providers, for which we are one of many clients. These indirect workers include contractors, contingent and outsourced labour hire resources that support our business in areas such as cabin crew, ground handling, baggage services, catering, cleaning and security services and IT and payroll services.



### 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 and include our loyalty and freight corporate customers and online retail customers. We also hold contracts with the Government and their agencies to provide various services. For example, throughout FY21, the Australian Government commissioned Qantas to conduct various charter operations in order to bring Australians home, and our Freight business operated more than 1500 international freight flights, keeping key air freight routes open to support our export industries and share medical aid with our neighbours.



1. This number is correct as of the end of the reporting period 31 July 2021.



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

### SUPPLY CHAIN

The Group procures services, goods for resale, and goods not for resale through 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. Our centralised Group Procurement team lead the strategic sourcing, supplier assessment 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.

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.

Additionally, the Group has a majority shareholding in Taylor Fry – an actuarial and data analytics firm – but does not have operational or day-to-day control of that entity. Accordingly, Taylor Fry is not subject to Group policies and procedures, and therefore does not procure through the Group Procurement function.<sup>2</sup> Taylor Fry operates in both Australia and New Zealand and its main categories of procurement spend are IT, property/rent, office costs and professional consultancy services, with 93 percent of supplier spend occurring in Australia and New Zealand. Work is underway for Taylor Fry to introduce a bespoke ethical sourcing policy and to integrate elements of the Group’s due diligence processes into their sourcing activity to identify, prevent and mitigate potential modern slavery risks.

With the onset of COVID-19 in early 2020, the majority of our operations were largely suspended during the last quarter of FY20 and for much of FY21. It follows that our sourcing activity, supplier spend, and global supply chain footprint has reduced proportionately.

Pre-COVID-19 our global supply chains consisted of approximately 10,000 direct suppliers. In FY21 we worked with just over 5,000 suppliers who provided goods and services across a range of categories to support our operations. Our spend across these suppliers was highly concentrated, with 77% of our total spend during this period occurring with our top 100 suppliers and 95% of our spend with our top 500 suppliers. This concentration of spend with a smaller number of suppliers supports us to build strong, long-term relationships with key suppliers, which can assist us to better understand a range of risks associated with our supply chains.

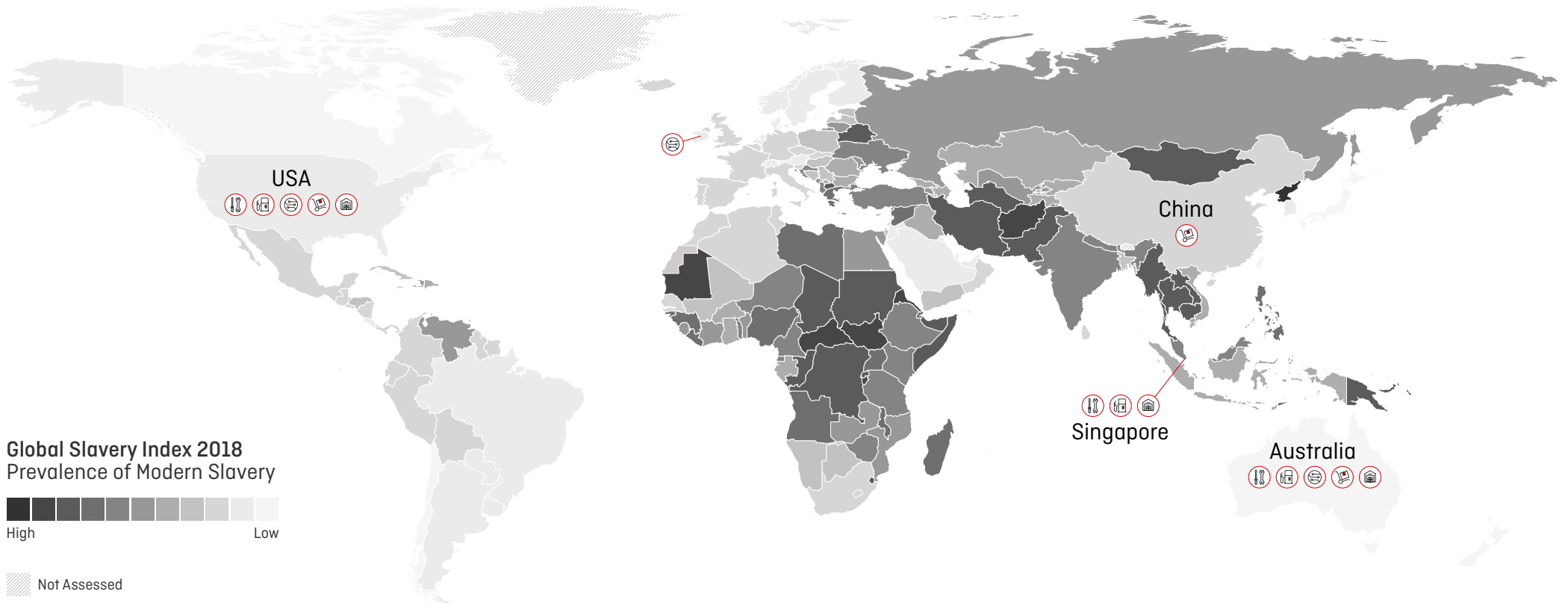
In addition to the change in supplier numbers, COVID-19 also drove changes to the types of goods and services we procured. For example, while our procurement spend categories remained similar to FY20 we significantly increased our procurement of cleaning services and products such as masks and gloves to respond to COVID-19 specific requirements.

Reflective of the dramatic change in our operations, the key categories of procurement spend for this period were associated with running our core business activity.



2. Modern slavery risks relevant to Taylor Fry, including the procurement of ICT equipment, are included in the description of risks for the Group set out in section 3 of this statement. Taylor Fry does not currently assess the effectiveness of its actions to manage modern slavery risks separately to the Group.

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



**Total Spend**  
\$4.2B



66% of total spend in Australia<sup>3</sup>



21% Aircraft equipment and maintenance  
Key sourcing countries: USA, Singapore, Australia



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



77% Spent with the top 100 suppliers



17% Fuel  
Key sourcing countries: Australia, USA, Singapore



7% Property  
Key sourcing countries: Australia, USA, Singapore



95% Spend with the top 500 suppliers



9% Information & Communications Technology  
Key sourcing countries: Australia, USA, Ireland

















39% Other  
Spend categories outlined in the following table

3. 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 where the product or service is sourced from.



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

Table 2: Our Key Categories of Procurement Spend

<p><b>21%</b></p> <p> <b>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</p>	<p><b>17%</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>9%</b></p> <p> <b>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>7%</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 &amp; 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>39%</b></p> <p> <b>Food &amp; Beverage</b></p> <p>The Food and Beverages Category refers to any food or drinks consumed by Qantas customers within aircraft, and the full scope of Qantas Lounge Management services.</p>	<p> <b>Corporate Goods &amp; Services</b></p> <p>Corporate Goods and Services refers to products and services used by Qantas staff for corporate use in offices and outside for general day to day operation, such as uniforms and clothing, office supplies 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 Qantas 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 ones.</p>
<p> <b>Travel, Accommodation &amp; Entertainment</b></p> <p>Travel covers varying needs of employees, customers and crew for Qantas related travel.</p>	<p> <b>Fleet Procurement</b></p> <p>Fleet Procurement relates to the purchasing and hire of aircraft fleet for use by Qantas to fly customers to their respective destinations.</p>	<p> <b>Loyalty Costs</b></p> <p>This category relates to costs associated with fulfilling customer orders associated with 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 Qantas for banking and corporate finance, aviation charges faced by airlines for their operations including overflight and route navigation charges, carbon offset transactions and miscellaneous spend.</p>	

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

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 work to proactively identify potential modern slavery and broader human rights risk areas across our global operations and supply chains.

In line with the UNGPs, we understand ‘modern slavery risks’ as meaning the potential for our business to cause, contribute 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. The breakout box below 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.

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 also understand that our modern slavery risk profile is continually evolving, including due to impacts related to COVID-19. For example, we increased our spend on PPE, which can have high modern slavery risks due to the raw materials used, as well as evidence of poor working conditions in manufacturing facilities. Further detail on how we mitigated this risk is outlined in our case study on page 19. More broadly, the impacts of COVID-19 have increased the vulnerability of global supply chain workers to modern slavery and other forms of labour exploitation, which we acknowledge may also affect our exposure to modern slavery risks.



#### 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 by requiring offshore contractors providing services to it to reduce costs to a level that could only be sustained by using exploited 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 loyalty program may be *directly linked* to modern slavery though the procurement of electronic products for its online rewards store manufactured by a supplier using materials produced using forced labour in those electronic products.

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 CHAIN (CONTINUED)

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

The table below 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.


Table 3: Potential Modern Slavery Risks in our Operations and Supply Chain

### 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 to transport modern slavery victims internationally or within countries. While travel restrictions associated with the COVID-19 pandemic are likely to have greatly reduced this risk during the reporting period, we recognise that this risk area will increase as travel resumes.

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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 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. Approximately 3% of our total procurement spend relates to goods for resale, including products such as electronic devices, homewares and textile products for retail through our online rewards store. While we undertake due diligence of our suppliers, we recognise modern slavery risks in the supply chains of certain products can be challenging to identify and address.

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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 19% of our total procurement spend in FY21 and the breakout box on the following page provides more detail about this risk area.

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



This table does not identify any modern slavery risks relating to our employees, as we consider our direct workforce to involve a negligible risk of modern slavery, which is effectively mitigated by our existing 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, with or without third parties and the Group has established channels for engaging with respective unions. There are approximately 57 industrial instruments across the Group and representation from 16 unions.

While we do not consider our engagement of employees to present modern slavery risks, we acknowledge the impact of COVID-19 on our employees, including as a result of employee furloughs or stand downs. In FY21, as a consequence of unprecedented events around the world, airlines globally experienced a dramatic decline in traveller demand. Additionally, the imposition of international and state border closures in Australia meant our operations were largely brought to a standstill. Faced with that stoppage of work outside of the Group's control, and with the aim of preserving as many post-pandemic jobs as possible, we made the very difficult decision to stand down around two thirds of our (then) 30,000 strong workforce. While employees continued to have access to accrued annual leave, were given support to find secondary employment and received crucial income support from government programs, we acknowledge the broad impact of this decision on both our direct and indirect workers across our global operations.



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

**Table 4: This table depicts the categories of products and services that we procure which we have assessed as a potential higher risk of modern slavery**

Product /Service Category	Example of Product or Service	% Total Spend	Primary Country of Spend	Source Country in F21 may include	Common Forms of Modern Slavery
 ICT	IT and Communications hardware and support desk services	9%	Australia, USA, Ireland,	India, Philippines	forced labour, bonded labour, migrant labour exploitation
 People	Contractors/Contingent labour	4%	Australia, South Africa, Hong Kong	Thailand, Indonesia, South Africa	excessive overtime, bonded labour
 Food & Beverage	Catering – inflight and lounges	4%	Australia, Singapore, USA	India, China	forced labour, bonded labour, migrant labour exploitation
 Corporate Goods & Services	Apparel – uniforms for pilots, cabin crew, ground staff, engineering, freight & other  General Merchandise – promotional products eg: model aircraft	1%	Australia, USA, Singapore	Indonesia, China,	excessive overtime, bonded labour, forced labour, migrant labour exploitation
 Inflight Goods & Services	Customer products: amenity kits, pyjamas, blankets, pillows, headsets	1%	Australia, Hong Kong, USA	China, Malaysia, Indonesia	excessive overtime, bonded labour, forced labour, migrant labour exploitation



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

We seek to proactively 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 also 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 actions to assess and address modern slavery risks in our operations and supply chains are based on five key foundations:

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

Our work across these five foundation 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. In FY21, with the majority of our employees stood down, we were unable to fully deliver our planned modern slavery continuous improvement initiatives. However, in recognition of the importance of managing potential risks of modern slavery, our Business Integrity and Compliance function continued to deliver our human rights risk assessment, due diligence, mitigation remediation and monitoring programs across our supply chains.

### 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, our procurement policy, our whistleblower policy our supplier code of conduct and ethics and supplier requirements.

### 2 Training & 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 & Due Diligence

The group takes a proactive approach to identifying and eradicating modern slavery risk from our operations and supply chain. 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 chain. 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 & Stakeholder Engagement

Collaboration with our suppliers, our business partners, 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 provides opportunities for shared learnings 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 business and supply chain. 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 where 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, including by providing a clear structure for accountability.

The Group's Business Integrity and Compliance function, reporting to the General Counsel and Group Executive, Office of the CEO, is responsible for the development and implementation of the Group's modern slavery program. This team provides subject matter expertise (SME) and guidance on modern slavery and broader human rights issues, including to embed appropriate actions, processes and controls to address potential modern slavery risks, for example through the assessment of suppliers and third party labour providers, as part of the supply chain assurance program.

Accountability for implementing actions to address modern slavery and other human rights risk is cross-functional across the different business areas of the Group. For example, where potential risks are identified, Group Business Integrity and Compliance works together with the business unit undertaking the sourcing activity and Group Procurement, to identify appropriate mitigation actions. The business unit is then responsible for managing the oversight and monitoring of the implementation of the actions, with Group Procurement supporting any supplier contractual escalations.

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 with our established enterprise-wide risk framework. The Business Integrity and Compliance function leads the risk assessment, whilst accountability for managing the risk is embedded in the business as described above.

The Qantas Board oversees the broader human rights program through its Audit Committee. As the recovery continues, in FY22 we will be seeking to re-establish dedicated modern slavery forums that existed pre-COVID-19, such as our Supply Chain Assurance Steering Committee and a Modern Slavery Working Group, to further embed initiatives and provide increased oversight of modern slavery risk management in our operations and supply chains.

	<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</b></p> <p>Responsible for the endorsement and leadership of the Group's strategy to address human rights, including modern slavery.</p>
	<p><b>Supply Chain Assurance Steering Committee</b></p> <p>Responsible for oversight of the effective implementation of the supply chain assurance program, including modern slavery risk management and escalations<sup>4</sup>.</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.</p>
	<p><b>Business Units</b></p> <p>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.</p>

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

### POLICIES

Across the Group, we have established a comprehensive suite of policies to support our modern slavery response.

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. The table below 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 Qantas Group Code of Conduct and Ethics and our Human Rights Policy Statement.

We also further strengthened our management of modern slavery risks during the reporting period 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 chains.

4. This Committee was not functioning during FY21 as a result of the impact of the pandemic on our business, however it will re-commence in December 2021.



Policy	Relevance to modern slavery	How we implement this policy
<a href="#">Qantas Group Code of Conduct and Ethics</a>	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 (see below). Relevant to modern slavery, this 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.	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.
<a href="#">Board approved Non-Negotiable Business Principles referenced in the Qantas Group Business Practices Document</a>	The Business Practices Document provides an overview of our beliefs, values and business practices and highlights the standards to be upheld by all employees. The eight Non-negotiable Business Principles included in 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.	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.
<a href="#">Human Rights Policy Statement</a>	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 <i>caused, contributed or are directly linked</i> 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.	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 policy.
<a href="#">Whistleblower Policy</a>	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.	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. We are currently looking at ways we can expand communication of the policy and available reporting mechanisms.
<a href="#">Supplier Code of Conduct</a>	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.	Suppliers are provided with our Supplier Code of Conduct at onboarding. 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.
<a href="#">Supplier Requirements</a>	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.	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

We have previously delivered tailored modern slavery training and awareness sessions to employees in key roles both onshore and offshore. However, we recognise the need 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.

Our human trafficking training will be launched at the end of calendar year 2021 to coincide with the resumption of our flying operations and the planned return to work of our people. This training will focus on building the awareness of key employees to identify indicators of human trafficking, to help us recognise potential trafficking victims who may be travelling passengers. We are also working with our Learning and Development team to scope the delivery of a broader online modern slavery awareness training module.

In FY21 the Business Integrity and Compliance function developed 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. The launch of this platform is imminent and will enable employees and contractors to access the content online or via a mobile app with an option of native translation, thereby building their awareness of modern slavery risk. Upon implementation we will explore opportunities to extend access to our suppliers.



#### SUPPORT FOR OUR SUPPLIERS

We also 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 chains 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.



#### IMPACT OF COVID-19

In FY21 all training delivery and initiatives were temporarily suspended during the COVID-19 crisis, as the majority of our employees were stood down. As the Group recovers from the impacts of the crisis and our people return to work in early December 2021, our training programs will be progressively reactivated in the second half of FY22.

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

### HUMAN RIGHTS SALIENCY ASSESSMENT

In 2020 the Group commissioned an independent re-assessment of its most salient human rights issues, however this activity was paused as the Group responded to the COVID crisis. We expect that this work will re-commence in FY22, and in the interim we continue to prioritise actions to address the most salient human rights issues identified in our independent 2018 saliency assessment, which includes labour rights.



LABOUR RIGHTS



PRIVACY



FREEDOM OF MOVEMENT



BULLYING & HARASSMENT



DIVERSITY & INCLUSIVENESS

### RISK ASSESSMENT AND SUPPLIER DUE DILIGENCE

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

Our Supply Chain Assurance program, launched in 2018, is administered by Group Procurement and standardises the way 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. While the initial scope of the supply chain assurance program was any new and recontracting suppliers, our Group Procurement function is currently developing a risk-based plan to prioritise the assessment of the remaining suppliers deemed as in scope, but have not yet been assessed.

Over FY21, we focused on maintaining our risk assessment and supplier due diligence activities within our supply chains. Key actions included:

- assessing human rights risk indicators in our new and recontracting supplier relationships;
- undertaking advanced due diligence of suppliers to assess potential modern slavery risk;
- using our leverage to work with suppliers to implement solutions that meet international human rights standards including, but not limited to, worker labour and payroll conditions;
- continuous monitoring and alert management of 1,960 suppliers through our third party due diligence platform, including 540 suppliers that are subjected to ongoing monitoring via negative news screening against a range of topics including human rights;
- continuing to embed bilateral modern slavery clauses in our precedent contracts to require each supplier (including sub-contractors) to assess and address modern slavery risk in its operation and supply chains; and
- building supply chain risk awareness and capability in other Group entities (eg: Jetstar Asia, Qantas Freight).

In our approach to addressing our modern slavery risk, we have also considered the potential risk of modern slavery associated with the products and services that we procure, that may have a customer touchpoint. For example, where products like amenity kits, headsets, sleeper suits or blankets are provided to our customers inflight, we have established processes to ensure that both the supplier of the product and, where dictated by risk, the manufacturer of the product (tier two or below), have been subject to due diligence. This means we take steps to assess the standards and practices of the factory where the products are manufactured, even where we do not hold a direct contract with the source factory. This process is outlined in further detail in the section below.

We are also working to identify how we can better capture information in our initial supplier assessment to support deeper risk insights beyond our tier one suppliers.

IN FY21	
5,082 Suppliers	1035 Suppliers assessed through Supply Chain Assurance program
77 Suppliers triggered potential human rights risk	69 Suppliers accepted following preliminary modern slavery risk assessment
8 Suppliers progressed to advanced due diligence / desktop review	12 Suppliers assessed and monitored as medium risk <sup>5</sup>

Data is correct as of the end of reporting period FY21

5. Currently there are zero suppliers in our supply chain assessed as residually high risk.



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

### OUR RISK ASSESSMENT AND SUPPLIER DUE DILIGENCE ECOSYSTEM

Our risk assessment and supplier due diligence ecosystem has a strong focus on modern slavery and has six key pillars: identify; assess; mitigate; remediate; communicate; and monitor. Our risk assessment and due diligence processes are initiated through the supply chain assurance program, where new and recontracting suppliers, including third party labour providers are subject to assessment across a range of risk categories, including human rights. These six pillars collectively form our approach to managing human rights within our supply chain assurance program and are explained below.

#### ONE: IDENTIFY

The initial supply chain assessment includes questions that assess key modern slavery risk criteria, such as the country 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 enter the supplier in to 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 [Verisk Maplecroft](#) 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](#).

#### TWO: 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 the Qantas 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 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 operation and also the site where the product or service is manufactured or provided from. 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.

#### THREE-FIVE: MITIGATE, REMEDIATE AND 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. Further information about our Group specific remediation processes is set out in the following section.

#### SIX: MONITOR

Suppliers that are referred to Exiger and subsequently approved for onboarding by our Procurement team, 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. According to the [Verisk Maplecroft Modern Slavery Risk Index 2019](#), of our 540 first tier suppliers that are currently subject to continuous monitoring, 93% are based in low risk countries, 5% are based in medium risk countries, with 2% based in high risk countries.

#### CASE STUDY

Business Integrity and Compliance undertook due diligence on a supplier based in Singapore, who was sourcing branded promotional items from a manufacturer located in Indonesia. A review of the Indonesian factory audit report identified issues with workers’ overtime levels in excess of national regulations and social insurance coverage not paid for all workers, in breach of local regulation. We worked with the supplier to support the implementation of the appropriate corrective actions at the factory and were subsequently provided with evidence that change had been effected at the factory. This meant we were able to progress with the order with a level of comfort that we would not further exacerbate the resourcing and overtime issues at the factory. We continue to monitor this supplier to ensure ongoing conformance.

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

### CASE STUDY

#### DUE DILIGENCE IN ACTION: OUR SELECTION OF PPE SUPPLIERS FOR OUR FLY WELL PROGRAM

In response to the COVID-19 pandemic, we established our Fly Well program to safeguard the safety and wellbeing of our customers and people.

To support our delivery of the Fly Well program, we identified suitable suppliers to provide medical face masks for provision to our crew and customers, as well as nitrile gloves for use by our crew. We recognise that both these PPE products can involve significant modern slavery risks, including due to evidence of poor working conditions in some manufacturing facilities.

Our supplier selection was informed by a risk assessment process. This process considered risks at both Tier One and Tier Two of the supply chain and was managed by a cross-functional team including representatives from Business Integrity and Compliance (responsible for human rights due diligence); Group Procurement (responsible for our Supply Chain Assurance Program); Qantas Medical; and Qantas Health and Safety.

As part of this supplier risk assessment process, our Business Integrity and Compliance team conducted a desktop review of each proposed Tier One supplier and the Tier Two factory where the products are manufactured to evaluate potential human rights risks, including in relation to modern slavery. This desktop review included:

- assessing each supplier (at both Tier One and Tier Two level) against our tailored human rights risk indicators which include risk indicators relating to modern slavery and incorporate the Verisk Maplecroft human rights risk index;
- reviewing recent (within 12 months of date of assessment) independent audit reports (including results relating to labour rights) and any associated corrective action plans for each Tier One and Tier Two supplier, including assessing suppliers' progress in implementing corrective actions where relevant; and
- evaluating negative news screening articles on the Tier One and Tier Two suppliers provided by our third party due diligence provider, across categories that include human rights violations, corruption, legal breaches and allegations of misconduct.

The information we obtained through this process enabled us to better understand the potential suppliers' operations and identify modern slavery and broader labour rights risks. For example, we assessed a number of potential suppliers as unsuitable due to concerns relating to labour rights. This included circumstances where workers were not provided with contracts in their native language or provided with mandatory employee rest days. Other common issues identified through our desktop review included: excessive overtime; requiring 'return to work' bonds from employees going on annual leave; insufficient or non-payment of workers' social insurance; and undocumented salary deductions.

Ultimately, we selected a single Tier One supplier to provide masks and gloves for our Fly Well program through two Tier Two factories. In contrast to other potential suppliers, both factories had largely addressed previous issues identified through audits (none of which related to modern slavery concerns). We are continuing to work with the Tier One supplier to monitor these factories, to ensure lasting change is effected, and they have been accepted for monitoring in Exiger.



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

### REMEDIATION

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 we are *directly linked* to an adverse human rights impact.

In line with this commitment, we have established reporting procedures and mechanisms where employees and third parties 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, email, online portal or by contacting an eligible recipient as named in our Whistleblower Policy. 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 site and contains information on how to make a report. Additionally, our Supplier Code of Conduct outlines our expectation that suppliers will have their own Whistleblower policy and 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 chains to increase awareness of and improve the accessibility of our Whistleblower reporting channels, and we are working on an engagement strategy for our direct tier-one suppliers.

During FY21, the issues raised through our various Whistleblower channels broadly relate to personnel conduct and behaviour, and work health and safety. While none of the complaints received during this period related to modern slavery, we acknowledge that the absence of complaints does not necessarily indicate an absence of harm. The issues raised through the program during the period broadly relate to personnel conduct and behaviour, and work health and safety. If we received a complaint relating to modern slavery from our employees, we would seek to manage it in line with the Group's established investigation protocols, internal grievance resolution guidelines and with reference to the expectations set out in the UNGPs.

In line with the UNGPs, we recognise that effective grievance mechanisms must be trusted and accessible to vulnerable complainants and we are continuing to evolve our approach to such issues. A key area of action for the Group is to explore how we can remove potential barriers to access that may impact the effectiveness of our Whistleblower program in managing modern slavery related complaints, either by employees or by third parties, including suppliers and workers in our supply chains. Additionally, we will review our current remediation processes and response protocols to identify other opportunities to refine our approach.

### 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 learnings and insights; identify and contribute to the development of good-practice responses; help shape effective legislative responses; and support meaningful, sector wide progress in combating modern slavery.

During the reporting period we maintained our focus on collaboration. Although on a reduced scale due to employee stand downs, we continued to participate in multi-stakeholder forums and collaborate on human rights issues (including modern slavery) with the following groups:



**The Global Compact Network Australia (GCNA):** Qantas is a signatory to the UNGC, the world's largest corporate sustainability initiative. We are also an active member of the GCNA and the GCNA's Modern Slavery Community of Practice. During the reporting period, we also participated in a workshop regarding effective grievance mechanisms relating to modern slavery delivered by the GCNA, which has helped inform our plans to review our current remediation processes (see page 24).



**International Air Transportation Association (IATA):** Qantas is an IATA member and until recently our CEO sat on 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.



**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 (among others):** Qantas participates in government consultation processes on broader human rights issues impacting our industry and is in regular discussions with key departments 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.

## 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 effect positive change through our processes and actions and be able to demonstrate and communicate how we do so. We see the core components of an effective response to modern slavery as including:

- 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; and
- 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 also recognise that high level KPIs and performance 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.

During the reporting period, we worked to monitor and assess the effectiveness of our actions in a range of ways, including:

- Reviewing our risk assessment triggers biannually or in response to key events, to ensure they remain fit for purpose and reflect our evolving risk profile. For example, we reviewed our risk assessment triggers during FY21 to reflect our changing operational environment during COVID-19, such as repatriation operations in countries where we do not normally operate, such as India, Pakistan and Timor Leste;
- Following up with suppliers to monitor progress on agreed actions as part of our Supply Chain Assurance Program, which helps us to understand whether we are effective in driving change to supplier practices. For example, where a supplier may have been subject to an ethical audit and detailed action plans have been put in place to address findings, we work with the supplier, both first- and second-tier, to ensure that the action plans are implemented in a timely manner; and
- Undertaking an internal audit of our Supply Chain Assurance Program. While the audit did not make any adverse findings in relation to the human rights risk management elements of the Supply Chain Assurance Program, it did identify areas for improvement across the broader Program, which are being addressed accordingly.





## 6. CONSULTATION WITH REPORTING ENTITIES<sup>6</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 also made available to each of the reporting entities and the owned and controlled entities covered by this Statement, prior to publication.

In addition to the consultation process to develop the Statement outlined in this section, we also work closely with entities across the Group 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 also reviewed by the Group General Counsel, Group Executive Manager Corporate Affairs, the Chief Sustainability Officer, and an independent human rights consultancy firm and was endorsed by the Chief Executive Officer and Group Management Committee.

This cross-functional consultation helped to ensure the Statement reflects our Group-wide approach to modern slavery and facilitate 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 above, separate consultation was also undertaken with representatives of each of the reporting entities covered by this Statement. For example, for the Jetstar Group representatives included Legal Counsel and the Executive Manager of People, and the Chief Executive Officer and Chief Operating Officer in Qantas Freight. We also directly consulted the CEO and Principal of Taylor Fry in the development of this Statement (Taylor Fry is a reporting entity but operates independently).

We used this additional consultation to inform our understanding of each reporting entity's operations, supply chains and modern slavery risk profile 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. We also consulted reporting entities on a draft of the Statement at Company Secretary level.

### 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.

6. 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.

## 7. OPERATING THROUGH TURBULENCE

The COVID-19 pandemic had dramatic and widespread impacts on the aviation sector. This section outlines these impacts to our core business segments to provide further context for our Statement.

### OPERATIONS

Throughout FY21, the operations of the Group continued to be severely impacted by the COVID-19 pandemic. The imposition of Australian border closures and bans on international travel heavily impacted our flying business. This meant that our international passenger flights were largely grounded, and our domestic and regional passenger flights dropped to as low as five per cent compared with our pre-COVID operations. In contrast to our passenger flying, within our Freight business, our daily freight volume has increased by more than 50 percent by comparison with pre-COVID levels largely due to the growth in online shopping.

In FY21 our Group airline businesses carried just 15 million customers, a 72 per cent reduction from our pre-COVID levels.



### PEOPLE

The devastating impact on our business meant that we had to take a range of measures to ensure the Group's survival. Across our business segments we were forced to right-size and restructure our organisation, including difficult decisions that resulted in more than 9,000 redundancies and the majority of our people being either stood down or working reduced hours for significant periods.

We acknowledge the broad impact of this decision on our employees and throughout this time we have invested in additional support for our people. We maintained ongoing communication with our people through town halls by the Group Executive and webinars with Medical and Mental Health specialists, and by:

- providing access to various employee assistance and support channels for all employees;
- providing access to Mental Health and Wellbeing support, with our Freight team introducing 'Our Minds Matter' focus groups and 'Supporting the Supporters' training and peer program;
- identifying vulnerable employees for focussed support/management;
- implementing initiatives to protect the health of our people who remained working, such as the Fly Well and Work Well programs;
- working with the Federal Government to introduce financial support for people; and
- engaging with over 300 organisations to find temporary secondary work for thousands of our stood down employees.

### SUPPLY CHAIN

The COVID-19 pandemic has had a significant and widespread impact on society, and the Group is cognisant that this has intensified pressure on global supply chains and increased the vulnerability of workers in those supply chains to modern slavery.

Despite our resource constraints, our Supply Chain Assurance program was identified as a critical control to manage the increased risk of vulnerability in our supply chains. We maintained our human rights risk assessment, due diligence, mitigation, remediation and monitoring programs in our supply chains and operations throughout the pandemic. Our human rights SME also worked cross functionally with our Medical and Procurement teams to assess suppliers providing goods and services in high risk categories such as PPE, medical supplies and services.

With our operations largely suspended, we had to take a range of measures to ensure the survival of the airline, one of which involved a review of our supplier relationships, including payment terms. Throughout this process a key priority was to ensure we honoured the existing terms of small and medium sized suppliers as well as our indigenous suppliers. For suppliers outside of these categories, in some instances, by agreement, we re-negotiated payment terms. This renegotiation of payment terms was a necessary measure to reduce our costs in response to the exceptional circumstances we faced. We recognise that these types of actions can have human rights implications, including for suppliers' workers, and are exploring ways to better embed human rights considerations into cost-based engagement with suppliers, as required in exceptional circumstances.

## 8. NAVIGATING THE RECOVERY & LOOKING FORWARD

Modern slavery risk management requires continuous commitment and ongoing collaboration, both from within our business, and through ongoing multi-stakeholder dialogue in international and domestic policy forums, with Governments, industry peers and with civil society.

As we deliver on our three-year recovery plan, we anticipate that our progress to advance our approach to modern slavery risk management may continue to be impacted by the dramatically different environment of our operations, supply chains and resources. However, we remain committed to more deeply embedding respect for human rights in our operations and supply chains, including through our business relationships and by re-igniting stakeholder dialogue.

We are currently working to re-baseline our modern slavery program, and have identified the following key areas of focus for FY22 and beyond:



### POLICY AND GOVERNANCE

- Re-establishing core working groups and committees with a clear mandate for modern slavery risk management eg: the Modern Slavery working group, Supply Chain working group and Steering Committee
- Reviewing and uplifting our human rights related policies, where required
- Continuing to embed modern slavery clauses in our agreements and precedent contracts



### RISK ASSESSMENT & DUE DILIGENCE

- Re-assessing the Group's most salient human rights issues to inform our overall strategy
- Reviewing our due diligence and oversight processes to ensure continued consistent application across all forms of contracted services
- Extending the scope of the supply chain assurance program to include any remaining 'un-assessed' supplier base (rather than only new and renewing suppliers)



### TRAINING AND AWARENESS

- Implementing Modern Slavery and Human Trafficking training to support identification and management of modern slavery risk
- Developing a supplier engagement strategy to raise awareness and improve accessibility of our Whistleblower reporting channels for our suppliers and their workers



### GRIEVANCE MECHANISMS AND REMEDIATION

- Exploring how we can better provide for trusted and accessible grievance mechanisms, including by modifying our Whistleblower program to better address modern slavery grievances
- Strengthening our remediation processes and response protocols



### COLLABORATION AND STAKEHOLDER ENGAGEMENT

- Engaging relevant stakeholders in our salient human rights assessment
- Broadening stakeholder engagement across our controlled entities, other organisations and civil society

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

**AAL Aviation Limited (83 008 642 886)**

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

**Airlink Pty Limited (76 010 812 316)**

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

**Australian Air Express Pty Ltd (74 054 307 336)**

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

**Australian Airlines Limited (85 099 625 304)**

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

**Australian Regional Airlines Pty. Ltd. (25 006 783 633)**

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

**Eastern Australia Airlines Pty. Limited (77 001 599 024)**

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

**Express Freighters Australia (Operations) Pty Limited (54 119 093 999)**

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

**Express Freighters Australia Pty Limited (73 003 613 465)**

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

**Impulse Airlines Holdings Proprietary Limited (67 090 590 024)**

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

**Jetstar Airways Pty Limited (33 069 720 243)**

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

**Jetstar Asia Holdings Pty Limited (86 108 623 123)**

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

**Jetstar Group Pty Limited (64 003 901 353)**

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

**Jetstar International Group Australia Pty Limited (17 152 774 395)**

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

**Jetstar Services Pty Limited (19 107 638 326)**

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

**National Jet Operations Services Pty Ltd (33 055 887 575)**

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

**National Jet Systems Pty Ltd (11 008 279 203)**

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

**Network Aviation Holdings Pty Ltd (081 505 008)**

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

**Network Aviation Pty Ltd (082 007 350)**

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

**Network Holding Investments Pty Ltd (110 179 818)**

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

**Network Turbine Solutions Pty Ltd (20 110 180 008)**

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

**Osnet Jets Pty Ltd (99 128 559 419)**

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

**Q H Tours Ltd (81 001 262 433)**

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

**Qantas Airways Domestic Pty Limited (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 (26 125 048 044)**

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

**Qantas Courier Limited (32 003 890 328)**

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

**Qantas Domestic Pty Limited (21 134 556 255)**

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

**Qantas Freight Enterprises Limited (55 128 862 108)**

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

**Qantas Frequent Flyer Limited (12 129 456 908)**

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

**Qantas Frequent Flyer Operations Pty Limited (22 132 484 210)**

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

**Qantas Ground Services Pty Limited (43 137 771 692)**

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

**Qantas Group Accommodation Pty Ltd (32 152 774 457)**

The principal activities during the period were that of an Online Travel Agent.

**Qantas Group Flight Training (Australia) Pty Limited (45 128 258 677)**

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

**Qantas Group Flight Training Pty Limited (29 128 258 104)**

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

**Qantas Information Technology Ltd (99 000 005 372)**

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

**Qantas Road Express Pty Limited (56 130 392 111)**

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

**Qantas Ventures Pty Limited (47 003 806 960)**

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

**QF Cabin Crew Australia Pty Limited (46 128 382 105)**

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

**QF A332 Leasing 1 Pty Limited (11 100 511 813)**

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

**QF A332 Leasing 2 Pty Limited (13 100 511 886)**

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

**QF BOC 2008-1 Pty Limited (22 100 510 674)**

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

**QF BOC 2008-2 Pty Limited (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 (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 (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 (35 164 390 238)**

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

**QF ECA 2008-1 Pty Limited (71 133 356 475)**

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

**QF ECA 2008-2 Pty Limited (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 (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 (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 (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 (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 (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 (19 146 437 774)**

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

**QF EXIM B787 No.1 Pty Limited (53 166 786 321)**

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

**QF EXIM B787 No.2 Pty Limited (49 166 786 367)**

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

**Regional Airlines Charter Pty Limited (21 147 543 806)**

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

**Sunstate Airlines (Qld) Pty. Limited (82 009 734 703)**

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

**Taylor Fry Holdings Pty Limited (604 441 483)**

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

**Taylor Fry Pty Limited (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.

**VII Pty Limited (83 619 963 263)**

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