

## FY2021 Modern Slavery Act Statement

This statement has been published by Japan Airlines Co., Ltd. (hereinafter called "JAL") pursuant to reporting requirements in accordance with Section 54 of the Modern Slavery Act 2015 (the United Kingdom) and Part 2-16 of the Modern Slavery Act 2018 (Australia), and discloses the steps taken in order to prevent modern slavery and human trafficking in the JAL Group and its supply chain.

### 1. JAL Group

#### Overview of organization and business

Founded in 1951, the JAL Group consists of Japan Airlines Co., Ltd., 145 subsidiaries, and 54 affiliated companies. The number of group employees is 35,423, and we operate air transport business and other businesses (as of 31<sup>st</sup> March 2022).

With regard to the air transport business, we operate air transport services between 368 airports (including codeshare flights), as well as airport passenger handling, ground handling, maintenance, cargo, passenger sales, and airport-related businesses.

In addition, as other businesses, we are engaged in travel planning and sales business, credit card business, etc.

In the United Kingdom, JAL, which operates an aviation business, operates flights to and from London Heathrow Airport, and its consolidated subsidiaries EURO-CREATIVE TOURS (U.K.) LTD, JALPAK INTERNATIONAL (EUROPE) B.V. and JALUX Inc. operates businesses. In Australia, JAL operates flights to and from Melbourne and Sydney airport.

Please check [Number of routes](#) for details.

#### Supply chain

The JAL Group operates businesses centered on the air transportation, and its value chain covers route networking, procurement, system development and maintenance, public relations, advertising, passenger sales, airport passenger services, ground handling, cargo and logistics, airmail operation, retail and aircraft maintenance, etc. The procurement items are mainly aircraft, jet fuel and in-flight goods, including services outsourced.

#### JAL Group Corporate Policy/Philosophy

The JAL Group's corporate policy is to "increase corporate value and contribute to the betterment of society". In addition, we have formulated the "JAL Philosophy" as the mindset, values, and ways of thinking that JAL Group employees should have, and aim to realize our corporate philosophy through its practice.

Please check [JAL Philosophy](#) for details.

### 2. Policy on Prevention of Modern Slavery and Human Trafficking

Since December 2004, the JAL Group has participated in the "Global Compact" advocated by the United Nations, and has declared to the world "respect for human rights in each corporate activity".

We have established the "JAL Group Human Rights Policy" based on the idea that respect for human rights

is a universal value and is consistent with the realization of our corporate policy. It is positioned underneath the “JAL Group Code of Conduct” which employees should comply with. In addition, we have established the “JAL Group Supplier Code of Conduct”, which requires our suppliers to comply, and we are working to prevent complicity in human rights violations and prevent modern slavery and human trafficking.

#### JAL Group Code of Conduct

In fiscal year 2019, we established the “JAL Group Code of Conduct”. In the section of “Respect for human rights and job satisfaction (human rights and labor)” of this Code, it is stipulated that we will fulfill our responsibility to respect the human rights of all people and will not be involved in human rights abuses through our own business activities.

Please check [JAL Group Code of Conduct](#) for details.

#### JAL Group Human Rights Policy

Based on “International Bill of Human Rights”, the International Labour Organization (ILO) “Declaration on Fundamental Principles and Rights at Work”, and the United Nations “Guiding Principles on Business and Human Rights”, and the JAL Group Code of Conduct “Respect for human rights and job satisfaction (human rights and labor)”, we set up the “JAL Group Human Rights Policy” in fiscal year 2019. Based on this policy, we have declared that we will take steps to prevent and mitigate the negative impacts on human rights of all stakeholders.

Please check [Respect for Human Rights](#) for details.

#### JAL Group Supplier Code of Conduct

The “JAL Group Code of Conduct” requires suppliers to comply with the same content, and in order to prevent modern slavery and human trafficking in the JAL Group and its supply chain, the “JAL Group Supplier Code of Conduct” has been published in Japanese, English and Chinese. Based on the principles of the United Nations Global Compact, this Code consists of eight items (1) Quality Assurance, (2) Human Rights and Labor, (3) Safety and Sanitation of Work Environment, (4) Global environment, (5) Business Management, (6) Expansion to Suppliers, (7) Contribution to Regions and society, and (8) Establishment of Internal Promotion Systems. The JAL Group requires all suppliers to understand and comply with this Code.

Please check [Responsible Procurement](#) for details.

### **3. Processes for Preventing Modern Slavery and Human Trafficking in the Company and the Supply Chain**

Regarding respect for human rights, we have established “Human Rights Due Diligence” (hereinafter, “Human Rights DD”) based on the “JAL Group Human Rights Policy”.

By rotating the PDCA cycle, identifying human rights risks in our company and the supply chain, assessing human rights risks, and taking measures against human rights risks, we will constantly face issues, disclose the current situation to society, and continue to make improvements. In addition, through the following initiatives, we will prevent direct and indirect human rights violations associated with the provision of our products and services, or involvement in human trafficking associated with aircraft operations.

### Human Rights Due Diligence

In fiscal year 2021, we have formulated internal rules regarding the mechanism and operation of Human Rights DD as a means of respecting human rights in accordance with the "JAL Group Human Rights Policy". The rules also provide for the establishment of a mechanism for stakeholders, such as suppliers, customers and employees, who are or may be adversely affected by the JAL Group's business to directly express their concerns.

In addition, in fiscal year 2021, we conducted a human rights risk survey for all JAL Group companies and departments in accordance with the internal rules.

After that, with the advice of outside experts, based on the results, for each of the three business activities of "supply chain management", "providing products and services", and "improving the internal environment", we have set priority issues and summarized our efforts to respect human rights through our business. Human Rights DD process stipulated in the company rules and the content of priority issues and initiatives related to human rights can be seen from "Respect for Human Rights" on the corporate website.

Also, in fiscal year 2021, we established a reporting mechanism and a process for handling reports that are widely open to domestic and overseas suppliers, and started operation in fiscal year 2022.

Please check JAL Supplier Hotline for details.

### Supply chain risk assessment and monitoring

To promote the construction of a sustainable supply chain, the JAL Group has joined the Global Membership of Sedex Information Exchange Limited (Sedex) since 2015 asking its suppliers to join Sedex and conduct a self-assessment questionnaire. In addition to this, from fiscal year 2019, we send our own self-evaluation questionnaire (JAL questionnaire) to major suppliers and request them to respond to the JAL questionnaire.

As of the end of fiscal year 2021, we have completed soundness checks for 62% of our major suppliers.

Going forward, we will continue to carry out risk assessments and monitoring while building relationships of trust, centered on suppliers who provide goods and services that have a large impact on human rights, such as in-flight meals, in-flight offerings, and uniforms. Depending on the situation, we will take measures to prevent and reduce modern slavery and human trafficking in the supply chain.

### Report / cooperation system related to human trafficking

To prevent human trafficking by air transportation, in fiscal year 2019, we have set up a mechanism (mainly in departments that can be the site of human trafficking) for reporting and cooperation with relevant authorities in case for suspected cases of human trafficking referring to the measures being considered by international organizations and started operation from fiscal year 2020.

#### **4. Training on Prevention of Modern Slavery and Human Trafficking**

We are working to instill awareness of respect for human rights among employees, by setting up time for "human rights enlightenment" at various in-house training venues such as training for new employees and training for new managers.

In fiscal year 2021, we provided education on the "JAL Group Code of Conduct" for all employees, including the item "Respect for human rights and job satisfaction (human rights and labor)".

From July to August 2021, we cooperated with the "It's a Penalty Tokyo Campaign" which is hosted by the

British non-profit organization, It's a Penalty, co-hosted by the Japanese non-profit organization Sport For Smile. Cooperation was made by showing a video of an anti-trafficking campaign aboard JAL Group domestic and international flights. Also, we are actively promoting initiatives such as cooperating with seminars on the prevention of human trafficking in the airline industry (airport companies, administrative authorities, IATA, and other domestic airlines).

In addition, to prevent human trafficking by air transportation, we conducted education to all employees, formulated and implemented training programs related to respect for human rights, including prevention of human trafficking. The participation rate is 83.8%, the JAL Group will further promote efforts to prevent human trafficking.

#### **5. Plans to Strengthen our Approach in the Future**

In accordance with the Human Rights DD system stipulated in the internal rules, we will conduct a risk survey on human rights for all JAL Group companies and departments every year, set priority issues for each year, and work toward respect for human rights.

In addition, we will send self-assessment questionnaires and identify risks to the remaining 38% of our major suppliers that have not completed the soundness check.

Through these efforts, we will act appropriately to prevent modern slavery and human trafficking in the JAL Group and the supply chain.

#### **6. Board Approval**

This statement was approved by the Board of Directors and signed on its behalf by the Representative Director, Executive President, Yuji Akasaka:

21<sup>st</sup> September, 2022

A handwritten signature in black ink, appearing to read 'Yuji Akasaka', with a long horizontal flourish extending to the right.