

A photograph of three women in Virgin Australia uniforms walking from left to right against a clear blue sky. The woman on the left is wearing a red dress with a purple scarf and a black belt. The woman in the middle is also wearing a red dress with a purple scarf. The woman on the right is wearing a dark blue pilot's uniform with a cap and sunglasses. The background is a bright blue sky with a red diagonal shape on the right side.

Towards a fairer future

Virgin Australia Group | Modern Slavery Statement 2024



australia
group



Acknowledgement of Country

Virgin Australia pays respect to the Traditional Custodians of the lands on which we walk, work, live and fly. We also acknowledge and pay our respects to Aboriginal and Torres Strait Islander peoples past and present.

Reporting instances of modern slavery

We are committed to providing trusted and accessible channels to report modern slavery and broader human rights-related concerns. Should you suspect an actual or potential instance of modern slavery, you can make a report via any one of the following channels:

Email: ethicsandcompliance@virginaustralia.com

Post: PO Box 1034, Spring Hill Qld 4004

Tel: 13 67 89

You can report a concern anonymously to Virgin Australia's Ethics Hotline (toll free) by calling:

1800 829 466 (within Australia)

0800 934 742 (within New Zealand)

Monday to Friday between 8:00am and 8:00pm (AEST) – outside of these hours you may leave a recorded message which will be responded to within 24 hours

International call (tolled): +61 3 9278 1017

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Message from the CEO

Treating our people, our customers and our suppliers with dignity, care and respect is at the heart of what we do. It is also the foundation of our commitment to respecting fundamental human rights, which includes freedom from all forms of slavery.

This is our fourth Statement under the *Modern Slavery Act 2018 (Cth) (Act)*. This year through our Supplier Deep Dive Program, we continued our plans to foster an environment of transparency and trust with high risk suppliers. These collaborations are vital in our pursuit of mitigating supply chain risks, ensuring that our collective efforts lead to tangible outcomes.

The implementation of our Drill Downs Framework has enhanced our understanding of supplier networks, allowing us to identify risks at deeper levels. This proactive stance, combined with our training initiatives and robust grievance mechanisms, empowers our team and stakeholders to address concerns promptly and effectively.

This year, we established a Human Rights Performance Framework to better track and monitor the effectiveness of our efforts to assess and address human rights risks, including modern slavery. We also enhanced communications about our Ethics Hotline to ensure our team members feel empowered to report concerns.

In FY24, we have been focusing our efforts on leveraging our collaborations with two new initiatives:

1. Establishing the Modern Slavery Aviation Forum (**MSAF**) with Qantas and Air New Zealand in which our airlines can share essential tools and insights to tackle modern slavery risks.
2. Collaborated with the Australian Federal Police (**AFP**) to raise awareness on modern slavery and human trafficking, equipping our team members with the tools to spot signs of potential slavery and how to respond.

As we move forward, we remain steadfast in our commitment to continuous improvement. We will leverage our collaborations with industry peers, government bodies, and non-governmental organisations (**NGOs**) to refine our approach and enhance our understanding of modern slavery risks.



Jayne Hrdlicka

CEO and Managing Director, and Director
of Virgin Australia Holdings Pty Limited

5 December 2024



About this statement

Purpose of this statement

Virgin Australia recognises modern slavery risk as a complex global human rights issue. As a stakeholder in the aviation industry, Virgin Australia understands the critical role that it and other businesses must play in helping to combat this issue.

Preparing this statement

This joint Modern Slavery Statement (**Statement**) is made under the Act. It sets out the actions taken by Virgin Australia Holdings Pty Ltd (**VAH**) and Virgin Australia International Holdings Pty Ltd (**VAIH**) and each of the entities that they own and control (including the reporting entities listed in Annexure One) to assess and address modern slavery risks in our operations and supply chain during the year ended 30 June 2024.

The information set out in this Statement is provided as a consolidated description of VAH and VAIH on their own behalf and on behalf of each of the reporting entities set out in Part A and Part B of Annexure One and for the purposes of this Statement, together referenced as the Virgin Australia Group.

Consultation & approval process

The Virgin Australia Group is comprised of two separate corporate groups with different governing Boards:

- > The Board of VAH is the principal governing Board of VAH and its subsidiaries; and
- > The Board of VAIH is the principal governing Board of VAIH and its subsidiaries.

Although the two corporate groups have separate governing Boards, together VAH and VAIH's businesses are managed as an integrated group with a centralised functional management structure and overarching policies, systems and processes that are applied consistently across their respective operations.

This statement was prepared in consultation with the reporting entities and their owned or controlled entities. This consultation was led by the centralised functional management structure that applies to each reporting entity and each owned or controlled entity. The consultation involved key teams that work together across our business to mitigate and manage potential modern slavery risk, and also included the ESG Steering Committee, which works across all Group entities to address the Group's response to modern slavery through its Modern Slavery Framework. The ESG Steering Committee is comprised of members from the Commercial, Corporate Affairs, Sustainability, People

and Culture, Ethics and Compliance, Legal, Procurement, Finance, Risk and Corporate Governance teams.

The Statement was reviewed by the Chief Legal and Risk Officer whose responsibilities apply across all entities covered by this statement, and an independent specialist business and human rights advisory firm, and was endorsed by the ESG Steering Committee, CEO and Executive Leadership Team, before being reviewed and approved by the two governing Boards identified above.

In accordance with the requirements of section 14(2)(d)(ii) of the Act, this Statement was approved by:

- > the Board of VAH as the parent entity of the reporting entities set out in Part A of Annexure One on 5th December 2024; and
- > the Board of VAIH as the parent entity of the reporting entities set out in Part B of Annexure One on 5th December 2024.

This Statement is signed by:

- > Jayne Hrdlicka in her role as Chief Executive Officer and a Director of the Board of VAH on 5th December 2024; and
- > Graham Bradley in his role as Chairman of the Board of VAIH on 5th December 2024.



Jayne Hrdlicka

CEO and Managing Director, and Director of Virgin Australia Holdings Pty Limited

5th December 2024



Graham Bradley

Chairman of the Board of VAIH

5th December 2024

Review of key areas of action in FY24

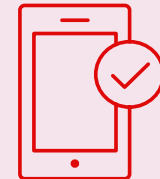


During FY24, we continued to develop and strengthen our modern slavery risk management approach.



Established a Human Rights Performance Framework

In alignment with the Act and expectations in key frameworks including the UN Guiding Principles on Business and Human Rights (**UNGPs**), we developed a Human Rights Performance Framework to support the Virgin Australia Group to better track and monitor the effectiveness of our actions to assess and address human rights risks, including modern slavery risks.



Strengthened how we communicate about our Ethics Hotline

In consultation with a specialist business and human rights advisory firm, we reviewed how we communicate about our Ethics Hotline internally and externally to identify areas for improvement. Following this review, we updated supporting materials such as internal informational documents. We have also identified opportunities to clarify external communications in relation to our Ethics Hotline which will be a focus for the coming FY25 reporting period.



Continued our Supplier Deep Dive Program

We conducted two deep dives with key suppliers in our clothing and aircraft components portfolios, building on our risk segmentation analysis of our suppliers from FY23 which identified where the highest modern slavery risks exist in our supply chain. As a result of these deep dives, we have a stronger understanding of our suppliers' modern slavery risks and controls and have identified opportunities for further collaboration.



Established the Modern Slavery Aviation Forum (MSAF)

We contributed to the establishment of the MSAF, together with representatives from Qantas and Air New Zealand. The MSAF provides a forum to collaborate with peers to address industry challenges and share key tools and learnings to address modern slavery risks.



Collaborated with Australian Federal Police (AFP) on modern slavery awareness series

In collaboration with the AFP, we filmed a series of short educational videos for our people featuring the AFP's Commander of Human Exploitation. The videos focus on modern slavery and deliver clear takeaways for employees, including ways to spot signs of potential slavery and how to respond.

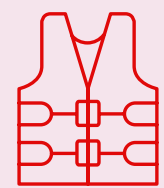
About us

Our values

Our values shape the way we work, set our standards, and informs every decision we make. They drive our commitment to addressing modern slavery and creating safe environments for our people, customers, and communities.



At Virgin Australia, we have four core values:



We put safety first

we put the health and safety of our people, customers and communities above all else.



We have a big heart

our customers live at the centre of everything we do.



We do the right thing

everything we do for our people, our customers and our community – is done with absolute integrity, always.



We own it

we're different and that's not going to change. We all, in our own way, embody Virgin's flair and laid back, authentic spirit.

Our structure and operations

Virgin Australia is a privately owned airline group, operating a domestic and short-haul international passenger airline Virgin Australia; charter and regional flying from our base in Western Australia through Virgin Australia Regional Airlines; a cargo airline business; and a loyalty business, Velocity Frequent Flyer. Virgin Australia includes several subsidiaries, including the reporting entities listed in Annexure One on page 30.

638 

destinations
on our global network

FY24 statistics as at 30 June 2024.

599 

global destinations
through our Velocity partners
and code share partners

The Group's registered head office is in Brisbane, QLD, Australia.

The key operational bases for our regular passenger transport services, cargo and charter services are Brisbane, Melbourne, Sydney, Adelaide and Perth.

Our loyalty program business, Velocity Frequent Flyer, undertakes activities connected to the earning and/or redemption of Velocity Points through a range of partnerships.

We also have a range of functions supporting the various businesses within the Virgin Australia Group. These functions support two key business areas:

Operational which includes Ground Handling, Engineering and Maintenance services, Security, Workplace Health and Safety, Customer Services, and Flight training.

Corporate which includes Sales, Marketing, Finance, Treasury, Corporate Affairs and Sustainability, Procurement, People, Technology, Legal, Risk and Compliance.

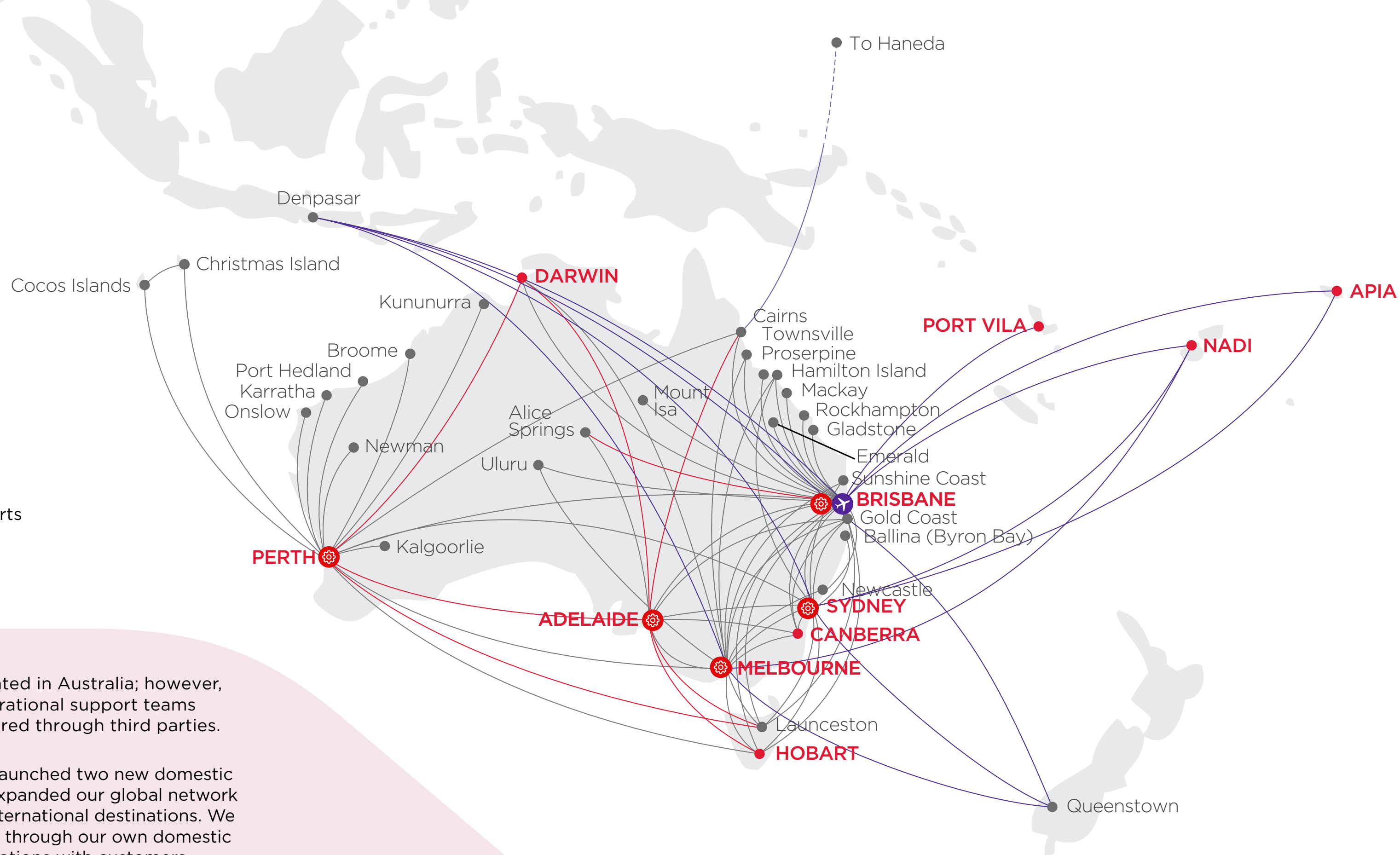
39 





destinations on our
domestic and international ports

33 domestic
6 international

Most of these functions are situated in Australia; however, we also have corporate and operational support teams comprised of indirect workers hired through third parties.

During the reporting period, we launched two new domestic routes (including to Uluru) and expanded our global network to a total of 638 domestic and international destinations. We serviced 39 of these destinations through our own domestic and short-haul international operations with customers having the choice of a further 599 global destinations through our code share partners (United Airlines, Singapore Airlines, Qatar Airways, Air Canada, ANA, Link Airways, Hawaiian Airlines, Virgin Atlantic, Etihad Airways, and South African Airways). We announced our intention to expand this further, with a partnership with Air New Zealand, due to launch in FY25.



-  **Head office**
 -  **Key operational bases**
 -  **Seasonal service**
 -  **Short haul international**
- Note: Some services are yet to be resumed. Subject to planning and operational guidelines.

Our people

As of 30 June 2024, our workforce consisted of 7,830 direct employees and 5,031 contractors.¹

Our direct workforce employment arrangements are covered by an enterprise bargaining agreement (EBA) or by individual contract. Our direct employees hold a mixture of frontline, operational, support, and corporate service roles which are predominately located within Australia. Approximately 78.9% of our employees are covered by an enterprise bargaining agreement and approximately 3.75% of our employees are covered by an award.

Our operations also include the use of indirect workers engaged via third parties, such as labour hire agencies, to provide services to support the ongoing activities of our operations, including information technology, payroll, member services, baggage services, and for our ground handling operations both within Australia and at our international ports. Indirect worker arrangements include contractors, contingent workers and outsourced labour hire arrangements.

Our indirect workforce operates across multiple locations, with 2,802 people in Australia and others in countries including, but not limited to the Philippines, India, Fiji, Indonesia and New Zealand.

As at 30 June 2024	Count	% Total workforce
Employees	7830	60.9%
Male workforce	4107	52.47%
Female workforce	3723	47.5%
EBA workforce	6173	78.9%
Full time employees	5695	72.8%
Part time employees	1964	25.1%
Contractors	5031	39.1%

1. The figures provided in this section are as at end of reporting period, 30 June 2024.

Our customers

With an ambition of being Australia's most loved airline, we continue to provide experiences our guests love with great value fares.

Our customers include leisure, corporate, government and charter travellers, air freight customers, and members of our loyalty program Velocity Frequent Flyer.

20 
million passengers

3,877,603 
corporate and SME customers (including charter)

2,134,095 corporate
1,743,508 SME

9,743 
tonnes of cargo freight

79 
regular passenger transport routes
66 domestic 13 international



Our supply chain

\$4.7 
billion total
supplier spend

Virgin Australia procures a wide range of goods and services from third parties to support its end-to-end operations. This includes everything from aircraft and aircraft parts to onboard products, catering, and corporate and digital solutions.

We spent approximately AU \$4.7 billion during the reporting period with approximately 1,688 suppliers. Across these suppliers, approximately 57.45% of spend is concentrated with our top five suppliers, with fuel comprising our largest procurement category in terms of spend.

While our overall spend increased, our procurement categories remain broadly the same.

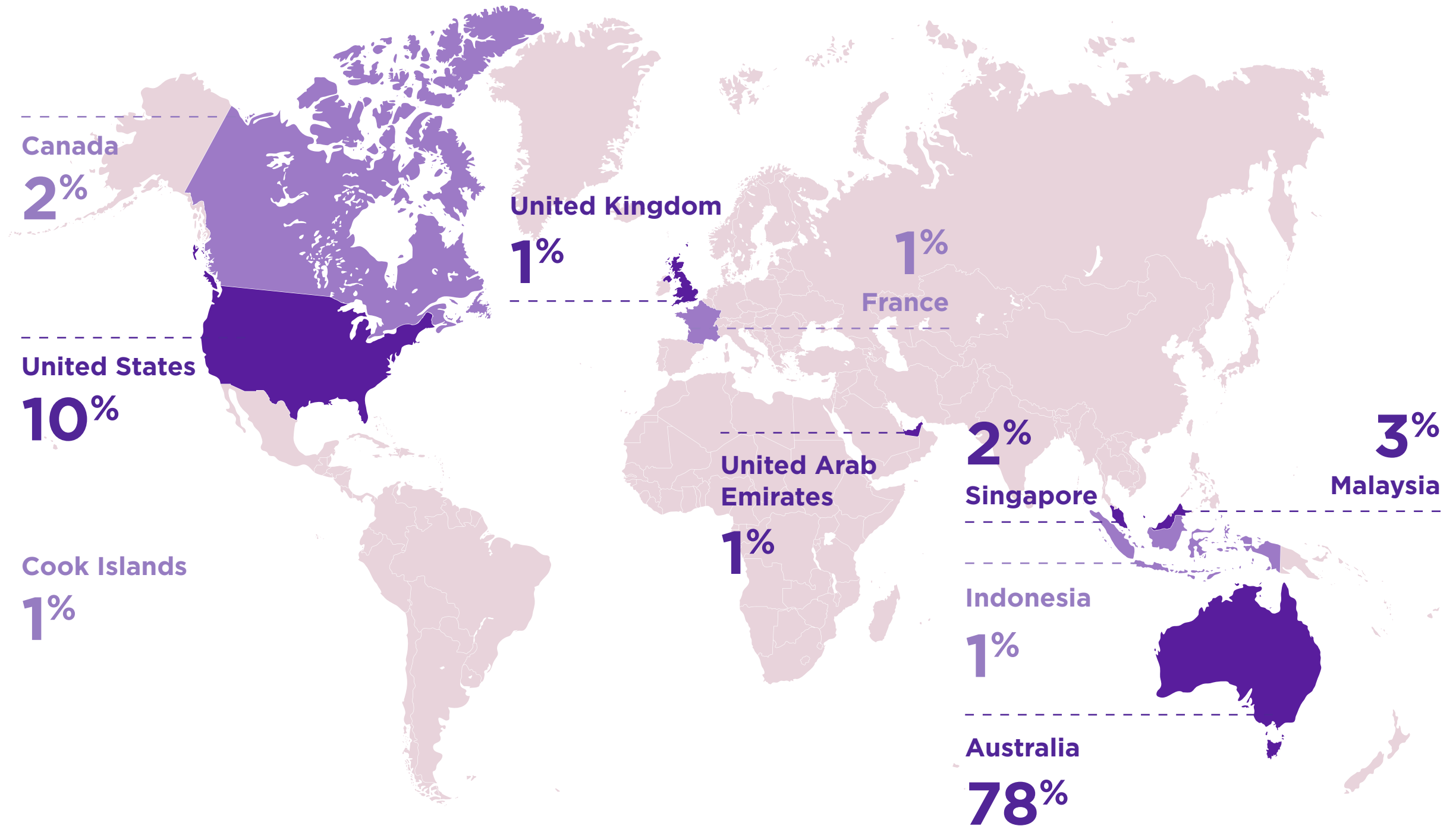
Virgin Australia operates a center-led procurement operating model that spans the Source-to-Pay lifecycle, and which is supported by our Procurement and Purchasing frameworks. High value and high-risk Source to Contract initiatives are managed by our Strategic Procurement team. Business users are empowered to self-manage lower risk and lower value

engagements utilising a tiered level of support comprising various tools and resources. The Procurement team supports relevant business units to identify procurement requirements, lead commercial negotiations and work with the Virgin Australia Legal function to identify and manage contractual risk in our supplier agreements.

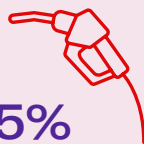
The map to the right provides an overview of spend based on the location of our tier 1 suppliers. We acknowledge that this may not necessarily reflect where the products are sourced, produced or manufactured and as such may not provide a complete overview of our geographical modern slavery risk profile. See page 11 for further detailed steps we are taking to understand where there may be modern slavery risks in our extended supply chain.

Suppliers located in one country may also have operations or sub-suppliers in other countries, which can affect our modern slavery risk profile. We recognise that throughout our supply chain, particularly in deeper tiers, there are likely to be sub-suppliers operating in or sourcing from jurisdictions reported to be more vulnerable to modern slavery risks.

Our top 10 countries by spend²




Top 5 procurement categories

1. Fuel 25% 
Aircraft fuel, and fuel for vehicles and equipment.

2. Airport fees 15% 
Fees related to airport operations, security and screening.

3. Aircraft leasing 11% 
Fees payable to aircraft lessors.

4. Engineering 11% 
Aircraft engineering materials, equipment and consumables and engineering services (including maintenance).

5. Catering 3% 
Food, catering and hospitality supplies and services including - meal preparation, delivery, cleaning and waste management services.

² There may be slight variations in the number of suppliers for each country listed above due to how data is exported in our system.

Understanding our modern slavery risks

Modern slavery can occur in any industry or sector which is why we remain committed to further improving our transparency, management, and oversight of potential modern slavery risks in our operations and supply chain.

Defining modern slavery

The Act defines modern slavery as including forced labour, debt bondage, deceptive recruiting for labour or services, trafficking in persons, slavery, child labour, servitude and forced marriage.

The UNGPs which Virgin Australia works to align with, are a global standard for addressing human rights impacts associated with business activities, such as modern slavery. The UNGPs outline a continuum of involvement which helps businesses to understand their actual or potential human rights impact and how to appropriately respond. The Australian Government's guidance also encourages reporting entities to draw on this continuum in identifying, addressing and reporting on modern slavery risks.³ Further details on the continuum of involvement are included in the box to the right. We acknowledge our responsibility to avoid causing or contributing to modern slavery and other adverse human rights impacts and to address any potential risks and incidents as we identify them. We also seek to prevent and mitigate adverse human rights impacts, such as modern slavery, that we identify we may be directly linked to through our business relationships, including by seeking to build and use our leverage in line with the UNGPs.

Given our risk profile and the controls we have in place, we have assessed that we are more likely to be directly linked to modern slavery through our suppliers or other business relationships, rather than causing or contributing to it. We acknowledge that should we fail to have appropriate controls in place or fail to act on credible reports of modern slavery, that we may then be at risk of contributing to modern slavery in these instances.

³. Commonwealth Modern Slavery Act 2018, Guidance for Reporting Entities Commonwealth_Modern_Slavery_Act_Guidance_for_Reporting_Entities (3).pdf

Three-part continuum of involvement

Cause

A business could cause modern slavery where its actions or omissions directly result in the modern slavery harm occurring.

For example, an airline could directly cause modern slavery if it subjects its workers to exploitive conditions that are below the minimum legal standards and meet the threshold for modern slavery.

Contribute

A business could contribute to modern slavery where its actions or omissions (such as engagement with suppliers) significantly incentivise, enable or facilitate the modern slavery harm occurring.

For example, an airline could contribute to modern slavery if it knowingly imposes conditions such as costs reductions on a supplier which cannot be met by the supplier without exploiting its workers through modern slavery practices.

Directly linked

A business could be directly linked to modern slavery if its operations, products or services are connected to modern slavery through the actions of another entity such as a sub-supplier.

For example, an airline could be directly linked to modern slavery if it uses electronics equipment such as laptops, computers, or mobile phones that have been manufactured by a supplier which has sourced raw materials mined by people in forced labour.

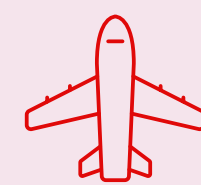


Our potential modern slavery risks

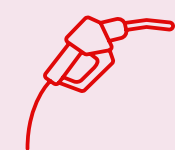
Like all commercial airlines, Virgin Australia is exposed to modern slavery risks through the operation of air travel and freight services. The nature of the aviation industry means that our supply chain is widespread, complex and changeable. We recognise there are potentially higher risks of modern slavery in certain jurisdictions where we operate and source from. In line with the UNGPs, Virgin Australia takes a risk based approach focusing on the areas of greatest risk to people across our operations and supply chain.

The boxes to the right provide an overview on the potential modern slavery risk areas in our operations and supply chain. Although we have not identified any significant changes in our modern slavery risk profile during FY24, we recognise the aviation sector operates in a global and dynamic environment and as such our risk profile may evolve over time. Our risk profile is also influenced by internal and external factors, within our operations and across our supply chain including social, economic, geo-political and environmental factors. We have a range of controls in place (as detailed in this statement) to support us to monitor and manage those risks (see page 19 for details of how we do this).

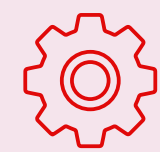
Supply chain risks



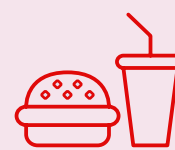
Aircraft components



Fuel



Facility, maintenance and security services

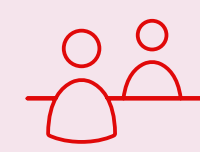


Food and catering



Clothing and personal protective equipment

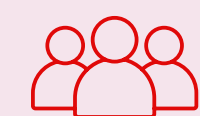
Operations risks



Indirect workforce - outsourcing to third-party providers











Human trafficking



Direct workforce



Supply Chain Risks	Risk Description	Potential Modern Slavery Risks
 Aircraft components	<p>Our aircraft components procurement category refers to the supply of individual parts that are utilised by our Engineering team to service our aircraft.</p>	<p>Virgin Australia could be directly linked to modern slavery in this risk area, including if:</p> <ul style="list-style-type: none"> > Suppliers or sub-suppliers were to use raw materials produced using modern slavery in the manufacturing of aircraft components. > Raw materials or finished components were transported or stored using logistics services provided by third parties with exploited labour. > Repairs and maintenance were to involve sub-contracting for low-skilled labour for some components or associated services such as cleaning and security at aircraft hangars and these workers are exploited. > Recycling of aircraft components for scrap involves the use of exploited labour.
 Fuel	<p>Fuel is critical to the supply of our services. We also require fuel-related products, such as oil and lubricants and equipment to load fuel onto aircraft to provide our services.</p>	<p>Virgin Australia could be directly linked to modern slavery in this risk area, including if:</p> <ul style="list-style-type: none"> > Suppliers and sub-suppliers of crude oil were to use exploited labour in sourcing raw materials. > Suppliers and sub-suppliers were to use exploited contract workers in the construction and maintenance of oil and fuel production facilities. > Suppliers and sub-suppliers were to use exploited workers in the transportation of jet fuel to on- and off-airport storage facilities.
 Facility Services Maintenance and security services	<p>Virgin Australia engages with one key supplier, who then subcontracts to several different suppliers for all facility services. These services include cleaning, general maintenance (e.g., electrical, plumbing, grounds, waste removal, fire systems), security and other services.</p>	<p>Virgin Australia could be directly linked to modern slavery in this risk area, including if:</p> <ul style="list-style-type: none"> > Primary contractors engaged by Virgin Australia or their sub-contractors were to use exploited labour to provide facilities management services. > Goods and materials used by primary contractors engaged by Virgin Australia or their subcontractors were produced using modern slavery. > Facilities management providers engaged through airports were to exploit their workers.
 Food and catering	<p>We use food and catering services in many different parts of our business: primarily on board our aircraft, but also in our corporate offices and in our Lounges. Our suppliers source fresh produce on our behalf, prepare and serve food and beverages to customers, and provide cleaning services related to food and catering. This procurement category also captures complementary services to the provision of food and catering – for example, the supply of cutlery, napkins and condiments.</p>	<p>Virgin Australia could be directly linked to modern slavery in this risk area, including if:</p> <ul style="list-style-type: none"> > Suppliers and sub-suppliers of fresh produce were to use exploited labour in the harvesting of fruit and vegetables. > Suppliers and sub-suppliers were to use exploited contract workers in the processing and preparation of food products. > Raw ingredients and processed foods were transported using logistics services provided by third parties who use exploited workers. > Manufacturing plants were to use cleaning and security services provided by third parties that use exploited labour.
 Clothing and personal protective equipment	<p>Virgin Australia procures uniforms for frontline employees, branded merchandise for internal and external use, and personal protective equipment for all team members.</p>	<p>Virgin Australia could be directly linked to modern slavery in this risk area, including if:</p> <ul style="list-style-type: none"> > Suppliers or sub-suppliers were to use raw materials produced using modern slavery in the manufacture and production of textiles and garments. > Suppliers or sub-suppliers were to manufacture textiles and garments using exploited labour. > Raw materials or manufactured textiles and garments were stored using warehousing services provided by third parties using exploited labour.

Operations Risks	Risk Description	Potential Modern Slavery Risks
 <p>Indirect workforce - outsourcing to third-party providers</p>	<p>Over 82% of our direct and indirect workforce are based in Australia and New Zealand, resulting in a lowered risk of modern slavery occurring in our operations.</p> <p>However, we are aware that there is an increased risk of modern slavery occurrences for our workforce, which uses indirect employment engagements, located in the Philippines, Indonesia and other South Pacific Islands.</p>	<p>Virgin Australia could be directly linked to modern slavery in this risk area, including if:</p> <ul style="list-style-type: none"> > Providers were to engage low-skilled labour to provide cleaning, security or other services for their sites and these workers were exploited. > Providers used third party recruiters which subjected workers to modern slavery practices such as debt bondage.
 <p>Human trafficking</p>	<p>Human trafficking is the physical movement of people across and within borders through deception, threats or coercion. Once trafficked, victims are subjected to ongoing exploitation once they reach their destination.</p>	<p>Virgin Australia could be directly linked to modern slavery in this risk area, including if our airline services are used without our knowledge to transport modern slavery victims domestically or internationally.</p>
 <p>Direct workforce</p>	<p>Our direct workforce is covered by individual employment contracts, modern awards and enterprise agreements, which confer at least minimum pay and entitlements and provide for consultation regarding significant operational changes where appropriate.</p> <p>We recognise the right of team members to negotiate collectively, with or without the involvement of third parties such as unions.</p>	<p>Virgin Australia could be directly linked to modern slavery in this risk area, including if Virgin Australia subjected its workers to exploitive conditions that are below the minimum legal standards and meet the threshold for modern slavery.</p> <p>We recognise that effective controls are necessary to reduce the risk of modern slavery. This is further detailed below under “Our employee and recruitment controls for managing modern slavery risk”.</p>

How we address modern slavery risks

Virgin Australia is committed to respecting and supporting the human rights of all people, including our team members, workers in our supply chain and operations, suppliers, customers, partners, and communities where we work, live and fly.

Approach to risk

Our management of modern slavery risks in our operations and supply chain is assessed and managed within our established Group-wide Risk Framework and Human Rights Framework. We proactively identify potential modern slavery and broader human rights risks by understanding our environment and where potential risk factors may be present. We perform environmental and horizon scanning to identify modern slavery trends, relevant changes in global legislation, thematic issues in investor discussions and commentary from the broader community.

Our modern slavery response and annual action plan is based on the four core areas:



Policy and process



Due diligence and assessment



Training, awareness, and capacity building



Grievance mechanisms

Governance and accountability

Our modern slavery response is managed through a clear governance framework that allows for an integrated and Group-wide approach to identifying and addressing modern slavery risks.

Each Virgin Australia Group Board has direct responsibility for the actions taken by Virgin Australia Group companies and our reporting obligations under the Act, including the approval of our modern slavery annual action response plan through the Audit, Risk and Compliance Committee.

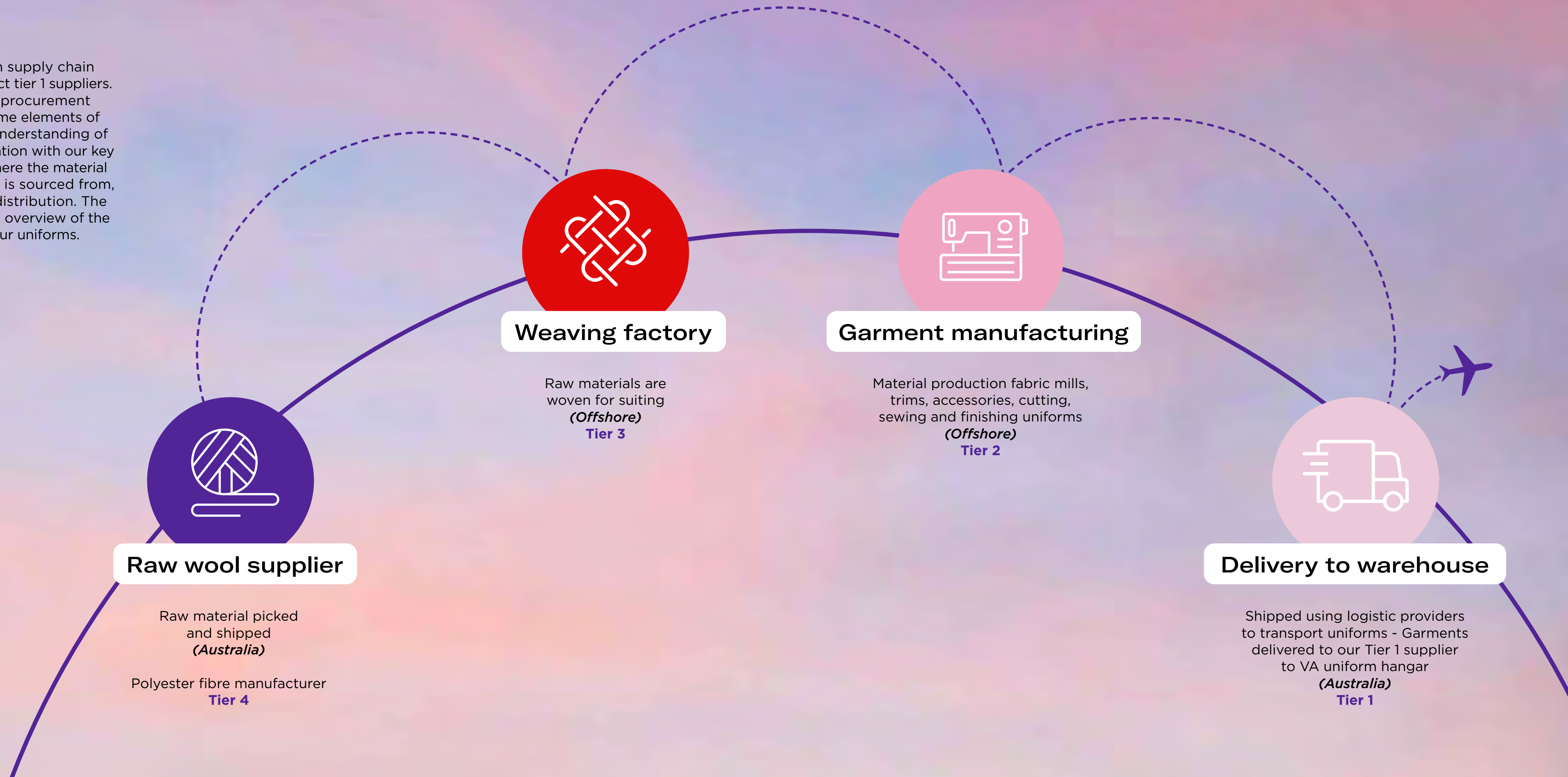
The day-to-day management of our modern slavery response and annual action plan is managed by our Ethics and Compliance team. Initiatives under our action plans are assigned to accountable Executive Leadership Team (ELT) members and supporting functions within their division, with ongoing oversight.

Governance of modern slavery risks

Virgin Australia Boards	Responsible for overseeing and monitoring the effectiveness of the Group's Human Rights Framework, including relating to modern slavery, and of the Group's systems and processes for legal and regulatory compliance, including with the Act.
Audit Risk and Compliance Committee (ARCC)	Responsible for overseeing Virgin Australia's Ethics and Compliance and Risk Management Frameworks and internal risk controls.
CEO and Executive Leadership Team (ELT)	Accountable for the implementation of our Ethics and Compliance program and managing modern slavery risks across the Group. Modern slavery program status is reported quarterly to ARCC.
Environmental, Social and Governance (ESG) Steering Committee	Oversees Virgin Australia's efforts with respect to sustainability-related activities in the areas of environment, climate, community, waste, and human rights including modern slavery. The ESG Steering Committee meets every six to eight weeks. It is comprised of executive team representatives and delegates from across the business and is chaired by the Chief Corporate Affairs and Sustainability Officer.
Ethics and Compliance business unit	Responsible for setting the strategy and leading the Group's modern slavery program on a day-to-day basis and providing subject matter expert advice on human rights issues, including modern slavery risk management.
Supporting functions	Accountable for the delivery of initiatives under our modern slavery response and annual action plan and implementing actions to address modern slavery and other human rights risks. Functions are also responsible for identifying, reporting, and monitoring potential modern slavery risks relevant to their functional area, with support from Ethics and Compliance.

Beyond Tier One

We recognise that modern slavery risks in supply chain can often occur below the level of our direct tier 1 suppliers. Targeting one of our identified⁴ high risk procurement categories, we commenced a review of some elements of our uniform supply chain to deepen our understanding of potential modern slavery risks. In collaboration with our key supplier, we have traced the location of where the material to produce some aspects of our uniforms is sourced from, through to weaving, manufacturing and distribution. The diagram on this page provides a simplified overview of the key stages involved in some elements of our uniforms.



4. Page 20, Elevate Risk Segmentation Analysis work FY23 Virgin Australia Modern Slavery Statement



Case Study Risk Appetite

The Board recently enhanced its approach to risk management by defining and communicating its Risk Appetite Statement across each Risk Dimension. “Risk Dimensions” are a range of potential risk areas that the Group may be exposed to and provide a critical input to the risk identification process. This enables decision-makers at Virgin Australia to understand the amount or level of risk Virgin Australia is willing to take to achieve its strategic objectives and ambitions. The risk appetite is aligned to Virgin Australia’s strategic pillars. For modern slavery which falls within the Legal and Regulatory risk dimension, the Board has no risk appetite, reinforcing








that we are fully committed to playing our part towards the elimination of modern slavery and human trafficking in our supply chain and operations. The Board expects the relevant risk appetite to be considered in matters presented to it and will continue to review the Risk Appetite Statement to respond to changes in the group’s top strategic risks and the Board’s appetite for risk. Virgin Australia’s Risk Management Framework provides a Group-wide approach to helping manage these risks and to assess the effectiveness of our controls to manage these in line with our risk appetite.

Policies

We take ethical and responsible decision-making seriously, and we expect our people, suppliers and business partners to do the same.

Virgin Australia has the following policies in place to help safeguard our modern slavery approach. These are endorsed or approved by the ELT and, where appropriate, approved by the Boards.

Policies

Policy	Relevance to modern slavery	How we implement this policy
 <p>Code of Conduct and supporting online training module</p>	<p>Our Code of Conduct (Code) sets out how we do business and outlines the standard of behaviour expected from our team members and leaders. The Code emphasises our commitment to operating ethically and with integrity and includes a section on modern slavery. The Code outlines our commitment to respecting human rights and business practices that are fair and considerate of workers, particularly in relation to the elimination of child labour. The Code also sets out our expectation that team members report any instances of human rights violations, which could include modern slavery.</p>	<ul style="list-style-type: none"> > Our Code of Conduct is made available on our website and on our internal communications platforms. > We provide training to all team members, including indirect workers, and leaders on the Code of Conduct as part of our onboarding process and on an annual basis via our online education platform. The Code of Conduct training module includes a modern slavery-specific component to encourage team members to consider how they can combat modern slavery risks in their roles. > Any breach or suspected breach of the Code of Conduct can be reported internally via our standard reporting channels (including our Ethics Hotline) or through our whistleblower program.
 <p>Modern Slavery Incident Response Policy</p>	<p>Our Modern Slavery incident Response Policy provides team members with high-level guidance on identifying and reporting actual or potential instances of modern slavery in our operations and supply chain.</p>	<ul style="list-style-type: none"> > Our Modern Slavery Incident Response Policy is made available on our internal communications platforms. > Targeted modern slavery awareness training is provided to team members who are most likely to be exposed to incidents of modern slavery, including our frontline team members (Flight, Cabin and Ground Crew).
 <p>Human Rights Policy</p>	<p>Our Human Rights Policy communicates Virgin Australia's commitment to respecting human rights and the expectations we set internally and for third parties who work with us, including our suppliers and other business partners. The Policy includes modern slavery as a specific area of focus.</p>	<ul style="list-style-type: none"> > Our Human Rights Policy is publicly available on our website and on our internal communication platforms. The policy encourages the reporting of any conduct which breaches or is suspected to breach the policy or concerns relating to human rights.
 <p>Procurement and Purchasing Policy</p>	<p>Our Procurement Policy outlines the expected standards of conduct for Virgin Australia's procurement activities, including requirements for ethical and socially responsible sourcing and managing modern slavery risks.</p>	<ul style="list-style-type: none"> > Our Procurement Policy is made available on our internal communications platforms. The Procurement team delivers targeted training to team members within the Virgin Australia Group responsible for sourcing goods and services that support our operations.
 <p>Whistleblower Policy and supporting Speak Up mechanisms</p>	<p>Our Whistleblower Policy outlines the processes in place to receive and manage reports, regarding potential misconduct, which includes suspected or actual unethical, illegal, corrupt, fraudulent or undesirable conduct, as well as concerns that represent a potential breach of the Code of Conduct. This can include complaints relating to modern slavery.</p> <p>Speak Up mechanisms: We encourage people to report modern slavery and broader human rights concerns through a number of channels including our Ethics Hotline, a 24/7 confidential reporting hotline that is serviced by an independent provider, or via other options including our line leaders. We provide regular reports to our ARCC on material business conduct concerns and material breaches of our Code of Conduct, including data on Ethics Hotline reports.</p>	<ul style="list-style-type: none"> > Our Whistleblower Policy is publicly available on our customer facing website and on our internal communications platforms. > Speak Up mechanisms are promoted across our internal communications channels and are referenced in Virgin Australia conduct policies, including the Whistleblower Policy and our Code of Conduct.
 <p>Risk Appetite Statement</p>	<p>Our Risk Appetite Statement provides a framework where risk appetite can be defined, documented, implemented and operationalised into quantifiable risk tolerances and limits. It provides guidance to the appropriate balance between risk and reward and includes consideration of risks related to modern slavery.</p>	<ul style="list-style-type: none"> > Our Risk Appetite Statement is made available on our internal communications platform.
 <p>Supplier Code of Conduct and Commitments</p>	<p>Our Supplier Code of Conduct articulates Virgin Australia's expectations of, and imposes obligations on, suppliers in relation to modern slavery, labour rights, and broader human rights. It informs suppliers that they must comply with all applicable modern slavery laws and have established controls to ensure that the supplier and its suppliers uphold the standards, policies and programmes set by the International Labour Organization (ILO) and do not engage in modern slavery.</p> <p>A number of the obligations (including for anti-bribery and anti-corruption controls) also extend to the supplier's subcontractors.</p>	<ul style="list-style-type: none"> > Our Supplier Code of Conduct and Supplier Commitments are publicly available on our website and on our internal communications platforms. > Virgin Australia's standard supplier contract terms include a requirement for suppliers to commit to complying with the Supplier Code of Conduct and Supplier Commitments. > Targeted training on contract drafting and negotiation, including with respect to the Supplier Code of Conduct and Supplier Commitments is delivered to team members in the business who are responsible for negotiating supplier contracts.

Due diligence

We continue to evaluate and mitigate modern slavery risks within our operations and supply chain through our due diligence and risk assessment processes. This includes requesting further information from our suppliers who pose the highest potential modern slavery risks.

We understand that these risks extend beyond our direct relationships to encompass the procurement of goods and services throughout our extended supply chain. Through targeted due diligence and collaboration with our partners, we are committed to upholding ethical standards and respecting human rights across all aspects of our business operations.

Our approach to supplier due diligence for contracts that are administered through the Group's contract approval and execution system follows a four-step process. A high-level overview is outlined in the following diagram with additional information included.



Identify

Virgin Australia team members who are responsible for developing and implementing third-party contracts are required to complete an initial KO3P assessment, so that key compliance and reputational risks can be identified and mitigated as part of Virgin Australia's due diligence processes. This includes consideration of modern slavery related risks, noting that they are assessed from the perspective of the risk to people. The program is supported by a platform that utilises third party technology to identify, assess and monitor a broad range of non-financial risks including corruption, money laundering, sanctions, ethical and sustainability risks including modern slavery.

Assess

In relation to modern slavery, the platform and underlying methodology is risk-based and designed to focus Virgin Australia's efforts on higher-risk engagements. KO3P involves automated and manual steps, as follows:

Step One

Initial assessment is automated based on business-user questionnaire responses, screening data and the risk segmentation analysis factors set out to the right.

We use various platforms to help us assess our environmental, social and governance risks. These tools allow us to tap in to ESG data feeds, indices and open source records helping us identify connections between potential risks and suspicious activities. By mapping out these links, we can better understand the relationships between illegitimate actors and their business networks making sure we are maintaining our commitment to ethical practices.

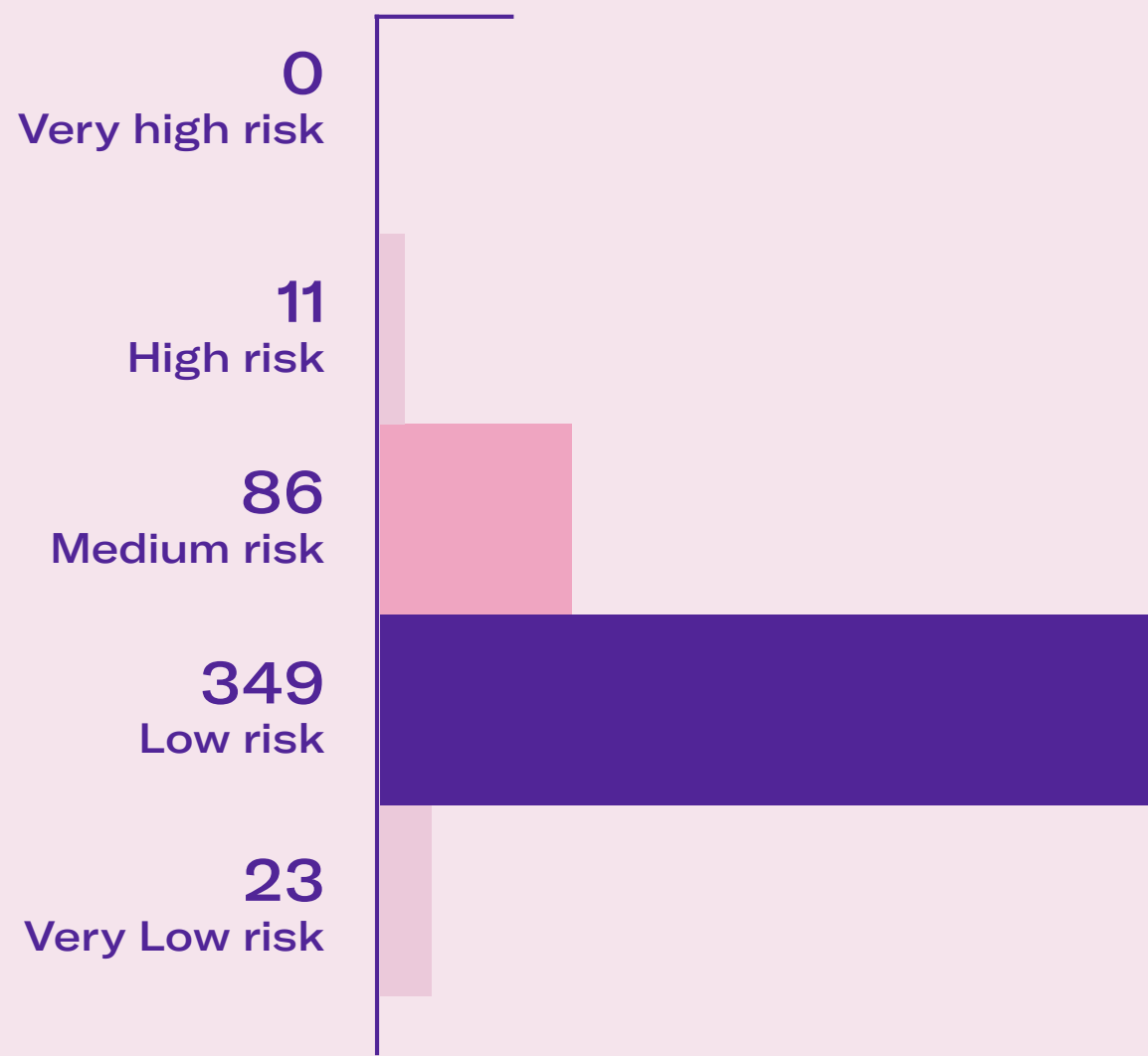


Step Two

Following the initial assessment, a risk score is provided (very low, low, medium, high or very high). Third parties resulting in a medium or higher-risk ratings, or third parties which have affirmative responses to a set of gateway questions (including questions relating to modern slavery) are subject to an enhanced due diligence process. During this process, the third party may be required to answer more in-depth questions in respect of its operations and the site(s) from where the product or service is manufactured or provided.

During the reporting period:

469 
suppliers assessed
through our KO3P platform



Mitigate

KO3P risk assessment results feed into mitigation measures such as contractual provisions, internal and external engagement (for example our Supplier Deep Dive Program), and third party audits.

Our tools to identify and manage risk:

- ✓ Supplier risk segmentation analysis and prioritisation
- ✓ Planned reviews during our Supplier Deep Dive Program
- ✓ Enhanced due diligence risk-based reports
- ✓ Business unit training engagement
- ✓ Supplier engagement and education
- ✓ Corrective action plans
- ✓ Supplier monitoring and review
- ✓ Contract clauses
- ✓ Contract management

Monitor

Once approved via the KO3P platform for onboarding, the third party is subjected to continuous monitoring, including related to modern slavery, regardless of risk rating. This enables us to review and, if necessary, undertake appropriate action with the third party in a timely manner. Enhanced due diligence, which may include review of third parties' public policies and disclosures, can be triggered at any stage on any new or existing third party that the Ethics & Compliance team consider may present elevated risks.

The system also automatically prompts for regular review of third parties and the appropriateness of their risk ratings, with review cycles aligned to the third party's risk rating.



Controls in respect of direct and indirect workforce

Virgin Australia has a range of controls in place to manage modern slavery risks within our workforce and through our recruitment practices.

Direct workforce controls

Employment Conditions

Our direct workforce is covered by individual employment contracts, modern awards and enterprise agreements, which confer at least minimum pay and entitlements and provide for consultation regarding significant operational changes where appropriate. We recognise the right of team members to negotiate collectively, with or without the involvement of third parties such as unions.

Employment Contracts

Our employment contracts reflect the employment standards relevant to workers (including minimum pay and other entitlements to leave and maximum weekly hours) and include a clause which reflects Virgin Australia's commitment to respecting our workforce's human rights.

Engagement with recruitment agencies

We ensure that when we engage with recruitment agencies, these agencies are bound by our Supplier Commitments, which require them to comply with all applicable modern slavery laws and uphold the United Nations' International Labor Organisation's Declaration on Fundamental Principles and Rights at work.

We are aware our indirect workforce may be at risk of modern slavery in some circumstances. For example, outsourcing business functions and operational tasks to third-party providers can create a range of risks, including where providers engage low-skilled labour to provide cleaning, security or other services for their sites.

These services may also be provided in locations where there are higher reported modern slavery risks and in contexts where third party recruiters may charge recruitment fees which could result in workers being subjected to modern slavery practices such as debt bondage.

Case Study

Managing risks beyond Tier 1

During the reporting period, a Tier 1 clothing supplier to Virgin Australia identified several labour rights issues in two of its own Tier 1 suppliers (Virgin Australia's Tier 2 suppliers) through routine social audits. The issues related to reported excessive working hours for some employees and concerns relating to the provision of social insurance protections. The audit also included considerations in relation to living wage.

Through engagement with our Tier 1 supplier, we were able to raise our concerns related to the audit findings and obtain additional information on the situation. This process involved providing our Tier 1 supplier with a number of targeted questions to ask our Tier 2 suppliers. Through this engagement, the Tier 2 suppliers provided further context on the situation and indicated their willingness to make improvements and take corrective actions. Our Tier 1 supplier has also undertaken its own due diligence and provided evidence of our Tier 2 suppliers' overtime policies, efforts to provide information to workers on their rights, mechanisms to raise concerns or complaints, and corrective action plans. While we recognise that excessive working hours can be an indicator of modern slavery in some circumstances, we did not identify any other modern slavery red flags during our engagement.

Reflections and next steps: We recognise that modern slavery risks may exist across our extended supply chain and acknowledge the challenges around conducting due diligence with suppliers beyond Tier 1. This engagement highlighted several difficulties, including the time required to address issues, particularly as our Tier 2 suppliers were engaged through our Tier 1 supplier. While we had positive interactions with our Tier 2 suppliers via our Tier 1 supplier in this case, Virgin Australia's orders represented less than 2% of the Tier 2 suppliers overall volume. Despite potential challenges in relation to leverage from the perspective of our spend, we continued our engagement to explore how we could build and exercise leverage through our Tier 1 supplier in addressing this issue.

Following the commitments made to address the issues raised and the steps taken to date, we have agreed to check-in with the suppliers through our Tier 1 supplier in the next 6-12 months, in line with the future follow-up social audits. Through this process we were able to strengthen our relationship with the Tier 1 supplier, while also supporting their understanding of modern slavery and broader labour rights issues.



Supplier Deep Dive Program

In FY24, as part of our Supplier Deep Dive Program, we focused our attention on two key high-risk procurement categories: clothing and transportation repair and maintenance.

Our deep dive methodology enables engagement with a key supplier in a collaborative and supportive setting to build our understanding of its modern slavery risks and controls and identify potential opportunities for further collaboration.

Our methodology

Benefits:

- > Deeper insights into the selected supplier's operations and own supply chain, which may include key sourcing countries, procurement footprint and workforce composition.
- > Greater understanding of the selected supplier's current modern slavery response framework, actions and supporting policies and processes, including potential strengths and challenges for the supplier's response.
- > Identification of opportunities to improve the supplier's current modern slavery response and for collaboration on future actions.

Our methodology





Case Study

Our Supplier Deep Dive Program: Clothing and Personal Protective Equipment

During the reporting period, Virgin Australia continued our Supplier Deep Dive Program with a supplier from our clothing and personal protective equipment risk category.

Throughout the deep dive process, we focused on the following three topics to better understand potential modern slavery risks and to identify future opportunities for improvement and collaboration:

- > Due diligence and management of risk within the supply chain,
- > Steps taken to mitigate potential compliance breaches, and
- > The level of visibility and understanding within the extended supply chain.

One of the areas we were interested to understand more about through the deep dive was how and where raw materials used in the manufacturing of our uniforms is sourced.

We are aware of the modern slavery risks present in the supply chain of such raw materials and recognise that the more we understand about these supply chains, the better placed we can be to tailor our work to manage associated modern slavery risks. The supplier provided evidence to show they have documented the country of origin for the composition of wool used in Virgin Australia's uniforms as referred to in page 15.

Reflections and next steps: This deep dive process highlighted the importance of working collaboratively to identify, address and mitigate the risks of modern slavery in our supply chain. Through this process, we have identified several opportunities for further collaboration with the supplier which may include additional supply chain traceability mapping processes and also providing input into the development of the supplier's Modern Slavery Policy based on Virgin Australia's experience in developing modern slavery and broader human rights policies and procedures.

Case Study

Our Supplier Deep Dive Program: Transportation repair and maintenance

During the reporting period, Virgin Australia continued our Supplier Deep Dive Program with a supplier from our transportation repair and maintenance services risk category. We selected this supplier for a deep dive on the basis that they operate in a known area of modern slavery risk within our supply chain.

In alignment with the methodology used for our previous supplier deep dives, we worked with the supplier to strengthen our understanding across the following five core topics to better understand potential modern slavery risks and to identify future opportunities for improvement and collaboration:

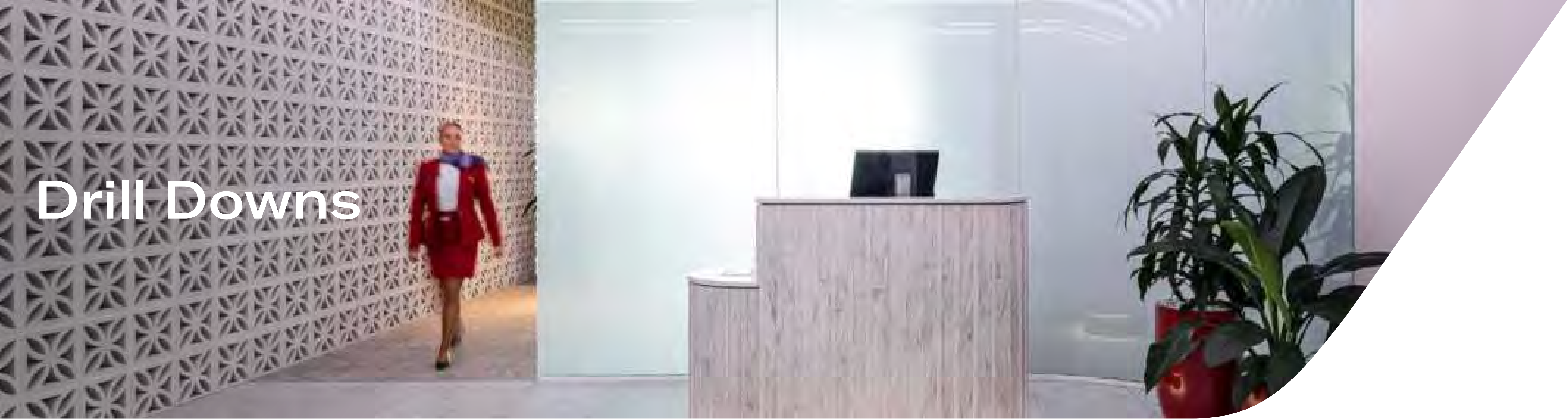
- > The supplier's modern slavery risk profile, to gain a deeper understanding of its operations and supply chain relevant to the goods and services provided to Virgin Australia,
- > The extent to which its supply chain had been mapped, such as worker and factory locations, nature of employment and risk profiling sectors and commodities,

- > The supplier's due diligence and supplier management and other ongoing strategies,
- > The supplier's grievance mechanisms available for workers across its supply chain, and
- > The supplier's grievance response framework and what mechanisms for sanctions and remediation it had in place.

Through our deep dive engagement, we were able to gain a stronger understanding of the supplier's processes to address modern slavery risks, including around screening and monitoring of its own suppliers, on-site supplier audits, and corrective action plans.

Reflections and next steps: We discussed a number of potential opportunities for further collaboration with this supplier to deepen our relationship, which we are continuing to explore. These may include a collaborative deep dive with a supplier who is common to both organisations, and participation and support with a bi-annual round table discussion.

Drill Downs



The Drill Downs Framework is an enhanced due diligence process designed to improve Virgin Australia’s understanding of modern slavery risk within its own operations and supply chain, by diving deeper into their corporate structures and their sub-tier suppliers.

During the reporting period, Virgin Australia piloted the Drill Downs Framework using a tool to map supply chain networks.

These suppliers were identified as priority following the segmentation process that was conducted in FY23 where we undertook a risk segmentation analysis with ELEVATE to identify which of our suppliers may present higher modern slavery risks. We recognise that focusing on areas with the highest expenditure may not cover all of our high-risk areas. However, it helps us focus our efforts including where we can make the most impact.

The results identified 13 of our suppliers as priority (those classified as high-risk for modern slavery and where our leverage was assessed as high) across our key procurement categories.

In this reporting period, we focused our efforts on building our understanding of the risks associated with these high risk suppliers by commencing a review on their sub-tier supplier networks through our technology tools.

High risk category	Number of priority suppliers identified
Aircraft components	2
Fuel	0
Facility, maintenance and security services	8
Food and catering	1
Clothing and personal protective equipment	2

The review helped Virgin Australia gain an increased visibility of our supplier network and a deeper understanding of risks in our extended supply chain including possible connections to high-risk regions. As a result, we have made further investigations to its subsidiary’s relationship to the services provided to Virgin Australia.

In FY25, Virgin Australia intends to integrate the Drill Downs Framework into our due diligence process as an additional screening tool.

5. Page 20, Virgin Australia’s FY23 Modern Slavery Statement.

Grievance mechanisms

Commitment to remediation

Our Human Rights Policy outlines our commitment to provide for or cooperate in remediation, where we identify that we have caused or contributed to human rights harms, including modern slavery. In line with the expectations outlined in the UNGPs, we are committed to providing for, or cooperating in, effective remediation. We also recognise that there may be situations where we are may be indirectly linked to human rights harms, including modern slavery, such as in our supply chain. In those situations, we will seek to use our leverage and influence to prevent or mitigate the harm and potentially play a role in remediation. We will continue to explore ways to build and use our leverage over the coming reporting period.

Overview of our grievance mechanisms and response approach

We have established reporting procedures and mechanisms so that team members and other stakeholders can report any concerns regarding unethical or illegal conduct, including in relation to modern slavery. Our Ethics Hotline is a 24/7 confidential reporting hotline that is serviced by an independent provider, RightCall. Reports can also be made online through a web-based reporting form.

Our Modern Slavery Incident Response Policy provides targeted guidance for our team members in operational and corporate settings on how to identify and report modern slavery risks, and actual or potential modern slavery incidents. On becoming aware of an incident involving modern slavery within our operations or supply chain, we take steps to promptly investigate and undertake remediation actions that are appropriate. These procedures are summarised in the diagram to the right.

Encouraging a Speak Up Culture

We recognise the importance of ensuring our grievance mechanism is trusted and accessible and have taken a number of steps during the reporting period to ensure our grievance mechanism is trusted by the users it is designed to serve. We are committed to strengthening our grievance mechanisms to align them with the UNGPs effectiveness criteria for operational grievance mechanisms.

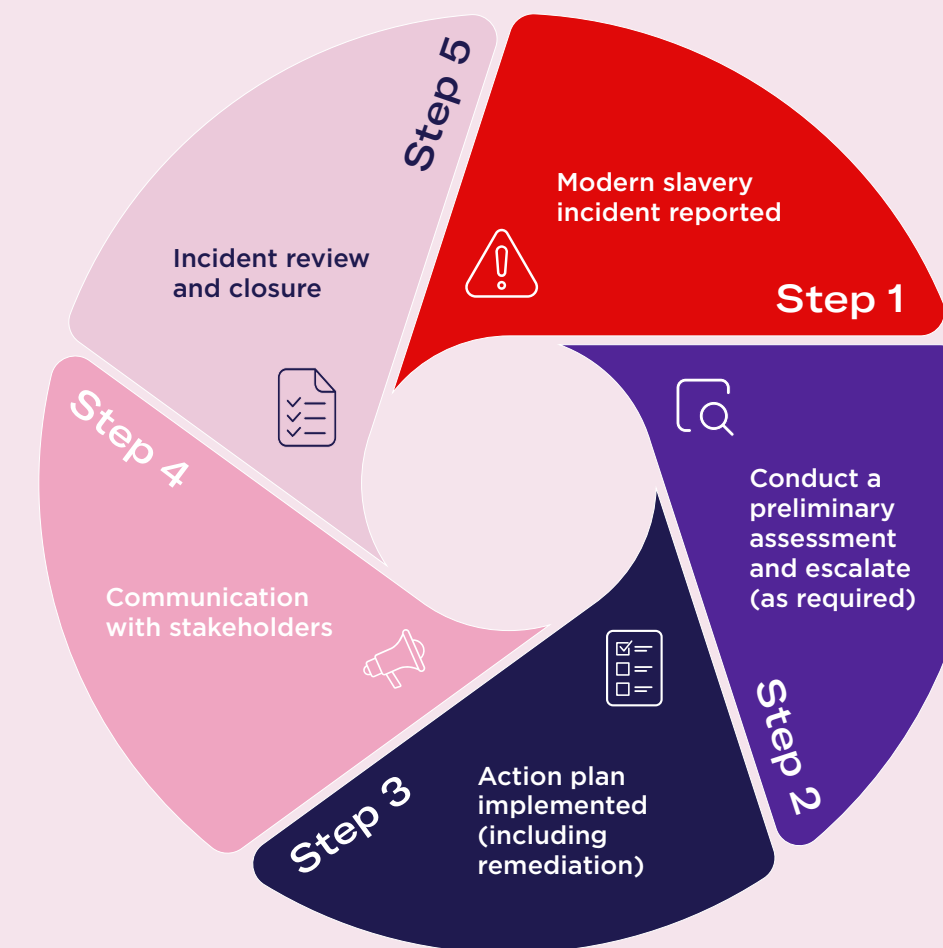
We seek to raise awareness of our Speak Up culture and create awareness of our Ethics Hotline, including in the following ways:

- > Information on our Speak Up program is included in Virgin Australia Group's Code of Conduct and Supplier Code of Conduct and our Speak Up program is discussed in our induction training sessions with new team members.
- > Displaying guidance materials, including posters for our grievance channels, in our own offices and regularly promoting the Ethics Hotline in our internal newsletter and on our online forum, Workplace.
- > Sharing information with our suppliers to help raise awareness of our Speak Up mechanism with workers in our supply chain.

Speak Up Reporting during FY24

Virgin Australia reports quarterly to the ARCC on the outcomes of our Ethics Hotline reports. The information provided to the ARCC includes information related to the key issues and themes arising from the reports and steps taken to ensure anonymity is protected. Whilst we did not receive any modern slavery-related reports, we are conscious that this does not necessarily mean there were no instances of modern slavery or precursors to modern slavery present during the reporting period. We acknowledge the importance of establishing and maintaining a grievance channel that, in line with the UNGPs, is trusted, accessible and legitimate.

Modern Slavery Incident Review Procedure



Case Study

Strengthening our Ethics Hotline

In this reporting period, Virgin Australia has taken steps to increase internal and external stakeholder's awareness of and ability to access our Ethics Hotline as it related to modern slavery and human rights more broadly. This builds on our work in FY22 and FY23, to develop the Modern Slavery Incident Response Policy and streamline our modern slavery related reporting lines and internal processes.

During the reporting period we reviewed our publicly available and internal Ethics Hotline portal and related promotional materials to identify opportunities to increase the accessibility and clarity of this information. Following the review, we updated internal documents related to the mechanism and are working towards updating the public facing Ethics Hotline portal to ensure it is clear that human rights (including modern slavery) related concerns can be raised through the hotline.

This work is part of our ongoing commitment to strengthen our response to and reporting under the Act and implement our commitments under our Human Rights Policy. We will continue to explore opportunities to strengthen the effectiveness of our grievance mechanism during FY25 in line with the UNGPs' effectiveness criteria for operational grievance mechanisms.

Training, awareness & capacity building

Many of our team members operate on the front line, acting as the eyes and ears for on the ground risks. Training and awareness raising for our front-line team and broader workforce is a core component of our response to addressing modern slavery. Throughout the reporting

period, we continued to roll out whole of business training and targeted training and tools for our people. We also worked in collaboration with the AFP to develop an online series of mini-videos to promote awareness of modern slavery.

Virtual Learning Modules

Code of Conduct

All Virgin Australia team members are required to undertake annual training on the Code of Conduct. The online training covers key elements of the Code of Conduct including how to manage third party relationships, modern slavery, Virgin Australia's Whistleblower Policy, and the expectations and responsibilities of employees regarding managing modern slavery risks.

93%

compliant in FY24
(based on those it was issued to)

Modern Slavery Component of Security Training

All Virgin Australia team members are required to complete our online security module on an annual basis. This online training is designed to support our ambition of raising modern slavery awareness across our whole organisation, both within our operations and in our supply chain. It provides team members with a basic understanding of what modern slavery is, how to identify modern slavery and the internal reporting mechanisms to use when risks are identified or suspected incidents occur.

90%

compliant in FY24
(based on those it was issued to)



Face to Face Training

Human trafficking training

Flight crew, cabin crew and ground crew complete human trafficking training as part of their in-person Aviation Security Training course (in addition to the online Security training). This training focuses on identifying indicators of human trafficking with a specific focus on the aviation sector and what action to take if human trafficking is identified or suspected.

Modern slavery training

We understand key members within our corporate head office roles may also be exposed to modern slavery risks in their dealings with our third-party suppliers and business partners.

This year, we continued our in-person training program for team members in the Procurement, Sales, Velocity, Information Technology and People teams. This training covers topics including an overview of modern slavery, Virgin Australia Group's response to modern slavery and practical tips relevant to the teams for dealing with modern slavery risks. It is designed to ensure relevant team members have the requisite understanding of how to identify, manage and report modern slavery risks that may arise in their roles.

In total, 6028 Virgin Australia employees and contractors completed modern slavery awareness training as part of their security training. This includes 763 cabin crew and 223 pilots, along with 3036 ground operations employees.



Case Study

Awareness raising in collaboration with the Australian Federal Police

During this reporting period, and continuing in FY25, we collaborated with the AFP and the Australian Centre to Counter Child Exploitation (**ACCCE**) to produce a mini-information series on modern slavery and human trafficking awareness. As stakeholders in the aviation industry, Virgin Australia understands the critical role we play in helping to combat this abhorrent crime. By educating ourselves, we can make significant strides in recognising, preventing, and reporting human trafficking and slavery related activities.

Through our collaboration with the AFP and the ACCCE, we interviewed AFP Commander Helen Schneider across a three-part mini-series on a range of topics including

indicators of modern slavery, how modern slavery impacts the aviation industry, how team members should respond in accordance with Virgin Australia's Modern Slavery Incident Response Policy, and how the AFP tackles modern slavery and human trafficking more broadly. The videos have been made available to our people via our internal intranet.

Reflections and next steps: The episodes were well received by Virgin Australia employees and we are in the process of combining the three episodes into a training video that will be made available for ground school training in 2025.

External engagement and collaboration

Collaboration for collective impact is fundamental to our approach to identifying and addressing modern slavery risks. In FY24, we engaged with peers, industry, government, and NGOs who share our commitment to be a force for good.

Collaboration and engagement	Stakeholders engaged	Description
Modern Slavery Aviation Forum (MSAF)	Airlines	Representatives from Virgin Australia, Qantas and Air New Zealand established the MSAF in FY24. The aim is to provide a forum to collaborate with peers to address industry challenges and share key tools and learnings to address modern slavery risks.
United Nations Global Compact Network Australia (UNGCNA) and UNGCNA's Modern Slavery Community of Practice (MSCoP)	Business and other stakeholders including NGOs and government	We participate in the MSCoP on an ongoing basis, where we are able to discuss challenges and opportunities relating to modern slavery risk management and learn from companies in diverse sectors.
UNGCNA 2024 Annual Dialogue on Business and Human Rights (Dialogue)	Multi-stakeholder	Our participation in the Dialogue enabled us to engage with a range of stakeholders to discuss key trends and developments related to human rights including modern slavery risk management. A summary of the Dialogue was provided to the ESG Steerco.
AFP and ACCCE	Government	We have regular dialogue with the Government and its agencies on a broad range of issues. During the reporting period for example, we engaged with the ACCCE to collaborate on a mini-information series (see page 26).
International Civil Aviation Organisation (ICAO)	Industry	ICAO is a specialised agency of the United Nations that establishes internationally aligned aviation standards to realise safe, secure and sustainable air operations, including efforts to prevent human trafficking.
International Air Transport Association (IATA)	Industry	Virgin Australia is a member of the IATA which recognises the important role that airlines play in preventing human trafficking. Virgin Australia supported the IATA's Resolution Against Trafficking in Person.



Assessing the effectiveness of our actions

Having an effective modern slavery program means that we are able to identify, assess and mitigate modern slavery risks in our operations and supply chain in a transparent, collaborative way, and use our leverage to effect positive change in our supply chain and the communities within which we work and fly. Tracking our effectiveness is also a key aspect of broader human rights due diligence, as set out in the UNGPs and our Human Rights Policy.

Virgin Australia evaluates the effectiveness of its actions to assess and address modern slavery risks through a blend of quantitative and qualitative measures and indicators. We recognise that these measures will need to be reviewed and adapted as our initiatives evolve and as our understanding of modern slavery continues to develop and evolve.

The following framework was recently finalised and Virgin Australia will report against it in the next reporting period.

Pillar	Governance	Management	Communication	Engagement	Grievance mechanisms and remediation
Indicators	<ul style="list-style-type: none"> > Engagement and review by Executive Leadership Team and Board (on a cadence to be reviewed) in relation to human rights risk management approach, including related to modern slavery and other priority issues 	<ul style="list-style-type: none"> > Number of suppliers screened for modern slavery related risks > Number of supplier 'deep dive' risk assessments completed > Number of suppliers with corrective action plans in place > Number of supplier audits completed > Regular engagement with suppliers on human rights-related matters including related to modern slavery 	<ul style="list-style-type: none"> > Completion rates for general modern slavery awareness training > Completion rates for targeted modern slavery training (e.g. for relevant roles / functions) 	<ul style="list-style-type: none"> > Number of external stakeholder engagements on modern slavery issues > Duration of relationships with key external stakeholders > Stakeholder feedback on modern slavery risk management approach 	<ul style="list-style-type: none"> > Number of modern slavery related concerns reported through our Ethics Hotline or other channels > Number of modern slavery related concerns investigated > Number of identified instances of modern slavery in our operations or supply chain > Appropriate response and remediation provided to affected rightsholders where modern slavery impact identified

Case Study Reviewing our approach to tracking effectiveness

Virgin Australia's approach to monitoring the effectiveness of its modern slavery risk management approach was developed during its early reporting years under the Modern Slavery Act. Since then, Virgin Australia's modern slavery risk management approach has evolved along with stakeholder expectations. In addition, following the approval of Virgin Australia's Human Rights Policy by the Board, Virgin Australia has been focused on developing a streamlined approach to how it tracks the implementation and effectiveness its modern slavery and broader human rights approach.

During this reporting period, we undertook a review of Virgin Australia's approach to tracking the effectiveness of our modern slavery risk management, including the indicators we use. Following this review, we developed a revised Human Rights Performance Framework. This updated Framework defines the core components of what Virgin Australia considers to be an effective modern slavery risk management response and aligns key indicators with each component. Consideration was given to the use of indicators to assess outcomes as well as outputs. In developing the revised Framework, we also considered key findings from the Australian Council of Superannuation Investors and Pillar Two's assessment of ASX200 modern slavery reporting to identify opportunities for improvement.

Reflections and next steps: As our actions and understanding of modern slavery continues to develop and evolve, we recognise that our measures to assess our effectiveness need to be reviewed and adapted. We will continue to consider opportunities to refine our Framework to ensure it remains fit-for-purpose over future reporting periods.

Looking forward

Looking ahead to FY25

Virgin Australia is committed to the safety of the people within our operations and supply chains. As a responsible business, we aim to continuously refine how we identify and respond to modern slavery risks. As we look to improve how we address modern slavery risks, we have set out the priorities to the right:



Governance

- > Develop an updated Modern Slavery Strategy to guide our modern slavery risk management approach for the next three years.



Communication

- > Train relevant teams on enhanced processes to address modern slavery.
- > Implement revised Supplier Code of Conduct and share a supporting one page information sheet for suppliers.
- > Review and refresh external procurement page for suppliers on Virgin Australia's website.



Grievance Mechanisms & Remediation

- > Continue to take steps to increase awareness of our Ethics Hotline.
- > Developed a process for quarterly testing of the Group's Ethics Hotline to test functionality and effectiveness



Management

- > Develop and pilot a revised deep dive program with a high risk supplier.
- > Enhance our third party labour hire processes to better identify and manage modern slavery risks associated with contingent workers.
- > Review contracting processes for low risk suppliers and update as required to address risk of modern slavery.
- > Deepen visibility and understanding of modern slavery risks in VA's supply chain including updating our "Know Our Third Party" (**KO3P 2.0**) program.



Engagement

- > Continue our collaboration with the AFP, and establish collaboration with new organisations to develop and highlight awareness of modern slavery and human trafficking.



Annexure One

Overview of reporting entities

The following table provides an overview of the reporting entities covered by this Statement, each of which are incorporated in Australia.


PART A		
Reporting Entity	Principal Activities	Brands
Virgin Australia Holdings Pty Limited (ABN 54 100 686 226)	Virgin Australia Holdings Pty Limited is the parent entity of the reporting entities set out in Part A of Annexure One. The principal activities of the Group were the provision of domestic airline services, charter services and a frequent flyer loyalty program, as well as managing the provision of short haul international services.	Virgin Australia, Virgin Australia Regional Airlines, Virgin Australia Cargo, Velocity Frequent Flyer
VBNC5 Pty Limited (ABN 16 119 691 502)	The principal activity of the company was that of a holding company.	Virgin Australia, Virgin Australia Regional Airlines, Virgin Australia Cargo, Velocity Frequent Flyer
VB PDP 2010-11 Pty Limited (ABN 88 140 818 266)	The principal activity of the company was that of a holding company.	Virgin Australia, Virgin Australia Regional Airlines, Virgin Australia Cargo, Velocity Frequent Flyer
BC Hart Company Pty Limited (ABN 65 645 265 514)	The principal activity of the company was that of debt financing and a holding company.	Virgin Australia, Virgin Australia Regional Airlines, Virgin Australia Cargo, Velocity Frequent Flyer
Virgin Australia Airlines Holdings Pty Limited (ABN 19 093 924 675)	The principal activity of the company was that of a holding company.	Virgin Australia, Virgin Australia Regional Airlines, Virgin Australia Cargo, Velocity Frequent Flyer
Virgin Australia Airlines Pty Limited (ABN 36 090 670 965)	The principal activity of the company was to provide domestic passenger air transportation services.	Virgin Australia
Virgin Australia Regional Airlines Pty Limited (ABN 76 008 997 662)	The principal activity of the company was the provision of aviation charter services in Australia.	Virgin Australia Regional Airlines
Velocity Frequent Flyer Holdco Pty Limited (ABN 44 169 684 093)	The principal activity of the company was that of a holding company.	Velocity Frequent Flyer
Velocity Frequent Flyer 1 Pty Limited (ABN 50 601 273 072)	The principal activity of the company was that of a holding company.	Velocity Frequent Flyer
Velocity Frequent Flyer 2 Pty Limited (ABN 54 601 273 527)	The principal activity of the company was that of a holding company.	Velocity Frequent Flyer
Velocity Frequent Flyer Pty Limited (ABN 60 601 408 824)	The principal activity of the company was to manage and operate our frequent flyer loyalty program.	Velocity Frequent Flyer
PART B		
Virgin Australia International Holdings Pty Ltd (ABN 23 155 860 021)	Virgin Australia Holdings International Pty Ltd is the parent entity of the reporting entities set out in Part B of Appendix One. The principal activity of the company was that of a holding company.	Virgin Australia International
Virgin Australia International Airlines Pty Limited (ABN 63 125 580 823)	The principal activity of the company was to provide international short haul passenger air transportation services.	Virgin Australia International

Annexure Two

Mandatory reporting criteria

This Statement was prepared to meet the mandatory reporting criteria set out under the Modern Slavery Act. The table below identifies where each criterion of the Modern Slavery Act is disclosed within sections of this Statement.

Modern Slavery Act Mandatory Reporting Criteria	Reference in this statement
Identify the reporting criteria	Pages 4, 31
Describe the reporting entity's structure, operations and supply chain entity	Pages 6-9
Describe the risks of modern slavery practices in the operations and supply chain of the reporting entity, and any entities that the reporting entity owns or controls	Pages 10-15
Describe the actions taken by the reporting entity and any entity that the reporting entity owns or controls, to assess and address those risks, including due diligence and remediation processes	Pages 16-27
Describe how the reporting entity assesses the effectiveness of such actions	Page 28
Describe the process of consultation with any entities that the reporting entity owns or controls	Pages 4
Any other information that the reporting entity considers relevant	Page 3 (message from the CEO)



Disclaimer & forward-looking statements

Forward-looking statements may include statements regarding the future progress of Virgin Australia's modern slavery program; our commitment to modern slavery reporting, frameworks, standards and initiatives; and our commitments to achieve certain targets and outcomes with respect to modern slavery and compliance issues.

Forward-looking statements may also refer to the actions of third parties, and external contributors such as technology development and commercialisation, policy support, market support, and energy and offsets availability.

Forward looking statements may be identified by the use of terminology including, but not limited to, 'intend', 'aim', 'ambition', 'aspiration', 'goal', 'target', 'project', 'see', 'anticipate', 'estimate', 'plan', 'objective', 'believe', 'expect', 'commit', 'may', 'should', 'need', 'must', 'will', 'would', 'continue', 'forecast', 'guidance', 'trend' or similar words. These statements discuss future expectations concerning performance or provide other forward-looking information.

The forward-looking statements in this report are based on management's current expectations and reflect judgements, assumptions, estimates and other information available as at the date of this plan, report and/or the date of Virgin Australia's planning processes or scenario analysis processes. These statements do not represent guarantees or predictions of future financial or operational performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond Virgin Australia's control, and which may cause actual results and performance to differ materially from those expressed in the statements contained in this report. Virgin Australia cautions against reliance on any forward-looking statements or guidance contained in this statement. Virgin Australia further disclaims any duty or undertaking, except to the extent required by law, to release publicly any updates to any forward-looking statement.

