

Airbus



134,000
employees



Airbus operates
in **170**
locations
worldwide



95%
of its workforce
and supply chain
based in
Europe and
OECD countries



Suppliers in
79
countries

Airbus in the UK Modern Slavery Statement

This statement has been published in accordance with the UK Modern Slavery Act 2015 ('MSA'). It sets out the steps taken by Airbus during the financial year ending 31 December 2016 to prevent modern slavery and human trafficking in its business and supply chains and the proposed actions to support this going forward.

Introduction:

Modern slavery, including servitude, forced labour and human trafficking is a global issue and affects every country, sector and industry. It represents some of the gravest forms of human rights abuse in society. Airbus has a zero tolerance approach to modern slavery within its business, its operations and within its supply chain. In line with the requirements of S54 of the MSA, this first public statement addresses the current and proposed actions Airbus is taking to address the risks and prevent modern slavery in its value chain. This statement relates to the financial year ending 31 December 2016

All of the policies and codes referenced within this statement are published on the Airbus website (airbusgroup.com).

Our Business:

Airbus is a global pioneer in aeronautics, space and defence-related services, creating cutting-edge technology. Headquartered in the Netherlands, Airbus consists of three business divisions: **Airbus, Airbus Defence and Space and Airbus Helicopters**. With almost 134,000 employees, Airbus operates in more than 170 locations worldwide. Whilst Airbus products and services are sold all over the world, over 95% of its workforce and supply chain are based in Europe and OECD (Organisation for Economic Cooperation and Development) countries.

Airbus' Executive Committee is responsible for the management and overall conduct of Airbus and the direction and performance of its business.

In the UK, each of its three business divisions has a separate Board of Directors, each of which has direct responsibility for ratifying the MSA Statement within its own area of business, including overseeing activities to support its implementation.

As with other industries operating in such a diverse and global environment, the aerospace and defence business is complex, with a wide range of suppliers, customers and other commercial relationships.

With suppliers in 79 countries, delivering parts, components, sub-systems or services, quality, reliability and economic efficiency are key. However, Airbus believes that this **should not be at any cost** and as such is committed to ensure that, as far as possible within its own scope of responsibility and legal obligations, slavery and human trafficking **does not occur** within its value chain.

AIRBUS

Policies and Codes of Conduct:

Airbus is **determined** to apply the highest standards of compliance, responsibility and transparency throughout its global value chain and has established its **Standards of Business Conduct** which aims to balance the economic dimension with environmental and social considerations.

Airbus is a signatory to the **United Nations Global Compact** and as such upholds the ten core principles - including the elimination of all forms of forced and compulsory labour - within its organisation and wherever operations and services are performed. These values and practices are in line with internationally recognised standards as laid out in charters, declarations and guidelines, including the **Universal Declaration of Human Rights**, the **International Labour Organisation's Declaration on Fundamental Principles and Rights at Work** and the commitments taken by Airbus concerning corporate social responsibility. In 2016 Airbus' communication on progress in this respect achieved '**Global Compact Advanced Status**' demonstrating Airbus' commitment to upholding these principles.



Everyone within Airbus has a responsibility to be alert to the issues around modern slavery”

Airbus in the UK

Airbus is proud to be a co-founder of the **International Forum on Business Ethical Conduct (IFBEC)**, which supports the application of global standards for business ethics and compliance in the aerospace and defence industries. The **IFBEC Model Supplier Code of Conduct** expresses the minimum ethical standards that suppliers must comply with and includes the requirement to adhere to regulations prohibiting human trafficking and forced or indentured labour.

Airbus is implementing the IFBEC Model Supplier Code of Conduct in its entirety as the **Airbus Supplier Code of Conduct** ('the Code'). Airbus has sent the Code to its largest volume and highest risk suppliers across the world with a letter from Airbus' Chief Procurement Officer and Group General Counsel requesting commitment to the Code. Airbus expects all of its suppliers to comply with the key values set out in the Code and to conduct business in accordance with all applicable laws and regulations of the countries in which operations are managed or services provided. Suppliers are also expected to cascade these principles throughout their own supply chains.

Airbus is also a member of **ADS**, the premier trade organisation for companies in the UK in the aerospace, defence, security and space sectors, and is a participant of a number of ADS industry-wide working groups aimed at sharing issues, raising awareness and determining best practice, including with regard to the subject of modern slavery.

Raising Awareness and Whistleblowing:

Everyone within Airbus has a responsibility to be alert to the issues around modern slavery.

As such, Airbus has held awareness-raising sessions with key people working in its UK Procurement teams on modern slavery. Those sessions included information, guidance and advice on identifying potential risks in the supply chain. More in-depth face-to-face training sessions are planned to take place during 2017 to include key teams in high risk areas, along with on-line training, information bulletins and news articles bringing this important subject to the attention of its wider workforce.

In addition, in accordance with its whistleblowing policy 'OpenLine', all Airbus employees are expected to report any concerns they have, including those relating to modern slavery, using the appropriate reporting channels.

Going forward:

Recognising that modern slavery could occur in all areas of its value chain, Airbus has set up a **Modern Slavery Steering Group** within its UK business. The remit of this cross-functional group is to support and drive Airbus' approach to reducing the risk of modern slavery in its value chain, and ensure that policy decisions and activities are coordinated, well led and effective.

In addition to its commitment to increase training and raise awareness within its workforce with regard to modern slavery, Airbus will be conducting an exercise to identify the risk of modern slavery in its direct operations and value chain and reviewing existing policies and procedures to determine prioritised action areas. Airbus also plans to include an assessment of its suppliers against the Global Slavery Index as part of its **Supplier Watchtower Integrity check**.

Key Performance Indicators

In order to measure the effectiveness of its modern slavery strategy, Airbus will be reviewing a number of **key performance indicators** over the coming year. These indicators will be assessed on an annual basis and include:

- Percentage of staff in key functions that have attended training sessions on recognising and managing modern slavery and human rights issues;
- Percentage of employees that have undertaken online training; and
- Number of reported incidents of modern slavery through the 'OpenLine' initiative.

In Summary:

In summary, **Airbus takes a zero tolerance approach to modern slavery** and is committed to developing and strengthening its approach to ensuring that modern slavery does not occur in its direct business or supply chain.



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Airbus in the UK

Signed

Director

Mark Stewart

Airbus Operations Ltd

Chairman of the Board

Olivier Michalon

Airbus Helicopters UK

Director

Nigel Ede

Airbus Defence and Space Ltd

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