



May 31, 2024

2023 Modern Slavery Statement

About this Statement

We are pleased to share the WestJet Group's modern slavery statement (the "**Modern Slavery Statement**") made pursuant to section 54(1) of the *UK Modern Slavery Act* (the "**UK Act**") and section 11 of Canada's new *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the "**Canada Act**") for the year ending December 31, 2023 (the "**Reporting Period**"). This Modern Slavery Statement is a joint report prepared by the WestJet Group comprised of WestJet (an Alberta partnership), WestJet Encore Ltd., WestJet Vacations Inc. (collectively, "**WestJet**") and Sunwing Vacations Inc., and Sunwing Airlines Inc. (collectively, "**Sunwing**") and WestJet Exchangeco Inc., WestJet Group Inc., Kestrel Topco Sub Inc., Kestrel Topco Inc., and Kestrel Holdings Inc. (collectively, the "**HoldCos**"). This constitutes the first Modern Slavery Statement prepared by the WestJet Group.

Our Modern Slavery Statement outlines the steps we have taken to prevent and reduce the risk that forced labour and child labour, as defined in the Canada Act, and slavery and human trafficking, as defined in the UK Act (collectively, "**Modern Slavery**") is used at any step in our services and supply chains.

Please feel free to contact us at legal@westjet.com with any comments or queries regarding our Modern Slavery Statement.

Introduction

WestJet (and all members of the WestJet Group) condemns all forms of Modern Slavery. WestJet fully supports and respects the principles set forth in the Canada Act, UK Act, and other similar human rights legislation, which is consistent with our commitment to enrich the lives of everyone in WestJet's world by providing safe, friendly, and affordable air travel and travel services. We take our responsibility seriously and will continue to take action to mitigate the risks of Modern Slavery in our operations and with our business partners.

The WestJet Group will neither engage in any form of human trafficking or use any type of Modern Slavery, nor will it tolerate the use of Modern Slavery at any level in its supply chains. We expect suppliers will not demand any work or service from any person under the threat of any penalty.

Sunwing is a recent addition to the WestJet Group with the WestJet Group announcing the completion of its acquisition of Sunwing Vacations and Sunwing Airlines (the "**Sunwing Group**") in May 2023, halfway through the Reporting Period. From May 2023 forward, the WestJet Group and Sunwing Group began the transition from competitors to collaborators and have initiated in earnest the integration of the Sunwing Group into the larger WestJet Group. Once integration efforts have been completed, the intention is that each of the entities in the Sunwing Group will adopt and implement the WestJet Group's training, policies, processes, and procedures described below, but such adoption and implementation was not completed during the Reporting Period.

About the WestJet Group

Our Structure

WestJet is an Alberta partnership; and WestJet Airlines Ltd., WestJet Encore Ltd., and WestJet Vacations Inc. are corporations registered in Alberta, and headquartered in Calgary. Sunwing Vacations Inc. and Sunwing Airlines Inc. are corporations registered in Ontario and headquartered in Toronto. The HoldCos are Canadian entities that directly or indirectly control one or more of the entities comprising WestJet and Sunwing and whose reporting obligations arise only by operation of section 9(c) of the Canada Act.

Our Activities

In 28 years of serving Canadians, WestJet has cut airfares in half and increased the flying population in Canada to more than 50 per cent. WestJet launched in 1996 with three aircraft, 250 employees and five destinations, growing over the years to more than 180 aircraft, 14,000 employees and more than 100 destinations in 26 countries.

The Sunwing Vacations Group sits within the vacation division of the WestJet Group and is comprised of Canadian tour operators Sunwing Vacations and WestJet Vacations, the growing United States tour operator Vacation Express, and the travel retail businesses SellOffVacations.com and Luxe Destination Weddings. Sunwing Airlines supplies air transportation services to customers booking air seats or vacation packages through Sunwing Vacations and is being fully integrated into WestJet's business.

Our Supply Chains

The WestJet Group's global supply chain includes product suppliers, providing notably engines, wings, avionics, fuselage parts, mechanical and electrical systems, and suppliers of non-product goods and services. The materials, components, items, and systems required to maintain aircraft and scheduled air service are procured from suppliers around the world and vary depending on product. Most of these materials, components, systems, and other goods are provided by suppliers with which the WestJet Group has long-term contracts. Sunwing's supply chains are similar.

WestJet's Guiding Principles, Policies, Procedures and Due Diligence

The WestJet Group's culture of caring and teamwork is embodied in and permeates all of our core policies, procedures, and due diligence processes, including our:

- Code of Business Conduct;
- Supplier Code of Conduct;
- Business Integrity Policy;
- WestJet Confidential and Anonymous Reporting Hotline Policy and Procedure; and
- Source to Pay Policy.

The Code of Business Conduct

Our primary guide is WestJet's Code of Business Conduct (the "**COBC**"). The COBC defines how we conduct business around the world. It outlines our values and principles, including:

- We are committed to safety;
- We are honest, open and keep our commitments;
- We are responsible to conduct our business with unwavering integrity; and
- We use sound leadership practices to maintain high standards of legal and ethical conduct.

The COBC applies to WestJet's Board of Directors, management and employees and addresses ethical conduct in our work environment, business practices, and relationships with external stakeholders. The COBC details the standards of behaviour expected from everyone to whom it applies in their daily activities and in dealings with others. It also outlines the key responsibilities of WestJet leaders who are to provide a model of high standards of ethical conduct and to create a work environment reflecting both the content and the spirit of the COBC.

The Supplier Code of Conduct

The Supplier Code of Conduct ("**SCOC**") creates the rules around which the WestJet Group expects our suppliers to operate and conduct business. The SCOC requires our suppliers to be able to demonstrate that, in their workplaces, child, forced, or compulsory labor is not used. It details our expectations of suppliers in respect of human rights, labour, legal compliance, health and safety, the environment, anti-corruption, and ethics.

Our SCOC specifically includes provisions prohibiting Modern Slavery, stating that:

Suppliers must abide by applicable employment standards, labour, non-discrimination, and human rights legislation. Where laws do not prohibit discrimination, or where they allow for differential treatment, we expect Suppliers to be committed to non-discrimination principles and not to operate in a way that unfairly differentiates between individuals.

Further, suppliers must be able to demonstrate that, in their workplaces:

- Child, forced, or compulsory labour is not used.
- Discrimination and harassment are prohibited, including discrimination or harassment based on any characteristic protected by law.
- Retaliation for speaking up is prohibited and employees are free to raise concerns and speak up without fear of reprisal.
- Appropriate and reasonable background screenings have been conducted to ensure the integrity and good character of the Supplier's employees.
- Clear and uniformly applied employment standards are used that meet or exceed legal and regulatory requirements.
- They foster a work environment in which all individuals are treated with respect and dignity in a business-like atmosphere that promotes equal employment opportunities and prohibits discriminatory practices and where their employees conduct themselves with honesty and integrity.
- That none of its employees will be subjected to any physical, sexual, psychological or verbal harassment or abuse in the workplace, nor shall there be any threat of same.
- That they pay each employee at least the applicable legal minimum wage and benefits.
- That the Supplier's employees will be compensated for overtime in compliance with applicable laws and will only work hours within legal working hour limits.
- That the Supplier's employees will be granted their allotted leave and sick leave without any repercussions (or threats of same).

Business Integrity Policy

The Business Integrity Policy requires the WestJet Group, prior to engaging an agent or hiring a contractor outside Canada, the United States, the United Kingdom, or the European Union, to ensure that proper due diligence, checks, and research are carried out, and the reputation, background, and past performance of the prospective agent or contractor, as appropriate, are clearly documented, including but not limited to, the following areas:

- (i) Management information;
- (ii) Ownership information;
- (iii) Affiliations;

- (iv) Qualifications;
- (v) Financial information;
- (vi) Reputation;
- (vii) References;
- (viii) Local Law;
- (ix) Compensation; and
- (x) Payment History.

Source to Pay

The WestJet Group's supply chain management professionals operate at a level befitting a global airline and large tour operator, following internal material standards for sourcing, procurement and selection of our suppliers and business partners. Our Source to Pay Policy defines how we choose suppliers, and our individual business units are responsible for monitoring that suppliers are operating to our standards. We follow this process to prevent and reduce the risk of any potential negative impacts to our global supply chains.

Confidential and Anonymous Reporting Hotline Policy and Procedure

Under the Confidential and Anonymous Reporting Hotline Policy and Procedure, we have provided anyone with the ability to anonymously report any concerns about any wrongdoing or breaches of law. They are encouraged to raise concerns through numerous channels, including in confidence and without fear of disciplinary action or retaliation, through this policy.

Together, these principles and documents describe the standards of business conduct and key compliance policies that apply to our interactions with each other as employees, guests, and our business partners around the world. These policies help us conduct business in an ethical and responsible manner and ensure that Modern Slavery does not occur within the WestJet Group's operations. As discussed above, due to the timing of WestJet's acquisition of Sunwing, the integration and adoption of these policies by Sunwing began in 2023 and will be completed subsequent to the Reporting Period.

Risks of Modern Slavery in our activities and supply chains

In 2023, the WestJet Group took the following steps to prevent and reduce the risk that Modern Slavery was present in our supply chains and activities:

- Reviewed and considered the latest governmental guidance;
- Finalized our SCOC. We consider the respect of human rights to be a fundamental corporate responsibility and a value governing all our activities. We place the highest importance on respecting human rights while conducting our business activities everywhere we operate. We expect the same of our business partners; and
- Became educated about the requirements of the Canada Act by attending various webinars (including those that involved those members of Parliament who brought the original bill forward), and shared best practices amongst various business units including procurement, legal, and corporate security.

Risks in Our Activities

The WestJet Group considers the risk of Modern Slavery occurring within our activities to be low. Not only does our workforce exist only almost solely in Canada, which has comprehensive and strict labour, employment, human rights laws and obligations, WestJet Group entities also conduct their respective businesses in accordance with the obligations contained in all relevant collective agreements by which they are bound.

Risks in Our Supply Chains

Given the high value of components and assets we routinely purchase, and the technologically advanced and safety sensitive nature of our operations, the significant majority of our suppliers are large and sophisticated entities and would also be subject to legislation akin to the Canada Act and UK Act. Many of these suppliers are also publicly traded and require reporting and other due diligence to ensure human rights are safeguarded and all applicable laws are complied with.

Accordingly, based on our assessment of our supply chains in 2023, we consider the risk of Modern Slavery occurring in our supply chains to be low. While the WestJet Group is not aware of any Modern Slavery in its supply chains, we recognize that Modern Slavery can occur in every industry, sector and geographic location. As such, there are certain risks of Modern Slavery occurring in our supply chains. The steps discussed in this Modern Slavery Statement are designed to mitigate those risks.

Mitigation of These Risks

We are passionate about helping people in the best way we know how, by providing a caring experience in all cases, and through the gift of flight. In addition to the policies, procedures, and due diligence processes mentioned in this Modern Slavery Statement, WestJet mitigates the risk of Modern Slavery by supporting Beyond Borders ECPAT Canada, an organization that advances the rights of children everywhere to be free from sexual abuse and exploitation. WestJet provides "Gift of Flight" vouchers to this organization. Similarly, we have provided flights to Action Coalition on Human Trafficking Alberta (ACT Alberta) to get victims of human trafficking to safety. As part of our WestJet Cares for Kids program, we have also partnered with the Missing Children Society of Canada.

Commitment to Combat Human Trafficking and Sexual Exploitation

WestJet gives life to our commitment to combat Modern Slavery through our policies and the direct and strategic support of leadership. WestJet does not tolerate any employee or contractor activities that cause or further human trafficking violations or sexual exploitation. WestJet prohibits the use of company facilities, resources, equipment, or travel privileges for activities that support human trafficking or sexual exploitation. This includes any use of company computers, networks, phones or other equipment for the viewing, storage, distribution, promotion or other use that sexually exploits any individuals. The Progressive Discipline Policy outlines examples of situations where employees could be terminated from their employment if they breach the COBC, those who commit workplace violence, or those who bring discredit to the WestJet Group. Employees may report any guest, passenger, or employee believed to be engaged in human trafficking activities or the sexual exploitation of an individual to their leaders, corporate security, the legal department, or local authorities, as appropriate.

The WestJet Group remains committed to taking swift and appropriate action if any evidence relating to Modern Slavery or human trafficking in our supply chain is identified.

During the Reporting Period, the WestJet Group did not identify any instances of Modern Slavery in its supply chains or operations. Accordingly, no remediation efforts were required, including those related to remediating the financial impacts on the most vulnerable families.

If a situation of non-compliance is identified, we intend to work to develop and implement a corrective plan to improve and remedy the situation.

Training

WestJet's employees receive regular tailored training on the COBC and other ethical topics and our policies. All new employees are assigned a mandatory onboarding training package which includes training on our COBC. On an annual basis, all employees are required to certify their adherence to our COBC.

In 2019, a mandatory human trafficking course was implemented for our inflight and airports teams, both employees and contractors, as an introduction to identify and report suspected incidents either in the airport or on the aircraft. This training can be accessed via our internal learning portal. While not mandatory for all other groups at this time, the training can be completed by all employees.

The training consists of: what trafficking is; how to detect it; how to report it; and what can be done about it. We have information about human trafficking in the Flight Attendant Manual (for WestJet cabin crew members), Flight Operations Manual (for WestJet Encore cabin crew members), and our Company Operations Manual (for pilots). For airport employees, the WestJet Information Network contains both the "Manage a Suspected Human Trafficking Incident Procedure" and the "Human Trafficking Policy".

In addition, a portion of the WestJet Group's larger training program for our front-line employees uses International Civil Aviation Organization (the "**ICAO**") Guidelines for Training Cabin Crew on Identifying and Responding to Trafficking in Persons. This training assists our front-line staff to detect the behavior and signs of potential victims, along with a procedure for reporting what they see.

Assessing effectiveness

As discussed in this Modern Slavery Statement, the WestJet Group has a number of measures in place to prevent and reduce the risk that Modern Slavery is used in our activities and supply chains. We have not had the opportunity to meaningfully assess the effectiveness of these measures but as our policies and procedures evolve, we intend to implement, where applicable, measures to assess their effectiveness in preventing and reducing risks of Modern Slavery in WestJet's activities and supply chains.

Approval Pursuant to the UK Act

This Modern Slavery Statement is made pursuant to section 54(1) of the UK Act and was approved by the Board of Directors of Kestrel Holdings Inc.

Per: 

Full Name: Alexis von Hoensbroech, I have the authority to bind WestJet, Sunwing and the HoldCos.

Title: Chief Executive Officer

Director of WestJet and Kestrel Holdings Inc. (controlling shareholder of all entities covered by this Modern Slavery Statement)

Date: May 31, 2024

Approval and Attestation Pursuant to the Canada Act

This Modern Slavery Statement was made pursuant to sections 11(1) and 11(3) of the Canada Act and was approved by the Board of Directors of Kestrel Holdings Inc. pursuant to section 11(4)(b)(ii) of the Canada Act.

In my capacity as Chief Executive Officer of WestJet and a Director of Kestrel Holdings Inc., and not in my personal capacity, I make the following attestation in accordance with the requirements of the Canada Act:

In accordance with the requirements of the Canada Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in this Modern Slavery Statement for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the Modern Slavery Statement is true, accurate and complete in all material respects for the purposes of the Canada Act, for the reporting year listed above.

Per: 

Full Name: Alexis von Hoensbroech, I have the authority to bind WestJet, Sunwing and the HoldCos.

Title: Chief Executive Officer

Director of WestJet and Kestrel Holdings Inc. (controlling shareholder of all entities covered by this Modern Slavery Statement)

Date: May 31, 2024