



2024 Report under the Fighting Against Forced Labour and Child Labour in Supply Chains Act

INTRODUCTION

This report, prepared pursuant to Canada’s Fighting Against Forced Labour and Child Labour in Supply Chains Act (the “Act”) pertains to Korean Air Lines Co. Ltd. (“Korean Air,” “we,” “our,” “us,” or the “company”). Korean Air hereby reports to the Minister of Public Safety and Emergency Preparedness on the steps taken during their previous financial year ended December 31, 2024 to prevent and reduce the risk of forced labour and child labour.

As a global airline, Korean Air aspires to be a respected leader within the aviation industry. To achieve this, we continuously enhance our compliance management systems, strengthen corporate governance, transparency, and reliability. Ethical responsibility and regulatory compliance are fundamental to our long-term sustainability, guiding our decision-making processes and operational strategies.

At Korean Air, we are steadfast in our commitment to conduct business in a manner that upholds our core values and reflects our firm belief that every individual deserves to be treated with dignity and respect. Thereby, Korean Air takes proactive measures to ensure that our operations and supply chain are free from any form of forced labour or child labour, reinforcing our dedication to ethical business practices and human rights.

ORGANIZATIONAL STRUCTURE, ACTIVITIES AND SUPPLY CHAINS

Korean Air, headquartered in South Korea, provides passenger and cargo transportation services to over 116 cities in 40 countries around the world. Korean Air was established in 1969 and is the largest airline and flag carrier of South Korea. Korean Air has more than 19,000 employees worldwide and has a global annual turnover of more than US \$11 billion. In Canada, Korean Air offers passenger and cargo flights to and from Vancouver International Airport, Toronto Pearson International Airport, etc.

We take great pride in our unwavering commitment to human rights and ethical integrity. For Korean Air, safeguarding human rights is not only a moral obligation but also an essential pillar of responsible corporate governance. Our principles are deeply embedded in our corporate culture, shaping the way we operate and interact with our stakeholders.

Beyond our internal operations, we actively engage with our suppliers, business partners, and broader industry stakeholders to foster and promote human rights protections on a global scale. We recognize that collaboration is essential to driving meaningful progress and ensuring a sustainable and equitable future for all.

PARTS OF THE BUSINESS AND SUPPLY CHAINS THAT CARRY A RISK OF FORCED LABOUR AND CHILD LABOUR

Our supply chains include a number of service providers and suppliers, for example, airport ground handling companies and crew hotel suppliers. We have a relatively short and integrated supply chain, but recognize the risks which our work in these industries and geographies can create. As part of managing this, we see the importance of building relationships with our suppliers as part of ensuring the maintenance of standards and an ethos that reflects our own. We require that all suppliers enter into standard contractual terms which require their compliance with all laws, including in their engagement and treatment of their own workforce. We also have Compliance and Whistleblowing Regulations through which employees are encouraged to report violations of our policies to suspend or terminate trading or dealing with suppliers or other applicable parties if they violate any of the provisions in our Compliance and/or Whistleblowing Regulations.

POLICIES, GOVERNANCE AND DUE DILIGENCE PROCESSES

Our Anti-slavery Policy and other internal policies reflect our commitment to acting ethically and with integrity in all our business relationships and to implementing and enforcing effective systems and controls to ensure slavery and human trafficking are not taking place anywhere in our business and supply chains..

Korean Air has a policy in place which sets our labour standards compliant with the legal and industry standards. In relation to other policies the head office has in place, in the Republic of Korea, it is prohibited to use slave or bonded labour and the company is fully in compliance with the Republic of Korea Minimum Wages Act. Additionally, the company is in compliance with the Republic of Korea Labour Standards Act, which strictly prohibits utilizing any kind of forced labour. In addition, the company joined the UN Global Compact in July 2007, and is in support of principles, including those pertaining to human rights and labour, most recently having also submitted Korean Air's Communication on Progress Report for Jan-Dec 2021. In line with the Company's Ethics and Corporate Governance Charters, Korean Air pursues transparent and responsible management as its corporate philosophy.

Environmental, Social and Governance Initiatives

Korean Air upholds its social responsibility across all business activities and pursues human rights management that prioritizes human dignity and value. Adhering to internationally recognized human rights norms such as the Universal Declaration of Human Rights (UDHR), International Covenant on Economic, Social and Cultural Rights (ICESCR), International Covenant on Civil and Political Rights (ICCPR), United Nations Guiding Principles on Business and Human Rights (UNGPs), UN Global Compact, International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises, Korean Air strictly prohibits forced labor, child labor, and wage exploitation.

We respect workers' rights to rest and leisure and comply with regulations regarding working hours and overtime. We provide equal opportunities for all employees and applicants in every aspect of personnel management, including recruitment, assignment, evaluation, and compensation, and

vehemently oppose all forms of discrimination, harassment, sexual harassment, inappropriate behavior, or retaliation based on gender (including pregnancy), age, nationality, region, race, ethnicity, skin color, religion, sexual orientation, disability, educational background, union membership, or any other personal characteristics.

Furthermore, we actively champion diversity policies and have been supporting athletes with disabilities through the Disabled Athletes Team since 2022, enabling them to focus on their training. Korean Air will persist in conducting business practices that embody the principles of human rights, diversity, and inclusivity. We are committed to fostering a safe and healthy working environment for our employees.

United Nations Global Compact

The UN Global Compact is an international agreement launched by the United Nations to urge companies to jointly uphold ten principles on human rights, labor standards, and anti-corruption efforts. In support of these principles, Korean Air joined the UN Global Compact in July 2007. We submit the Communication on Progress (COP) report annually and remain committed to fulfilling our corporate social responsibilities and upholding these principles.

Corporate Ethics

As a global market player, Korean Air places utmost importance on business ethics, anchoring our principles in honesty and trust with customers. We are dedicated to setting the standard for ethical management, aiming to reciprocate customers' trust through transparent, fair, and effective corporate governance practices.

The "Charter of Ethics" serves as the cornerstone of our ethical framework, articulating the core values and objectives embraced by Korean Air. It epitomizes our proactive commitment to fostering shared prosperity by championing transparent and responsible management practices, upholding the principles of free and fair competition, and enriching public values through compliant corporate conduct. Moreover, Korean Air implements concrete and substantive business ethics programs, including the "Guidelines on the Implementation of the Code of Ethics", "Guidelines on Dealing with Ethical Issues", and the "Whistleblowing System", to uphold the ethical standards outlined in the "Charter of Ethics". All employees are obliged to strictly adhere to and implement the regulations and guidelines established within these programs.

Suppliers

Korean Air established management systems in the areas of human rights, environment, and compliance, and publicly disclosed new ESG policies such as human rights policy and supplier codes of conduct.

Further, we expect all our contractors, suppliers, and other business partners to uphold the same high standards as we do, by ensuring all employees and workers are treated with dignity and respect in a fair and ethical environment. We have model contractual wording requiring these standards to be observed and have the following procedures in place to identify the risks:

- Identify and assess potential risk areas in our business and supply chains
- Mitigate the risk of slavery and human trafficking occurring in our business and supply chains
- Monitor potential risk areas in our business and supply chains
- Protect whistleblowers

Whistleblowing System Operation

Korean Air has implemented an internal whistleblowing channel accessible through its website and intranet portal system as part of its ethical management initiatives. This platform allows employees, customers, shareholders, and other stakeholders to report various wrongdoings within the company, including violations of company regulations, misconduct, irregularities, and unfair practices in supplier transactions. Furthermore, strict protection measures are in place for individuals who report such wrongdoings, ensuring they are protected from any retaliatory actions as per established principles and procedures.

MEASURES TO PREVENT AND REDUCE THE RISKS OF FORCED LABOUR AND CHILD LABOUR

Korean Air affirms its steadfast commitment to the protection and promotion of internationally recognized human rights as a core element of our ethical and operational standards. We recognize that respect for human rights is not only a moral obligation, but also an essential component of responsible and sustainable business conduct.

This commitment is embedded in Korean Air's corporate governance framework and informs the conduct of our business operations, decision-making processes, and internal policies. We endeavor to ensure that all aspects of our activities—whether direct or through our business relationships—are aligned with the principles enshrined in international human rights instruments.

Korean Air has incorporated robust modern slavery provisions into standard agreement templates used for the procurement of goods and services. These contractual provisions include, but are not limited to, express representations and warranties from third parties regarding their knowledge and mitigation of modern slavery risks within their operations and supply chains; affirmative obligations to comply with all applicable laws, statutes, regulations, and codes relating to anti-slavery and anti-human trafficking; mandatory notification requirements concerning any identified or suspected violations; and rights of audit and inspection to verify compliance.

In general terms, in addition to the contractual measures described above, the following measures are taken to prevent and reduce the risk of forced labour and child labour in our business and supply chains:

- The Compliance Office was established in-house, and the head of each division and the executives in charge were appointed as internal ethics officers to ensure compliance with ethical policies.
- We inform suppliers about our ethical policies and ethics programs and advise suppliers to partake in these.
- The suppliers are periodically evaluated, and the evaluation results are reflected in the contract renewal review.

- Korean Air operates a channel for reporting corruption within the internal portal system and the company website, as one of its measures to achieve ethical management. Through the channel, stakeholders including employees, customers, and shareholders, can report misconduct within the company with regard to violation of regulations, corruption, fraudulent activities, and other irregularities that often arise in supplier transactions.

ASSESSING AND MANAGING OUR RISK

Korean Air regularly assesses and examines the substantive and potential impacts on key areas of human rights resulting from our business activities.

Our audit department is tasked with ensuring that our staff and suppliers adhere to the standards required. This forms an essential part of our engagement with suppliers. In addition, we require that all suppliers enter into standard contractual terms which require their compliance with all laws, including in their engagement and treatment of their own workforce. Supplier's non-compliance or misbehaviour will be reported to the audit department and administrative agency and, following the outcome of the investigation, Korean Air may replace the supplier(s) involved.

We conduct human rights impact assessments for major domestic and overseas business sites, as well as new business locations resulting from mergers and acquisitions. If human rights-related risks are identified, we conduct human rights due diligence to analyze the situation and develop improvement measures. We extend our human rights due diligence procedures to suppliers, leveraging our internal management processes and systems. Korean Air actively supports its subsidiaries and suppliers in managing human rights risks by ensuring they not only implement post-incident measures but also proactively address potential human rights impacts.

If an employee commits an illegal act that causes a criminal lawsuit, violates company policies, or causes loss to the company by creating issues that hinder the company's development, he/she shall be disciplined. And if suppliers or other applicable parties violate any of the items in the Compliance and Whistleblowing Regulations, any trading or dealing with them will be suspended or terminated.

REMEDATION MEASURES

To date, Korean Air has not identified any instances of forced labour or child labour within our supply chain. Consequently, no remediation measures—such as mitigating the loss of income for vulnerable families affected by the elimination of forced or child labour—have been necessary.

However, we remain vigilant and proactive in strengthening our policies, practices, and oversight mechanisms to ensure that our supply chain remains free from exploitative labour practices. Through continuous improvement and collaboration with industry stakeholders, we reaffirm our unwavering commitment to ethical business conduct and the protection of human rights.

TRAINING

It is important for Korean Air that our employees are aware of the issues surrounding modern slavery and support our values. Our business team is trained in the requirements of the Fighting Against Forced Labour and Child Labour in Supply Chains Act. We also intend to train other relevant

employees to reinforce our policy and the steps to be taken in the event of any concerns. We provide several training courses (e.g. “Our Company’s Ethics Management”, “Understanding Compliance Support Program” and etc.), through our online portal. In addition, human rights education including prohibition of discrimination and prevention of sexual harassment is provided when training overseas expatriates.

Korean Air reinforces education through diverse and systematic programs in ethical management and compliance to instill ethical norms and compliance awareness among employees, enabling them to apply these principles. All employees in Korea and abroad are required to complete the “Our Company’s Ethical Management” course, emphasizing the significance of the company’s ethical management practices and corporate philosophy. Additionally, they undertake the “Understanding Compliance Support System” course annually, which underscores the importance of compliance management and Korean Air’s support system.

ASSESSING EFFECTIVENESS

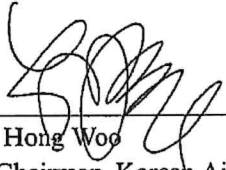
In alignment with applicable legal requirements and internationally recognized human rights principles, Korean Air has established and continues to enhance robust policies, procedures, and internal controls designed to prevent and mitigate the risks of forced labour and child labour within our operations and extended supply chain.

Our approach is grounded in a comprehensive due diligence framework, which includes systematic risk assessments, supplier protocols, contractual compliance requirements, and ongoing monitoring of third-party partners. We continuously evaluate the effectiveness of these measures and remain vigilant in identifying opportunities to strengthen our practices and to ensure full alignment with legal, regulatory, and ethical expectations.

In line with this commitment, Korean Air acquired ISO 37301 (compliance management system) Certification in April 2023, and maintains it through regular audits. This recognition acknowledges Korean Air’s compliance management as meeting international standards by establishing a comprehensive framework for identifying and managing organizational legal risks.

APPROVAL AND ATTESTATION

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

Signature:  _____

Name: Kee Hong Woo

Title: Vice Chairman, Korean Air Lines Co., Ltd.

I have the authority to bind Korean Air Lines Co., Ltd.

Date: May 27, 2025