Modern Slavery Act 2015: Air New Zealand slavery and human trafficking statement

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 (UK) and constitutes the Air New Zealand Limited slavery and human trafficking statement for the financial year ending 30 June 2017.

Our Business

We are a provider of air passenger and cargo transport services within New Zealand, as well as to and from Australia, the Pacific Islands, Asia, North and South America and the United Kingdom. We employ close to 11,800 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 second annual UNGC Communication on Progress was published on 23 November 2017. Our Communication on Progress describes our effort 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 is included within our comprehensive Sustainability Report 2017, which further demonstrates how we are advancing our sustainability programme, including the UNGC principles at Air New Zealand.

Our People

We comply with applicable employment laws relating to employee terms and conditions and constantly work to build 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 believe that building an inclusive and supportive culture where we encourage, understand and respect our differences, ensures our people thrive and our customers benefit. Our priorities – alongside the absolute fundamentals of safety and security – are to strengthen our employee engagement, promote diversity and inclusion and become a talent incubator that attracts and develops world class talent. You can read more about our People-related targets and progress towards those, in our Sustainability Report 2017.

The Air New Zealand Code of Conduct sets out the behaviour we expect from our employees and describes our business principles. The Code of Conduct makes it clear that we will not tolerate child labour and are committed to the elimination of all forms of forced and compulsory labour. Through our Code of Conduct 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 protect whistle-blowers and encourage all employees to raise concerns about potentially unethical or illegal conduct, while assuring confidentiality and protection against retaliation or any form of harassment. An independent, free ‘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

We are committed to ensuring that there is no modern slavery or human trafficking in our supply chains or in any part of our business.

To identify and mitigate risk in our supply chain, we have a Procurement Policy and a Procurement Standard which prescribe the process for appointing new suppliers, conducting supplier due diligence, establishing supply arrangements, executing supply contracts as well as making purchases and placing orders. Thereafter, we have established systems to identify, assess and monitor potential risk areas in our supply chains. Where particular products, services or geographies present a higher sustainability risk, additional assessment and monitoring procedures may be applied.

In 2015, we launched a revised Supplier Code of Conduct which outlines the behaviours 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. As a minimum, suppliers must ensure 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.

This year, we increased our purchasing spend compliance with the Supplier Code of Conduct from 80% to 88.7%. From this year until 2020, we will be steadily engaging with our remaining suppliers to achieve our goal of 100 percent compliance with the Supplier Code of Conduct. This year we updated the Supplier Code of Conduct to make it clear that we recognise the importance of observing the conduct, standards and behaviours described in the Supplier Code of Conduct and stated our commitment to observing, as a minimum, the standards defined in the Code of Conduct.

You can read more about our Sustainable Procurement performance, in our Sustainability Report 2017.

Training

All staff are required to undergo training modules, including training relating to the Air New Zealand Code of Conduct. This training forms part of the employee induction process before employment commences and is refreshed thereafter on an annual basis. Code of Conduct training completion reports are reported to the Air New Zealand Policy Management Committee and the Audit Committee.

We have been monitoring the global development of specialised training to identify and combat human trafficking. This year we have investigated various training programmes that may be introduced into our training modules for cabin crew and check-in staff. While we do not currently provide specialised training to cabin crew and check-in staff in this area, we plan to introduce a training programme next year and will continue to actively follow global developments in this space.

Antony Carter, Chairman
Air New Zealand Limited
Date:

Christopher Luxon, CEO