



LUFTHANSA GROUP

LUFTHANSA GROUP **SASB Report 2020**

Reporting Period

January 1, 2020- December 31, 2020



Sustainability Disclosure Topics & Accounting Metrics

Topic	SASB Code	Accounting Metric	Lufthansa Group Response	Reference
GREENHOUSE GAS EMISSIONS	TR-AL-110a.1	Gross global Scope 1 emissions	<p>11.4 million tonnes Scope 1 flight emissions, (33.1 million tonnes 2019)</p> <p>Reduction of CO₂ emissions mainly due to the corona pandemic</p> <p>Audited by Müller-BBM, Cert GmbH 24.02.2021 according to GHG Protocol, ISO 14064-1 and 14064-3</p> <p>Scope 1 emissions including Lufthansa Group ground operations will be available in May 2021 (Lufthansa Group Sustainability Factsheet 2020)</p>	Annual Report 2020 (Combined non-financial declaration), p.95
	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	<p>The aviation sector started making voluntary commitments to reduce emissions as early as 2009, via its industry association IATA and the Air Transport Action Group (ATAG).</p> <p>The Lufthansa Group was closely involved in setting the target of continuous efficiency improvements of 1.5% p.a. until 2020, carbon-neutral growth from 2020 and a reduction of 50% in net emissions compared with 2005 by 2050.</p>	Annual Report 2020 (Combined non-financial declaration), p.90-p.95

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			<p>Above and beyond the currently agreed targets, IATA aspires to make global air traffic carbon neutral by the year 2060. The existing climate goals mentioned above will also remain in place and Lufthansa Group is supporting the IATA targets.</p> <p>Lufthansa Group’s CO₂ targets beyond IATA industry’s goals.</p> <p>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.</p> <p>Lufthansa Group has closely followed the development of the Science Based Targets initiative (SBTi) guidance and target setting methodologies for the aviation sector and participated in stakeholder consultations in December 2020. When the sector guidance is available in its final version, Lufthansa Group will explore the option of having its targets validated by the SBTi. The large-scale availability of sustainable aviation fuels is critical for reaching the</p>	<p>TCFD Report 2020, p.18.ff.</p>

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			<p>greenhouse gas emission intensity reductions required by the SBTi.</p> <p>Lufthansa Group has set these climate-related Scope 1 emissions targets:</p> <ul style="list-style-type: none"> ▪ Increase fuel efficiency from 2009 by 1.5% p.a. until 2020 (IATA goal). Target has been achieved: from 2009 until 2019 average fuel efficiency at 1.6% p.a. per passenger kilometre. ▪ Reduce specific CO₂ by 25% until 2020 (base year 2006). Target achievement for 2020 pending due to corona pandemic (target achievement was 67% by the end of 2018). ▪ Reduce 100% of emissions from ground mobility in Germany, Switzerland, Austria and Belgium until 2030. Progress reporting was paused due to the corona pandemic in 2020. ▪ 100% Carbon Offsetting of all employees' duty flights. Target achievement is at 100%. 	<p>TCFD Report 2020 p. 19</p>
			<p>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:</p>	<p>Annual Report 2020 (Combined non-financial declaration) p.90-p.95</p>

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			<ol style="list-style-type: none"> 1. Technological progress in aircraft and engine technology and sustainable aviation fuels 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 	
	TR-AL-110a.3	(1) Total fuel consumed	3.6 million tonnes	
		(2) percentage alternative	-	
		(3) percentage sustainable	-	

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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 2020 (Combined non-financial declaration), p.104
	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 2020 Lufthansa Group had zero monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations.	
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.	Annual Report 2020 (Combined non-financial declaration), p.98ff.

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			<p>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, 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</p>	<p>Sustainability Report (Balance) Issue 2019, p.105ff.</p>

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			<p>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.</p> <p>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.</p> <p>For 2020 special attention was taken to highlight the risk exposure of Lufthansa Group Airlines regarding shutdown and restart of operations. The respective risk assessments were performed individually within each airline, respecting requirements by authorities. Holistic assessments</p>	

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			over the entire LH Group was done in a second step. More than 900 mitigations were identified and implemented. Currently all mitigations as well as possible new hazards are re-evaluated.	
	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)	109,828 million	Annual Report 2020 p.2
TR-AL-000.B	Passenger load factor	63.2%	Annual Report 2020 p.2
TR-AL-000.C	Revenue passenger kilometers (RPK)	69,462 million	Annual Report 2020 p.2
TR-AL-000.D	Revenue ton kilometers (RTK) ¹	n/a	
TR-AL-000.E	Number of departures ²	390,900	Annual Report 2020 p.2
TR-AL-000.F	Average age of fleet	12.5 years	Annual Report 2020 p. 25

¹ Data is currently not publicly disclosed.

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



Editorial information

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

➤ lufthansagroup.com/responsibility

View the Annual Report 2020 including the non-
financial declaration at:

➤ lufthansagroup.com/investor-relations