LUFTHANSA GROUP







Report 2021

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Sustainability Disclosure Topics & Accounting Metrics

Торіс	SASB Code	Accounting Metric	Lufthansa Group Response	Reference
GREENHOUSE GAS EMISSIONS		Gross global Scope 1 emissions	Gross global Scope 1 emissions: 13.8 million tonnes, (2020: 11.5 million tonnes), thereof 13,7 million tonnes caused by flights of Lufthansa Group aircraft	Sustainability 2021,
			Specific CO ₂ emissions per freight tonne-kilometre were reduced by 1% to 869 grammes (2020: 880 grammes) Specific CO ₂ emissions per passenger-kilometre were 3% lower than in the previous year at 101.6 grammes (2020: 105.2 grammes) The decline in the Group fleet's specific consumption compared with the previous period was mainly due to changes in the route network and the resulting increase in average flight length Scope 1 data audited with high assurance by Müller- BBM, Cert GmbH according to GHG Protocol, ISO 14064-1 and 14064-3	

Торіс	SASB Code	Accounting Metric	Lufthansa Group Response	Reference
GREENHOUSE GAS EMISSIONS	TR-AL-110a.2	Discussion of long- term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Lufthansa Group played a major role in setting ambitious climate related targets within the national and international airline associations of which the Lufthansa Group is a member. In October 2021 the International Air Transport Association (IATA) adopted a resolution for global aviation that commits the global aviation sector (IATA member airlines) to reducing its net carbon emissions to zero by 2050. This commitment is in line with the goal of the Paris Climate Agreement to limit global warming to significantly below 2 degrees Celsius. Via the European airline association Airlines for Europe (A4E), the Lufthansa Group is also involved in the Destination 2050 study – an initiative by five European air transport associations (A4E, ACI EUROPE, ASD, CANSO and ERA) which began in summer 2019. As aviation is generally considered an industry that is "difficult to decarbonise", the aim of this study was to examine emission reduction potentials, taking into account the current state of the art and science. The focus is on significant reductions by 2030 and achieving carbon neutrality by 2050. The aim is to never exceed the level of emissions recorded in 2019.	Annual Report 2021 (Combined non- financial declaration), p.99-p.106

Торіс	SASB Code	Accounting Metric	Lufthansa Group Response	Reference
GREENHOUSE GAS EMISSIONS	TR-AL-110a.2		Lufthansa Group's CO2 targets beyond IATA industry's goals.	
			As befits its pioneering role, the Lufthansa Group has also defined its own carbon reduction targets, which in some cases are more demanding. This means the Lufthansa Group's net carbon footprint should be reduced by half by 2030 compared with 2019, with carbon neutrality the objective for 2050.	
			In November 2021, the Lufthansa Group further specified its emission reduction targets, made a commitment to science-based targets and submitted an application for validation of these reduction targets for 2030 in accordance with the Aviation Sector Guidance of the Science-based Targets Initiative (SBTi). This initiative has defined science based targets based on a remaining carbon budget.	Annual Report 2021 (Combined non- financial declaration), p.102
			 Further climate-related Scope 1 emissions targets of Lufthansa Group: 250 million USD invest in procuring SAF over the next three years (2022-2024) The Group aims to switch to carbon-neutral mobility on the ground in its home markets by 2030. 	Factsheet Sustainability 2021, p. 7, 14, 16 TCFD Report 2021 , p. 26ff.

Торіс	SASB Code	Accounting Metric	Lufthansa Group Response	Reference
GREENHOUSE GAS EMISSIONS	TR-AL-110a.2		 100% Carbon Offsetting of all employees' duty flights. Target achievement is at 100%. 	
		 To achieve these targets, Lufthansa Group has been following the four pillar strategy of actions to reduce CO₂ emissions laid out by IATA already in 2007: 1. Technological progress in aircraft and engine technology and sustainable aviation fuel 2. Improved infrastructure via a single European sky and improved intermodal transport 3. Operational measures such as more efficient flight procedures 4. Economic measures through mandatory EU ETS and voluntary offsets of CO₂ emissions 		Annual Report 2021 (Combined non- financial declaration) p.100-p.101
	TR-AL-110a.3	(1) Total fuel consumed	4,3 million tonnes	Factsheet Sustainability 2021, p. 3
		(2) percentage alternative	0,2 % (through the use of Sustainable Aviation Fuel (SAF) 35,456 tonnes CO2 were reduced in the year 2021)	Factsheet Sustainability 2021, p. 21
		(3) percentage sustainable	0,2% (through the use of Sustainable Aviation Fuel (SAF) 35,456 tonnes CO2 were reduced in the year 2021)	

Торіс	SASB Code	Accounting Metric	Lufthansa Group Response	Reference
LABOR PRACTICES	TR-AL-310a.1	Percentage of active workforce covered under collective bargaining agreements	83% (Germany), the remaining 17% belong mainly to a leadership circle or being managers on higher positions without collective bargaining agreements.	Annual Report 2021 (Combined non- financial declaration), p.119
	TR-AL-310a.2	(1) Number of work stoppages	0 days	
		(2) Total days idle	0 days	
COMPETITIVE BEHAVIOR	TR-AL-520a.1	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	In 2021 Lufthansa Group had zero monetary losses as a result of legal proceedings associated with anti- competitive behavior regulations.	

Торіс	SASB Code	Accounting Metric	Lufthansa Group Response	Reference
ACCIDENT & SAFETY MANAGEMENT	TR-AL-540a.1	Description of implementation and outcomes of a Safety Management System	The Lufthansa Group's success depends primarily on safe and reliable flight operations. The health and safety of passengers, crews and employees have the highest priority for the aviation group. Therefore, all Lufthansa Group airlines operate a comprehensive Safety Management System (SMS). This includes continuous monitoring of flight operations: The Group airlines' experts track performance ratios, carry out audits and inspections, evaluate risks, analyze flight data and investigate incidents. All these measures serve the purpose of identifying and steering safety-relevant trends at an early stage, and guarding against possible undesirable developments. Beyond the legally required reporting systems, the Lufthansa Group operates a low-threshold confidential reporting system that is open to all employees and respecting just culture principles required by law. With regard to their safety management systems, the Lufthansa Group's airlines take their bearings from legal requirements such as EU guidelines, as well as regulations issued by the European Aviation Safety Agency (EASA) and the U.S. Federal Aviation Administration (FAA). In addition, they fulfill all standards and recommendations of the International Civil Aviation Organization (ICAO). Every two years,	•

Торіс	SASB Code	Accounting Metric	Lufthansa Group Response	Reference
ACCIDENT & SAFETY MANAGEMENT	TR-AL-540a.1		independent experts audit the safety standards applied Group-wide in an IATA Operational Safety Audit (IOSA). All Group airlines fully apply the internationally accepted IATA standards for air safety. These external benchmarks are supplemented by the Lufthansa Group with internal guidelines, in particular the Executive Board's Safety Commitment. These guidelines are compiled in the Lufthansa Group Safety Management Manual (SMM) and are additionally included in handbooks concerning flight operations, training, maintenance and ground handling services on airline level. The Executive Board and all managers and employees affected by operator regulations fulfill their tasks in accordance with the SMM.	
			Within the Lufthansa Group, independent departments monitor compliance with regulations and processes related to flight operations. At every Group airline, the safety management system is the responsibility of a designated safety manager. The safety manager reports both to the airline's management and to the Group Safety Pilot, who has Group-wide responsibility for evaluating and developing procedures and standards relevant to flight safety. He reports directly to the Chairman of the Executive Board and CEO of Deutsche Lufthansa AG.	

Торіс	SASB Code	Accounting Metric	Lufthansa Group Response	Reference
ACCIDENT & SAFETY MANAGEMENT	TR-AL-540a.1		In 2021, the accident figures were initially collected for relevant companies that are insured in Germany by the largest employers' liability insurance association (BG-Verkehr) and that employ a total of 48% of the Lufthansa Group's employees worldwide	Annual Report 2021 (Combined non- financial declaration), p.125
			and 83% of its employees in Germany. All events that resulted in downtime of at least one calendar day are included in this indicator. This translates into 3.7 work-related injuries per one million hours worked. Other companies will be included in the figures over time.	Factsheet Sustainability 2021, p. 32
	TR-AL-540a.2	Number of aviation accidents	0	
	TR-AL-540a.3	Number of governmental enforcement actions of aviation safety regulations	0	

Activity Metrics

SASB CODE	ACTIVITY METRIC	LUFTHANSA GROUP RESPONSE	REFERENCE
TR-AL-000.A	Available seat kilometers (ASK)	145,139 million	Annual Report 2021 p.2
TR-AL-000.B	Passenger load factor	61.6%	Annual Report 2021 p.2
TR-AL-000.C	Revenue passenger kilometers (RPK)	89,397 million	Annual Report 2021 p.2
TR-AL-000.D	Revenue ton kilometers (RTK) ¹	6,673 million	Factsheet Sustainability 2021, p. 3
TR-AL-000.E	Number of departures ²	460,029	Annual Report 2021 p.2
TR-AL-000.F	Average age of fleet	12.7 years	Annual Report 2021 p.24

1 Lufthansa discloses data as "Passenger kilometer transported (PKT)".

2 Lufthansa discloses number of flights, which is nearly identical with number of departures.

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Editorial information

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You will find further information on sustainability within the Lufthansa Group at:

View the Annual Report 2020 including the nonfinancial declaration at: <u>https://investor-relations.lufthansagroup.com/en</u>