

MODERN SLAVERY AND HUMAN TRAFFICKING STATEMENT

time:matters GmbH

Introduction

The respect for human rights is self-evident and forms an integral part of the corporate culture of Lufthansa Group¹ as a group of companies that acts with responsibility and integrity. Modern slavery is a crime and a violation of fundamental human rights. We are committed to improving our practices to combat modern slavery and human trafficking. Our statement outlines the steps we have taken to prevent Modern Slavery within our Group and our supply chains and sets out our plans for future improvements.

This statement corresponds to section 54 (1) of the Modern Slavery Act 2015 (United Kingdom) and constitutes our Group's slavery and human trafficking statement for the financial year ending December 31th 2021.

In conformity with section 54 of the Act, in this statement we report about:

- I. About time:matters GmbH – our organizational structure
- II. Our policies regarding Modern Slavery and Human Trafficking
- III. The Human Rights Working Group and further safeguarding measures
- IV. The IATA resolution on Human Trafficking
- V. Our supply chains
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1 About time:matters GmbH – our organisational structure

Time:matters GmbH is part of the Lufthansa Group. The Lufthansa Group is an aviation group with worldwide operations and 105,290 employees and 517 subsidiaries and equity investments as of December 31th 2021.

The portfolio of Lufthansa Group comprises the business segments Network Airlines, Eurowings and Aviation Services. All business segments rank among the leading providers in their respective industries.

¹ Lufthansa Group means Deutsche Lufthansa AG and its related bodies corporate, as defined in Section 18 of the German Stock Corporation Act (Aktiengesetz).

Network Airlines

The Network Airlines segment comprises Lufthansa, SWISS, Austrian Airlines and Brussels Airlines. With their multi-hub strategy, the Network Airlines offer their customers a premium, high-quality product and service, and a comprehensive route network combined with the highest level of travel flexibility.

Eurowings

The Eurowings business segment includes the flight operations of Eurowings and Eurowings Europe, as well as the equity investment in SunExpress. With Eurowings, the Lufthansa Group has an innovative offer for price-sensitive and service orientated customers in the structurally growing European direct traffic segment.

Aviation Services

The companies in the business segment Aviation Services are leaders in their worldwide markets and strengthen the portfolio of the Lufthansa Group. They include the business segments logistics, MRO and catering as well as other companies and Group functions.

Further information regarding the company's structure is described in detail on the Lufthansa Group's corporate website.

2 Our policies regarding Modern Slavery and Human Trafficking

As a participant of the UN Global Compact since 2002, the Lufthansa Group attaches great importance in conducting its business in line with internationally acknowledged principles and is committed to embedding respect for human rights as an integral element of its corporate culture. The Group has a large unionized workforce represented by a number of different trade unions.

Our Group Companies consult with employee representative bodies, including trade unions and works councils.

The binding Code of Conduct documents the values, principles and standards of conduct of the Lufthansa Group. Point 6 expressly states, "We respect and uphold the dignity of our employees, customers, and business partners. In all our actions, we ensure that we act in accordance with human rights, the principles of the UN Global Compact, and recognize international labour and social standards. In particular, we reject child labour, forced labour, and exploitation or discrimination of any kind." The Code of Conduct is binding for all bodies, managers and employees of the Lufthansa Group.

The companies are obliged to identify human rights risks and report the type and number of suspicious incidents. Individual complaints can be made by third parties to the external ombudsman – confidentially if requested.

In 2021, Lufthansa Group established an electronic whistleblower system in addition to the existing ombudsman system to facilitate the submission of compliance related hints. In the upcoming reporting period, Lufthansa Group will expand this system also to human rights related hints.

Employees of the Lufthansa Group can also report to their manager, human resources department or the employee representatives. A works agreement with regard to grievance procedures is already in place for all employees in Germany.

3 Our Human Rights Working Group and further safeguarding measures

A Human Rights Working Group was established within the Human Resources and Legal Affairs Division of the Executive Board in 2017 and comprises of representatives from all relevant head office functions and Group companies that are potentially at risk. The project group monitors and discusses any potential high and extreme risk areas, incidents and actions in relation to human rights with the specific field of modern slavery. The Working Group meets generally twice a year to monitor the Group's progress in tackling modern slavery.

Based on an analysis carried out by Verisk Maplecroft, an advisory company with recently renewed contract, an overview of all Group companies operating in high-risk and extreme-risk countries was drawn up, i.e. countries where the risk of human rights violations are particularly high. The country overview is regularly updated and regular meetings serve to communicate information and develop a uniform, group-wide position and strategy. Managers and Human Resources departments at these companies are made aware of their duty of care to avoid human rights violations and the realization of risks due to modern slavery. A specific annex was added to the employment contracts with these managers. In addition, awareness is created by means of focused internal communication to all the employees in the Group. This includes a statement by the Executive Board member for Corporate Human Resources and Legal Affairs emphasizing the responsibility of the Lufthansa Group as a global company that respects human rights.

After the German Supply Chain Due Diligence Act (LkSG) was passed in the reporting year, it establishes further binding due diligence obligations for various companies of the Lufthansa Group from January 1, 2023, which are intended to ensure that human rights are respected in the supply chain. In its application, the LkSG addresses 12 human rights-related and eight environmental risks. The human rights-related risks, such as child labor, forced labor, slavery and slavery-like practices, are directly related to the measures and practices that the Lufthansa Group already undertakes today to prevent them. Due to the commitment of the Lufthansa Group from its Code of Conduct and the agreements referred to therein (such as the UN Global Compact), we decided to bundle the activities in this regard and also to take them into account in this statement.

4 The IATA resolution on Human Trafficking

As a signatory to the IATA Resolution against Trafficking in Persons, ensuring an environment that is free from modern slavery and human trafficking is a matter of course for the Lufthansa Group. The legal prosecution of human trafficking is the responsibility of governments and national law enforcement agencies. Nevertheless, the Lufthansa Group is aware of the importance of this topic and recognizes that as an aviation company it can play a significant role in identifying potential criminal offences. It has therefore implemented a reporting process for flagging suspected cases of human trafficking that has been coordinated with the authorities.

In accordance with IATA recommendations, the Lufthansa Group has integrated the topic into regular pilot and flight attendant training in 2019. These employee groups are made particularly aware of potential signs of human rights violations. Due to the Corona pandemic, trainings have been paused temporarily in 2021. Steering and developing the management approach is the responsibility of the Anti-Human Trafficking Task Force, established in 2018, in which all Group companies and relevant Group Functions are represented.

5 Our Supply Chains

Taking sustainability aspects in the supply chain into account is an important element of responsible production. This means that, in addition to economic aspects, impacts on the environment and society are taken into consideration during the procurement process. To meet the standards the Lufthansa Group sets for the sustainability of its own products, the Lufthansa Group relies on close collaboration with suppliers who share and implement these standards. This also forms part of the Lufthansa Group's Code of Conduct.

Lufthansa Group's procurement policy includes the obligation to assume social and environmental responsibility. It is to be understood as an overriding specification for all procurement units at Lufthansa Group companies. In addition, it serves as a handbook for buyers and all employees with contacts in the procurement markets. Appropriate training is available to all employees and is mandatory for the management level. Among other considerations, it requires that these obligations be included in contracts with suppliers:

- to comply with the ten principles of the UN Global Compact,
- to comply with the four basic principles of the International Labour Organisation (ILO),
- the right to consent to announced and unannounced audits by companies of the Lufthansa Group,
- to accept the termination of the contract in the event that these contractual obligations are breached.

By imposing these obligations, the Lufthansa Group endeavours to ensure responsible practices by its direct suppliers and so to meet its own standards for corporate responsibility. The Lufthansa Group's expectations of its suppliers in terms of social, environmental and ethical responsibility are summarised and published in the Supplier Code of Conduct.

To identify the type and level of supplier risks, the procurement units responsible for product groups carried out a risk assessment for the suppliers. The risk assessment is included in the result of Lufthansa Group's risk management. The procurement process also includes supplier screening to identify risks during the onboarding process so that appropriate measures can be taken. To ensure compliance with Lufthansa Group standards, suppliers are subject to a comprehensive screening process (Business Partner Due Diligence – BPDD) before being contracted. If a supplier falls into a risk category (e.g. due to the country risk based on Verisk Maplecroft, or product group), such a screening is carried out, including consultation with external sources if necessary. The screening process is designed to help identify potential problems, determine what mitigating measures are required, or prohibit cooperation with the supplier in question.

The implementation of the required obligations in supplier contracts was included in the target agreement between the product group managers and the purchasing managers in Lufthansa Group companies in order to ensure that the required obligations are included in supplier contracts. A monitoring system was also set up during the reporting period to ensure implementation. The results of implementation form part of the performance evaluation for the managers in question.

6 Our further steps to prevent Modern Slavery

The Lufthansa Group as a globally operating group of companies sees it as its responsibility to contribute. Companies do not control political developments in countries they operate in; however, they have a responsibility in the sphere of their work, especially towards their employees worldwide. In the coming year, the Group will look to further improve its structures, practices and trainings to fight Modern Slavery and Human Trafficking.

7 Approval for this statement

On June 23, 2022, this statement was approved by the Members of Board with respect to the Financial Year 2021



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