



LUFTHANSA GROUP

POLICY STATEMENT



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Dr. Michael Niggemann,
Member of the Executive Board
Human Resources & Infrastructure,
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Declaration of the Lufthansa Group for the respect of human rights

The Lufthansa Group connects people, cultures, and economies every day. We are a company that stands for open-mindedness, tolerance, and diversity, and we believe we have a responsibility to uphold human rights and operate in a sustainable manner.

Unfortunately, the protection of human rights is not guaranteed in all countries in which we operate as a company. We cannot control the political development of these countries. However, we can contribute to respect for human rights in our business division and also in our supply chain by identifying risks relating to human rights and the environment and by preventing violations.

We therefore select our suppliers carefully and contractually oblige them to comply with human rights, labor and health standards, and environmental protection. We check in cases of doubt.

Embedding human rights and sustainability in our business processes and our global supply chain is an ongoing task.

In doing so, we follow key international conventions and declarations such as

- the Universal Declaration of Human Rights,
- the International Covenant on Civil and Political Rights,
- the International Covenant on Economic, Social and Cultural Rights,
- the core labor standards of the International Labor Organization (ILO),
- the UN Guiding Principles on Business and Human Rights,
- the 10 principles of the UN Global Compact,
- the OECD Guidelines for Multinational Enterprises,
- the IATA Resolution against trafficking in person

- and environmental agreements such as the Minamata Convention on Mercury, the Stockholm Convention on Persistent Organic Pollutants and the Basel Convention on the Transboundary Movements of Hazardous Wastes and their Disposal.

They form the framework for our actions in conjunction with the requirements of the German Act on Corporate Due Diligence Obligations in Supply Chains (Lieferkettensorgfaltspflichten-gesetz – LkSG).

The Lufthansa Group always complies with applicable national law. Where international human rights are restricted by local laws, we strive to comply with internationally recognized standards while not clashing with local laws. If local laws exceed international standards, then the Lufthansa Group will comply with local laws.

This Policy Statement defines the Lufthansa Group as Deutsche Lufthansa AG and all affiliated companies over which it exercises a controlling influence. Group companies that are independently covered by the LkSG issue their own policy statement.

Lufthansa Group's expectations of employees and suppliers

The Lufthansa Group expects its employees and suppliers to respect human and environmental rights and to support the Lufthansa Group in preventing, minimizing, and/or ending risks and violations related to human and environmental rights.



The expectations placed on the employees and managers of the Lufthansa Group are specifically set out in the [↗ Lufthansa Group Code of Conduct](#).

The expectations regarding the conduct of suppliers are summarized specifically in the [↗ Code of Conduct for Suppliers](#).

The Lufthansa Group also expresses its expectations, particularly with regard to priority risks, in the form of further preventive and remedial measures (see below).

Procedures of the Lufthansa Group to fulfill its due diligence obligations



1. Risk management

The Lufthansa Group has established a risk management system that aims to identify, prevent, and eliminate human rights and environmental risks and violations in its own business division and along the supply chain.



Therefore, the Lufthansa Group has established the following clear internal responsibilities. In particular:

Two teams within the Lufthansa Group are responsible for implementing the LkSG. The Human Rights & Non-Discrimination Team comprehensively coordinates the activities of the Lufthansa Group with regard to its human rights responsibilities. The Group Procurement

team is responsible for risk management regarding our suppliers and the supply chain. The two teams are supported by contacts from departments such as Occupational Health and Safety, Human Resources, Compliance and Purchasing as well as by key accounts in individual prioritized Lufthansa Group companies. This network can be continuously expanded based on the results of each risk analysis.

To monitor risk management, the function of a Human Rights Officer was created within the "Human Resources and Infrastructure" Executive Board, with a direct reporting line to the divisional board. This is exercised by the Vice President Labor Relations Ground, Robert Müller. The Human Rights Officer informs the Group Executive Board about the work of the responsible persons at regular intervals and as warranted.

Internal Audit is deployed to support the Human Rights Officer and to carry out checks at the implementation level. In addition, the Group Human Rights Steering Board was created as a steering committee that can make recommendations and decisions on risk management. It is chaired by the Human Rights Officer and consists of managers from the Sustainability, Compliance, Auditing, Purchasing and Occupational Safety departments.



Robert Müller, Human Rights Officer of the Lufthansa Group



Organizational chart of Lufthansa Group risk management



2. Risk analyses and priority risks

The Lufthansa Group carries out risk analyses relating to human rights and the environment every year and as warranted. Over 400 Lufthansa Group companies and facilities and more than 33,000 suppliers were included in the annual risk analysis in 2023.

Software is used to assist in the appropriate identification, weighing, and prioritization of risks given the large number of companies and suppliers. The companies and suppliers are screened by country, sector, and media references. For companies in our own business division, the plausibility of identified risks is checked on the basis of surveys and company statistics. In addition to external data sources, internal findings such as information received via Group reporting channels, including the anonymous whistleblower system, are also taken into account.

The identified risks are then weighed and prioritized, while taking into account the appropriateness criteria of the LkSG, such as the Lufthansa Group's ability to influence a supplier.

With companies and suppliers that have a prioritized human rights or environmental risk, the Lufthansa Group takes preventive measures to avoid violations. If violations are identified, the Lufthansa Group stops the violation as quickly as possible or creates a remedial concept – depending on the type of violation and where it occurs.

Each year, the Human Rights Officer informs the Board of the Lufthansa Group about the results of the risk analysis. The results are also communicated to other key decision-makers such as the Group Works Council and the Group Economic Committee.

In its own business division, the Lufthansa Group considers the prohibition of unequal treatment in employment to be particularly relevant and, in the supply chain, the prohibition of disregarding freedom of association, the prohibition of disregarding occupational health and safety, the prohibition of disregarding the requirements of the Minamata Convention, and the prohibition of forced labor and modern slavery.

The Lufthansa Group addresses these risks primarily through the preventive measures described below.





3. Preventive measures

The Lufthansa Group pursues a two-pronged strategy for the protection of human and environmental rights: On the one hand, it seeks to prevent risks from arising in the first place. On the other hand, it seeks to respond to structural risks identified during the risk analysis with appropriate measures and prevent, or at least minimize adverse human rights and environmental impacts.



Risks should be prevented from arising in our own business division by means of regular campaigns to raise global awareness, a wide range of grievance mechanisms, and a broad range of advisory services provided by the Human Rights & Non-Discrimination Team.

The Lufthansa Group has also adapted its purchasing processes so that sustainability criteria, for example, already play an important role in the selection of suppliers and that suppliers are generally checked for compliance with human rights, labor, and environmental standards and integrity before contracts are concluded. Suppliers are also contractually obliged to protect human rights and the environment.

A portfolio of measures has been developed in particular to prevent, eliminate, or mitigate the Lufthansa Group's priority risks, which especially includes the following measures:

Training measures and dialogue

Online, as well as face-to-face training and dialogue formats conducted by the Human Rights & Non-Discrimination Team and the Group Procurement Team are used to raise awareness of human rights and environmental due diligence obligations.

An online training course on human rights was developed, which must be completed on a risk-related basis by relevant business divisions, such as Purchasing and Human Resources, as well as by identified suppliers. In addition, a new risk-oriented online training course has been

developed to promote diversity, inclusion, and intercultural competence.

The Human Rights & Non-Discrimination team focuses on face-to-face training of identified target groups in human rights-related due diligence and the ongoing development of training and communication concepts.

The Human Rights & Non-Discrimination Team and the Group Procurement Team continue their training, for example by regularly participating in the "Human Rights Peer Learning Group" of the UN Global Compact Network Germany and the

“Forum for Sustainable Development of German Business e.V.” from econsense, a sustainability network comprised of German companies.

To firmly establish measures in the supply chain, the Group Procurement team maintains a close exchange with risk-prioritized suppliers. These are specifically surveyed with the help of standardized questionnaires, among other methods.

Codes of conduct and contractual measures

The Lufthansa Group has consolidated its expectations with regard to respecting human rights and protecting the environment into **two Codes of Conduct**: a code addressed to managers and employees of the Lufthansa Group and a code addressed to suppliers. Both Codes have been revised to fully meet the requirements of the LkSG. The rules of conduct are actively communicated as part of the risk analysis to prioritized companies in our own business division and to suppliers. The employ-

ment contracts of managers of prioritized companies are also extended to include an annex that obliges them to ensure respect for human rights and environmental obligations in their area of responsibility. Supplier contracts include a detailed corporate social responsibility clause that combines the expectations of the Lufthansa Group with rights and obligations that suppliers are requested to pass on further down the supply chain.

Control measures

The Lufthansa Group uses audits to check for compliance with human rights and environmental due diligence obligations and whether the Lufthansa Group’s risk management is appropriate. The audits are primarily carried out by Internal Audit. They can also be carried out by external auditors as warranted or on the basis of required specialist knowledge. Audits are carried out by external auditors on a risk basis for direct suppliers and as warranted for indirect suppliers.



4. Remedial measures

If the Lufthansa Group becomes aware of an actual or imminent violation of human rights or environmental obligations, it will take appropriate remedial action without delay.

If a supplier is unable to immediately terminate, prevent, or minimize a violation, the Lufthansa Group will draw up and implement an appropriate remedial and/or preventive concept.

When creating and implementing the concept, particular consideration is given to (i) the joint development and implementation of a plan to end or minimize the violation with the company

causing the violation, (ii) joining forces with other companies as part of industry initiatives and industry standards in order to increase the possibility of influencing the originator and (iii) temporarily suspending the business relationship while efforts are made to minimize the risk. As a last resort, the Lufthansa Group reserves the right to terminate business relationships.



5. Effectiveness monitoring and continuous improvement

For the effective prevention of negative human rights or environmental impacts, the Lufthansa Group reviews the effectiveness of its preventive and remedial measures and makes any necessary adjustments.

This includes evaluating information from affected parties, obtaining feedback from target groups, and conducting spot checks and audits. In addition, active exchange is sought with internal interest groups such as employee initiatives and employee representatives, as well as external stakeholders.



6. Complaints options

The Lufthansa Group relies on information to protect those affected and to recognize structural risks at an early stage.

Any person can report human rights or environmental risks or violations caused by the Lufthansa Group or one of its suppliers to the Human Rights and Non-Discrimination Team. Whistleblowers do not need to be an employee or a supplier of the Lufthansa Group. These can be reported directly by e-mail, via an electronic whistleblower system, or via an external ombudsperson. The channels for complaints are available in a variety of languages.

Every report is examined impartially and with due regard for confidentiality. Information can also be submitted anonymously via the electronic whistleblower system or the ombudsperson. The Lufthansa Group is expressly committed to protecting whistleblowers from retaliation.

The Lufthansa Group reviews the effectiveness of the complaints procedure at least once a year and as warranted, e.g. with regard to the necessary communication of the complaints procedure.

All information regarding the complaints procedure, including the reporting channels, is summarized in the Rules of Procedure and published on the [Lufthansa Group website](#).





7. Documentation and reporting

The Lufthansa Group continuously documents the fulfillment of its human rights and environmental due diligence obligations in accordance with the requirements of the LkSG.

In this Policy Statement, which is updated annually and as warranted, the Lufthansa Group reports on the procedure by which it fulfills its due diligence obligations, on its priority risks, and on the expectations of employees and suppliers. Each year, it also reports to the German Federal Office for Economics and Export Control (BAFA) and publishes a non-financial statement. As a globally operating company, it also issues an

annual UK Modern Slavery Act Statement and reports on its progress in sustainable corporate governance as part of the UN Global Compact Progress Report.

➤ **All reports** are published on the Internet.



Contact

For questions and comments on this Policy Statement or other human rights or environmental issues, please contact → humanrights@dlh.de.

Further information is published on the → [Lufthansa Group website](#).