

Statement

At LuxairGroup, we're committed to develop and promote responsible and ethical policies within all the territories in which we're conducting our activities. Every day we act in respect of the principles of the Universal Declaration of Human Rights, and we're engaged on improving our corporate responsibility in light of the United Nations' Global Compact initiative to which Luxair adheres. Since 2009, in addition to efforts engaged towards the environment and local economy, LuxairGroup has decided to support local charities and organisations involved in fields that are closely linked to LuxairGroup's activities. This commitment does not only involve financial support but also tangible actions which are developed in conjunction with the organisations. LuxairGroup has voluntarily chose to restrict the number of partnerships to 4 NGOs (Red Cross – Caritas - Stämm vun der Strooss – ECPAT), in order to ensure efficient and appropriate follow-up.

Among all these voluntary initiatives, preventing forced labour, child exploitation and human trafficking in our business and supply chain is one of our greatest ambitions as a responsible company.

To enhance our commitment, we have prepared this statement in accordance with the provisions of section 54 of the UK Modern Slavery Act.

Who we are

LuxairGroup is a key player and major employer in the economy of the Grand Duchy of Luxembourg and the surrounding Greater Region. The company employs about 2,900 people dedicated to the fast-paced domain of air transport. LuxairGroup offers travel, cargo, ground handling and catering services across Europe, North Africa and the Mediterranean, from its home hub in Findel International Airport of Luxembourg.

Luxair Luxembourg Airline, our flagship activity, offers fast air service to most of Europe's largest cities, business centers and international hubs. With nearly 1.3 million passengers in 2017, Luxair Luxembourg Airline prides itself upon providing maximum flexibility to its business clients and quality travel at affordable prices to its leisure customers.

The tour operator, our holiday branch LuxairTours, is growing steadily each year, and is well-established in Luxembourg and the surrounding Greater Region. We offer a wide range of package deals and thematic holidays, tailored to suit a wide variety of customers, with a quality sourcing of all our local partners.

Since 1970, LuxairCARGO is developing in the air freight handling activity, and Luxembourg airport became one of the busiest European airports in volume of air freight. With a World-Class latest technology terminal and outstanding air and motorway links, our Cargo center is one of the largest freight distribution centers in Europe. Our company handles every kind of merchandise such as high-tech products, perishables, livestock and consumer goods.

Finally, LuxairServices provides various services to all our activities as well as to other airlines operating at Luxembourg's Airport. Our company takes care of passenger assistance and all tasks relating to fast and efficient servicing of landed aircraft. Our catering division is responsible for preparing appetizing inflight meals and loading them on-time in the best freshness conditions.

Our business and supply chain

LuxairGroup considers that, due to the high standards and regulations of the air industry, the risk of modern slavery is limited regarding our own activities.

However, some risks may exist in relation with outsourced operations, required to conduct our core business on all our network. Therefore, during the whole life of a contract, LuxairGroup is requesting suppliers to comply with applicable laws and regulations.

Our supplier's Code of Conduct is part of our sustainability policies, and it is our intention to ask all our suppliers to commit to comply with it. As a minimum, we will request them to observe national laws and the following principles:

- Supplier is prohibited from using workers under the minimum legal age of employment in the jurisdiction where work is performed. In the event that local law does not specify a minimum working age, the minimum age of employment shall be 15 years of age;
- Supplier shall refuse to take part in sexual exploitation of children and report all cases of sexual exploitation of children that comes to its awareness
- Supplier must not hold an individual or group in slavery or servitude. Employment shall be freely chosen and employees free to leave after reasonable notice is served;
- Supplier must comply with all applicable laws and regulations on working hours and minimum wages.

These principles are not exhaustive and we expect from our supplier to meet higher standards.

Our approach

LuxairGroup promotes high ethical standards and requires its stakeholders (employees at all levels, directors, officers, interns, agents, contractors, subcontractors, external consultants, third party representatives, suppliers and business partners) to act with integrity in all business relationships.

We have adopted a zero-tolerance approach to any form of harassment and we actively promote inclusion for all LuxairGroup's employees in the workplace.

We bring our support to specific projects related to human rights, some of which have been fully integrated in our daily operations:

- We are an active participant of the ECPAT (End Child Prostitution and Trafficking) initiative, for which we regularly provide logistics support. We use all our communication channels (in-flight entertainment, in-flight magazine, brochures, websites, and social media) to ensure the widest possible media coverage to the ECPAT.
- In June 2nd 2016, we decided to sign "*The Code*", an industry-driven initiative, founded in 1996 by ECPAT in cooperation with the World Tourism Organization (UNWTO). The Code is an international instrument to protect children against sexual exploitation in the tourism and travel industry. On a voluntary basis, members of the Code are requested to implement 6 criteria. Some of them are already in place within LuxairGroup, but our final goal is to fully implement the criteria in our operations.

You can consult our 2017 report at:

<http://thecode.force.com/apex/publicPdf?id=0019000001c4UrUAAU&year=2017>

We support and promote Red Crosses initiatives by organizing specific actions like fundraising on board of our aircrafts. Moreover, Luxair Luxembourg Airlines crew became Red Cross ambassadors which actively participate in raising passengers' awareness about solidarity, development projects and international human rights.

Our ambition

We will continue to pursue a vigilant approach against any form of slavery and human trafficking, by keeping our procedure up to date, using the very best practices of other companies of our industry and reinforcing our implication in the partnerships we support.

We intend to use a risk based approach system as part of our sourcing process, in cooperation with our risk management and procurement teams which try to improve the selection of our suppliers. We believe that, by working closely with these suppliers, we can improve corporate social responsibility in every countries we are operating.

In case an important ethical risk arises, we will not hesitate to terminate our contract with the supplier.

We recognize that human trafficking is a real concern. Therefore, our flight crews may have exposure to potential trafficking situations they have to identify. As a consequence, we aim to update all the crew manuals so all these employees can react in case they face this kind of situation. During this and beyond, we would like to train all our cabin crew members and check-in agents in order to help them identifying cases of suspected human trafficking.

We also keep our procedure up to date, using the very best practices of other companies of our industry.

This statement has been approved by LuxairGroup's Executive Board.