

A STAR ALLIANCE MEMBER 

AIR NEW ZEALAND 



AIR NEW ZEALAND LIMITED

SLAVERY AND HUMAN TRAFFICKING STATEMENT

THIS STATEMENT IS MADE PURSUANT TO SECTION 54(1) OF THE MODERN SLAVERY ACT 2015 (UK), THE MODERN SLAVERY ACT 2018 (AUSTRALIA) AND CONSTITUTES THE AIR NEW ZEALAND LIMITED SLAVERY AND HUMAN TRAFFICKING STATEMENT FOR THE FINANCIAL YEAR ENDING 30 JUNE 2022.



Our Business

Our airline provides air passenger and cargo transport services within New Zealand, as well as to and from Australia, the Pacific Islands and North America.

With the world reopening after the last two years of COVID-19 related disruption, and as the aviation industry rapidly accelerates to meet growing demand for air travel, we have reinstated the majority of our international routes and have introduced a new direct service from Auckland to New York. We also continue to see strong demand for domestic and cargo services. Total flying capacity for the 2023 financial year is expected to be in the range of 75 percent to 80 percent of pre-Covid levels. We employ over 10,000 people worldwide.

Within Air New Zealand

In September 2015, Air New Zealand became a signatory to the United Nations Global Compact (UNGC) confirming our support of the ten principles of the UNGC on human rights, labour, environment, and anti-corruption and expressing our commitment to making the UNGC and its principles part of the strategy, culture, and day-to-day operation of our business.

Our seventh annual UNGC **2022 Communication on Progress** was published on 27 October 2022. This describes our initiatives and efforts to implement the ten principles of the UNGC. Of relevance in this context, Principle One sets out the need to support and respect the protection of internationally proclaimed human rights, Principle Four requires the elimination of all forms of forced and compulsory labour and Principle Five supports the effective abolition of child labour. Our Communication on Progress describes our ongoing commitment to these principles and our **2022 Sustainability Report** further demonstrates how we are advancing our sustainability programme, including the UNGC principles at our airline.



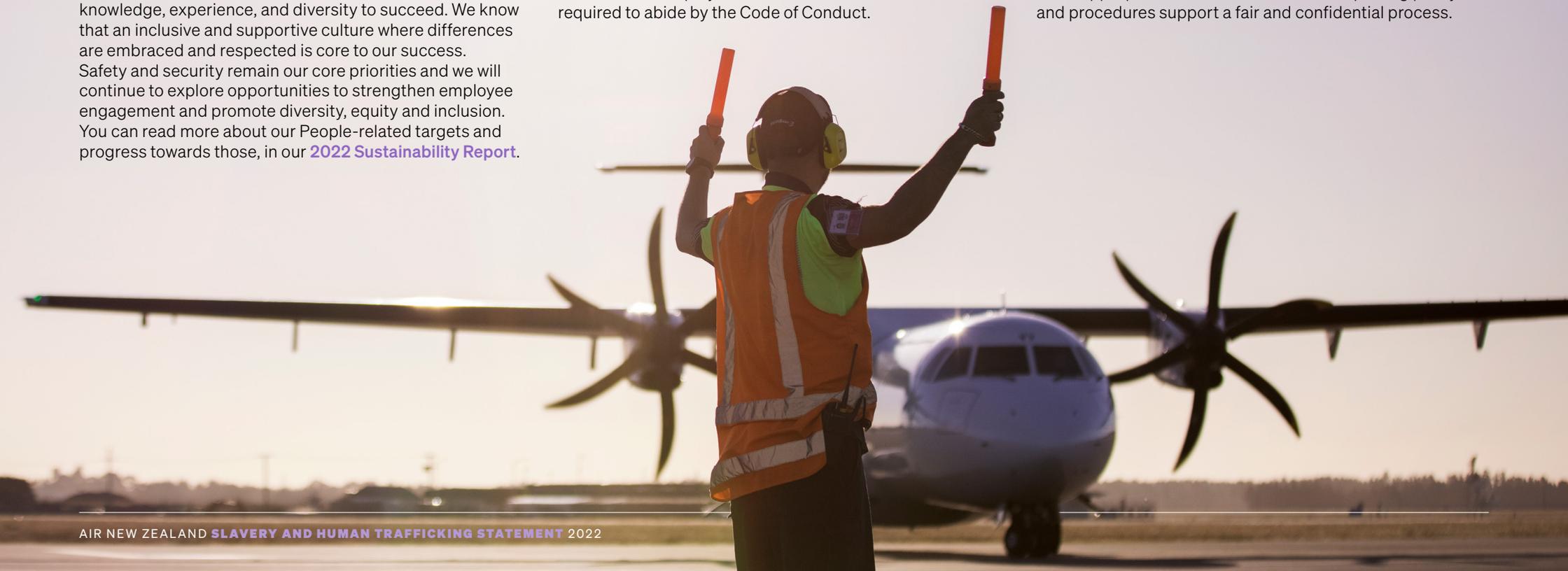
Our People

We comply with all applicable employment laws relating to employee terms and conditions, and work to continuously improve and maintain an engaged employee culture.

We recognise that we are a multi-faceted company – a transport, customer service, tourism, hospitality, digital and engineering business. This requires a vast range of knowledge, experience, and diversity to succeed. We know that an inclusive and supportive culture where differences are embraced and respected is core to our success. Safety and security remain our core priorities and we will continue to explore opportunities to strengthen employee engagement and promote diversity, equity and inclusion. You can read more about our People-related targets and progress towards those, in our [2022 Sustainability Report](#).

The [Air New Zealand Code of Conduct and Ethics](#) sets out the behaviour we expect from our employees and sets out our business principles. The Code provides that we will not tolerate child labour and are committed to the elimination of all forms of forced and compulsory labour in our workforce and supply chains. Through this Code, we also commit to the application of social, ethical, and environmental considerations in our procurement and supply chain decisions. All employees (under all contract forms) are required to abide by the Code of Conduct.

We have mechanisms in place to protect whistle-blowers including assuring confidentiality and protection against retaliation or any form of harassment. All employees are encouraged to raise concerns about potentially unethical or illegal conduct through the employee Speak Up reporting line. An independent 'Speak Up' service (phone and online) is provided for situations where raising concerns via the individual's manager or human resources business partner is not appropriate. Our Just Culture and Reporting policy and procedures support a fair and confidential process.





Our Supply Chain

Our supply chain is centralised. The airline sources goods and services from around the world, including aircraft and aircraft parts, onboard products, catering, and corporate and digital solutions.

Given the international nature of our operations, there are suppliers operating within different geographical and regulatory environments. We recognise the role for our procurement function to provide regular surveying, monitoring and review, in order to assess and address the risk of modern slavery and human trafficking in our supply chain.

In response to Covid-19 and the subsequent global supply chain and geopolitical disruptions, our supply chain had to adjust quickly to the changing demands of our business. Despite these impacts on our organisation and supply chain many of which are ongoing, we remain focused on identifying risks within our organisation and in our supply chain, and mitigating such risks as appropriate. We have also continued to look at opportunities to develop and evolve our processes and approach.

As we continue to recover from the impacts of COVID-19, we remain committed to minimising the risk of modern slavery in our supply chains or in any part of our business. We have a Procurement Policy which prescribes the process for appointing new suppliers, conducting supplier due diligence, establishing supply arrangements, executing supply contracts as well as making purchases and placing orders. We have also established systems to identify,

assess and monitor potential risk areas in our supply chains. Where particular products, services or geographies present a higher risk of modern slavery, additional assessment and monitoring procedures may be applied.

Since the inception of our direct sourcing arrangement with several Chinese manufacturing companies in 2013, we have conducted annual audits through our third-party auditor. The audit programme is designed to build awareness of modern slavery risk, practices, and standards with these manufacturing companies. The audit programme is aligned to the SA8000 certification standard, is modelled on ISO standards, and is designed to encourage organisations to develop, maintain, and apply socially acceptable practices in the workplace by assessing over 150 checkpoints. We regularly monitor critical, major, and minor non-compliance incidents and matters, and have processes to ensure that remedial plans are prepared and implemented when there is non-compliance, having regard to the severity of the non-compliance.

We are committed to the highest standards of social and environmental responsibility and ethical conduct. In 2015, we launched a **Supplier Code of Conduct** to ensure that these same commitments are made by our supply chain. The Supplier Code of Conduct outlines the standards we expect from suppliers, particularly around sustainability and improving supply chain transparency. Through the Supplier Code of Conduct, we encourage our suppliers to embrace international standards relating to human rights. Suppliers must respect the labour rights of their employees in the workplace and monitor human rights within their supply chain. This includes our suppliers verifying that

employees engaged in the manufacture and supply of products and services are voluntarily employed, and under no circumstance is any form of forced, coerced, bonded, indentured or involuntary labour used.

Our standard supply contract templates include a contractual obligation on the supplier to comply with the Supplier Code of Conduct. Suppliers are required to report any non-compliance, implement remedial plans as appropriate and, if remediation is not possible or not undertaken, the contract may be terminated. We also commit to observe the principles within the Supplier Code of Conduct.

We continue to focus effort on achieving our goal of recording positive assurance from every one of our suppliers that they adhere to our Supplier Code of Conduct. To help achieve this, in 2022 we implemented a digital supplier management platform. The platform ensures that every new supplier must provide positive assurance they meet our Supplier Code of Conduct via the onboarding process. The platform also provides Air New Zealand with additional insights into our supply chain risks, including modern slavery and human trafficking, via targeted questionnaires and data received from integrated risk management software. This extensive data enables Air New Zealand to proactively identify and treat risks across our broad global supply chain.

You can read more about our Sustainable Procurement performance, in our [2022 Sustainability Report](#).



Training and building capability

All our employees are required to undergo training modules on an annual basis, including training relating to the Air New Zealand Code of Conduct & Ethics.

From this, training completion reports are reported to our internal Policy Management Committee and the Board's Audit & Risk Committee.

In 2018, we introduced targeted training for our Cabin Crew and Pilots, which has been developed by our Group Resilience team to assist in the detection and prevention of human trafficking. The expansion of training for cabin crew and pilots is a crucial element in protecting human rights of some of our vulnerable passengers, and we continue to refine and implement dedicated policies, procedures and reporting protocols for managing suspected human trafficking.

Training in the detection and prevention of human trafficking is now also provided to our front of house ground employees, airport managers and airport operational managers, and is regulated through the Operator Security Programme.

Our Learning Management System (LMS) houses the records of employees who have completed the online (IATA based) Human Trafficking awareness module. These employees include new cabin crew members and those in other customer facing roles. The Human Trafficking module is available to all employees through our LMS.

Reports of human trafficking events submitted by employees are thoroughly investigated and reported to the appropriate authorities. This proactive reporting reflects our commitment to responding quickly and effectively to modern slavery risks where identified.

We will continue to work with other airlines and industry experts to ensure that any training provided remains relevant so that we can play our part in eliminating human trafficking.

This statement was approved by the Board of Air New Zealand Limited on 21 December 2022.

Dame Therese Walsh
Chair

Greg Foran
Chief Executive Officer

Air New Zealand Limited
21 December 2022

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