



## Spairliners GmbH - Modern slavery act and human trafficking

### Introduction

The respect for human rights is self-evident and forms an integral part of the corporate culture of Lufthansa Group as a group of companies that acts with responsibility and integrity. Spairliners as a Joint Venture between Air France Industries KLM Engineering & Maintenance and Lufthansa Technik AG is part of this Group.

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 Spairliners 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 companies' slavery and human trafficking statement for the financial year ending 31.12.2019.

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

- I. Organizational structure
- II. Our policies regarding Modern Slavery and Human Trafficking
- III. The Lufthansa Human Rights Working Group and further safeguarding measures
- IV. Our Supply Chains
- V. Our further steps to prevent Modern Slavery
- VI. The approval for this statement

### Remark

Due to the challenges occurring by the coronavirus pandemic and related reduced staff capacity as result of the applied short-term work, Spairliners GmbH was not able to publish the statement by June 30<sup>th</sup>, 2020.

### 1 Organizational structure

Spairliners was founded in 2005 as an independent company to provide comprehensive support to Airbus A380 operators in all market regions. The joint venture between two leading MRO providers – between Air France Industries KLM Engineering & Maintenance and Lufthansa Technik – is fully committed to supporting this aircraft type in the aftermarket. Since then Spairliners has become the world's largest OEM independent component aftermarket service provider for the Airbus A380 and the Embraer E-Jet family. Spairliners is the only company worldwide that integrates repair processes, supply chain management, pool access and asset management in one solution designed specifically for these two aircraft types. Spairliners distributes serviceable aircraft parts from its central logistics centres and component pools in Paris, Frankfurt, Munich, Singapore and Fort Lauderdale.





Spairliners is backed by two well-known MRO companies: Air France Industries KLM Engineering & Maintenance and Lufthansa Technik. Both MRO companies benefit from their proximity to world-leading airline groups. Our shareholders represent a global base of major airline customers and look back on many years of experience in technical aircraft support.

In 2019 Spairliners supported 16 operators under long term contracts and supported more than 585.000 flight hours with 60% in-house capability of the 3.400 part number repairs.

## 2 Our policies regarding Modern Slavery and Human Trafficking

As a participant of the UN Global Compact since 2002, the Lufthansa Group (and Spairliners as part of this 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 Lufthansa Group companies are obliged to identify human rights risks and report the type and number of suspicious incidents. Individual complaints can also be made by third parties to the external ombudsman – confidentially if requested.

Spairliners consults with the People of Trust (PoT) - our employee representative body. We recognize international labor and social standards. In particular, we reject child labor, forced labor, and exploitation or discrimination of any kind. Employees of Spairliners can report to their manager, human resources, or the PoT. A Human Resources Manual and our Anti-Harassment Policy describe the way we are working together and it states that we treat each other with respect, dignity and courtesy as well as that we ensure the safety of all our employees, workers and visitors. This includes but is not limited to our suppliers.

## 3 The Lufthansa 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 Lufthansa Group Executive Board in 2017 and comprises of representatives from all relevant head office functions as well as 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 slavery.

Based on an analysis carried out by Verisk Maplecroft, an advisory company, 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 should be made aware of their duty of care to avoid human rights violations and the realization of risks due to modern slavery. A specific annex is added to the employment contracts with these managers. In addition, awareness is created by means of focused internal communications 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.

Spairliners relies on the notification of this group in case of incidents.

#### 4 Our Supply Chains

In 2019, Spairliners had all their repairs conducted by the two shareholding companies between Air France Industries KLM Engineering & Maintenance and Lufthansa Technik AG for approx. 90 Mio USD. Furthermore, the purchasing network consisted of 15 vendors with an approximate turnover of 8 Mio USD. Setting for sustainability of our own products, Spairliners relies on close cooperation with suppliers who share and implement those standards. Spairliners expects from its suppliers that they fully comply with current law, guidelines and regulations concerning fair competition, integrity and responsible practices.

Spairliners Vendor Approval Process consist of a lengthy questionnaire asking for detailed information regarding quality management systems including but not limited to ISO certifications which ensure, among other things, an appropriate education and training of staff. Furthermore, a Quality Requirements statement must be signed by the supplier. This assumes social as well as ecological responsibility. In addition to this all Spairliners staff is updated regularly with compliance trainings to report any suspicious activity including Human Rights breaches. By imposing these obligations, Spairliners endeavors to ensure responsible practices by its direct suppliers and therefore meets its own standards for corporate responsibility.

Since the main suppliers are the shareholding organizations with their own extensive procurement policies, Spairliner's expectations on its suppliers in terms of social and ecological responsibility are of the highest standard. To avoid taking risks Spairliners chooses its suppliers from non-risk countries.

#### 5 Our further Steps to prevent Modern Slavery

Spairliners as a globally operating company 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. In the coming years, Spairliners will look to further improve its structures, practices and trainings to fight Modern Slavery and Human Trafficking.

#### 6 Approval for this statement

On December 8<sup>th</sup>, 2020, this statement was approved by the Members of the Spairliners Executive Board with respect to the Financial Year 2019.

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Thies Möller  
Managing Director, CEO

A blue ink signature of Benoit Rollier, featuring a large, sweeping loop at the top and a more compact signature below.

Benoit Rollier  
Managing Director, CFO



