February 15, 2019

Modern Slavery and Human Trafficking Statement

CEO’s statement

Air Canada is committed to act with integrity in all our business dealings, to comply with all applicable laws and to act responsibly when dealing with our employees, customers, and suppliers or when interacting with communities. Recognising the suffering modern slavery and human trafficking cause, we have “zero tolerance” for any form of slavery or human trafficking in our operations and supply chain. As an increasingly global airline, we recognise that we have an on-going responsibility to ensure that appropriate measures are implemented to mitigate the risk of slavery and human trafficking in our operations, either directly or through our service providers.

Our organisation

Air Canada is Canada’s largest domestic and international passenger airline serving more than 210 airports on six continents. We are among the 20 largest airlines in the world and are among the largest 100 corporations in Canada. In 2018, we served more than 50 million customers. Air Canada provides scheduled passenger service directly to 64 airports in Canada, 60 in the United States and 98 in Europe, the Middle East, Africa, Asia, Australia, the Caribbean, Mexico, Central America and South America. Air Canada is a founding member of Star Alliance, the world’s most comprehensive air transportation network serving 1,317 airports in 193 countries. Our headquarters are located in Montréal, and we employ approximately 30,000 people in Canada and in 34 other countries throughout the world.

As one of the leading commercial airlines in the world, we work to the highest professional standards and comply with all laws, regulations and standards relevant to our business. Corporate social responsibility is an intrinsic part of our culture, and we aim to make a lasting and positive

1 This statement is made pursuant to Section 54, Part 6 of the Modern Slavery Act 2015 and sets out the steps Air Canada (the ‘Company’ or ‘we’) has taken to ensure that slavery and human trafficking is not taking place in our supply chains or in any part of our business.
impact on the communities in which we live and work. We expect nothing less than the same from our suppliers and business partners.

Our policies

Our company is committed to ensuring we are not supplied by anyone who engages in human trafficking or any form of slavery. Many of our existing policies contain sections which target or contribute to mitigating the risk of slavery and human trafficking taking place in any part of our global business or supply chain.

Our relevant policies include:

Corporate Policy and Guidelines on Business Conduct, better known as the (employee) Code of Conduct

- Among other things, the Code addresses: compliance with laws, human rights, privacy, violence prevention, discrimination and harassment, fair dealing with other people and organisations and reporting suspected non-compliance.

Recruiting Policy

Duty to Accommodate policy

Employment Equity Policy

Workplace Violence and Harassment Prevention Policy

Remuneration and other employment standards and guidelines

Safety and Security Reporting Policy

Victims of a Crime Resources Guide

Public Disclosure Policy

Supplier Code of Conduct

These policies are monitored regularly by the policy owners, working closely with all relevant departments within the company, including Legal, Compliance, People, Culture and Communications, Health and Safety, Operations, IT and Procurement.

We also have an internal reporting policy and program, which is publicised on our intranet site and in our company newsmagazine. If employees have concerns about any wrongdoing or breaches of law, they are encouraged to
raise them through numerous channels, including in confidence and without fear of disciplinary action or retaliation, through the Ethics Reporting Hotline.

**What we are doing**

Our working practices respect and uphold the human rights of our employees, suppliers and business partners.

We have taken the following steps to identify and mitigate risks of modern slavery and human trafficking within our business and our supply chain:

We have a Supplier Code of Conduct (SCC) which forms an integral part of Air Canada’s material supplier contracts. It sets out the standards we expect our suppliers to uphold at all times relating to various matters including human trafficking, slavery, child labour, non-discrimination and human rights, employment conditions, ethical behavior and much more including a right to audit.

We carry out due diligence of our suppliers, using up-to-date industry standard tools, to identify legal and reputational issues including fair sourcing of goods and services and their recruiting and employment practices. The reputational risk assessment encompasses human trafficking risk.

Air Canada has a “zero-tolerance” policy with respect to the sexual exploitation of children. Our Company and its affiliate, Air Canada Vacations (ACV), seek to ensure that its partner hotels support this policy and that their business practices do not compromise it in any manner.

We assess risks related to human trafficking and forced labour associated with our operations and supply base in relation to new routes and at new destinations.

All Air Canada and Rouge flight attendants are given training to recognise modern slavery and human trafficking and how to report suspicious behavior.

We are planning to expand the training to all customer service agents in Canada and abroad.

Through the Air Canada Foundation, we presented awareness-raising public service videos denouncing child abuse on the in-flight entertainment on all our flights.
In 2017, the Air Canada Foundation donated $25,000 to the Missing Children's Network to implement SHINE, a program for preventing sexual exploitation of Quebec youth. The purpose of the program is to educate approximately 40,000 youth about sexual exploitation, the dangers that runaways face and how to protect themselves and find help.

The Air Canada Foundation was the lead partner for the 2018 Conference & Media Awards. The event is held by Beyond Borders ECPAT Canada, an organisation that advances the rights of children everywhere to be free from sexual abuse and exploitation. Through its partnership with Air Canada, the Air Canada Foundation donated $5,000 and airline tickets.

**Approval**

This statement has been approved by the Board of Directors of Air Canada.

Calin Rovinescu  
President and Chief Executive Officer