

## FY2019 Modern Slavery Act Statement

This statement has been published by Japan Airlines Co., Ltd. (hereinafter called "JAL") in accordance with Clause 1, Article 54 of UK's Modern Slavery Act 2015. It discloses the steps taken in order to prevent modern slavery and human trafficking in JAL Group and supply chains.

### 1. JAL Group

#### • Overview of organization and business

Founded in 1951, the JAL Group consists of Japan Airlines Co., Ltd., 81 subsidiaries, and 55 affiliated companies. The number of group employees is 35,653, and we operate air transport business and other businesses (as of 31st March 2020).

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. Our subsidiaries EURO-CREATIVE TOURS (U.K.) LTD and JALPAK INTERNATIONAL (EUROPE) B.V. are located in London and operate passenger sales.

Please check the following URL for an overview of the business.

<https://www.jal.com/en/outline/company.html>

[http://www.jal.com/en/investor/issue/jal\\_knowledge/](http://www.jal.com/en/investor/issue/jal_knowledge/)

#### • 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 the following URL for details.

<http://www.jal.com/en/outline/conduct.html>

## 2. Policy on Prevention of 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 that "respect for human rights in each corporate activity." Based on the idea that respect for human rights is a universal value and is consistent with the realization of our corporate philosophy, we will fulfill our responsibility to respect human rights by establishing the following policies.

### •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 as a result of our own business activities.

Please check the following URL for details.

<http://www.jal.com/en/sustainability/codeofconduct/>

### •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 the following URL for details.

[http://www.jal.com/en/sustainability/human/human\\_rights/](http://www.jal.com/en/sustainability/human/human_rights/)

### •JAL Supplier Code of Conduct

The JAL Group Code of Conduct requires suppliers to comply with the same content, and in order to prevent slave labor 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 language. 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 the following URL for details.

<http://www.jal.com/en/sustainability/csr-procurement/>

### 3. Processes for preventing Slave Labor and Human Trafficking in the company and in the supply chain

Regarding respect for human rights, we will always face issues, disclose the current situation to society, and continue to improve. We will establish human rights due diligence based on the JAL Group Human Rights Policy, identifying both in-house human rights risks and those in the supply chain, assessing human rights risks, and running a PDCA cycle for countermeasures against human rights risks. In addition, through the following initiatives, we will prevent contributing direct and indirect human rights abuses associated with the provision of our own products and services, or involvement in human trafficking associated with aircraft operations.

#### • Human rights risk assessment

The JAL Group aims to promote ethical and responsible business practices of its own company and its supply chain, and to strengthen risk management. In fiscal year 2018, we evaluated human rights risks for our company and group companies, and identified potential risks for each value chain.

Since then, with the advice of outside experts, we have identified issues that should be prioritized in terms of the severity and potential of human rights impacts, and have led to efforts to respect human rights.

#### • Installation of hotline

We have set up hotlines inside and outside the company that can be used by all employees working in the JAL Group, and we also accept consultations on human rights, including content related to slave labor and human trafficking. We will investigate the facts of the reported matters, take corrective measures and prevent recurrence promptly based on the investigation results, and immediately report to the relevant administrative agencies if deemed necessary.

It is promised that the whistleblower will not be treated unfavorably because of using the hotline. Related regulations and hotline information are posted on the intranet, and we are trying to make it known to all employees by establishing a system that makes it available for viewing.



•Participation in Sedex

To promote the establishment of sustainable supply chains, the JAL Group became a member of Sedex Information Exchange Limited (Sedex) in 2015 and has asked its suppliers to also join Sedex. While building a relationship of trust with our suppliers, we will continuously ask them to share and report information on the Sedex collaborative online platform. We will also conduct human rights risk assessment and monitoring, and enforce measures to prevent and mitigate modern slavery and human trafficking in our supply chains.

•Report / cooperation system related to human trafficking

In order to prevent human trafficking by air transportation, we have set up a mechanism, mainly in the human trafficking department, for reporting and cooperation when encountering suspected cases of human trafficking, referring to measures being considered by international organizations.

4. Training on prevention of slave labor and human trafficking

We are working to spread awareness of respect for human rights among many employees, such as 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 2018, we invited a lawyer who specializes in business and human rights to hold a study session on “business and human rights” for employees in charge of human rights and procurement operations. We also held dialogues on the supply chain and human rights with outside experts.

In fiscal year 2019, we conducted e-learning on the JAL Group Code of Conduct for all employees, including the item “ Respect for human rights and job satisfaction (human rights and labor)”. Furthermore, in order to prevent the human trafficking by air transportation, we provided education on the prevention of human trafficking, mainly in the departments that can be the site of human trafficking.

5. Plans to strengthen our approach in the future

The JAL Group will identify risks with a high impact and take measures to prevent and reduce those risks by having a mechanism for identifying, evaluating, and taking measures against human rights risks.

In particular, we will strengthen and enhance the PDCA cycle to identify, evaluate, and take measures against human rights risks of workers in the supply chain.

In addition, we will provide opportunities for dialogue with outside experts on human rights, verify the effectiveness of the evaluation process, measures, and education while incorporating outside knowledge, and link it to continuous improvement.



We will ensure the transparency of our human rights efforts by disclosing our efforts through integrated reports and websites.

Through these efforts, we will act appropriately to prevent slave labor 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:

23rd September, 2020

Yuji Akasaka

Representative Director, Executive President

Japan Airlines Co., Ltd.

Modern Slavery Act Statement