

Dear reader,

As one of the world's leading companies in the air cargo industry, it is our responsibility to ensure that our business activities respect Human Rights and create value for society. Air freight is a central component of the global supply chain, and cargo airlines operate at the center of a vast and complex logistics industry.

Cargolux has a comprehensive KYS/KYC policy in place, aimed at assessing supplier and customer relationships and ensuring they align with Cargolux's corporate values, including Human Rights. We take our responsibility for ethical and fair behavior seriously and encourage others in the supply chain to follow suit.

The KYS/KYC process is supported by stringent Compliance monitoring to ensure that all shipments and transshipments are not in breach of any regulations including sanctioned items and countries, and that all required documentation for shipments has been received and vetted. In addition to applicable regulations, we also apply our own discretionary restrictions on what we carry on board our aircraft. Any deviation is investigated and, when required, entities are verified from shipper to consignee to cover the full scope of the transport. Cargolux refuses any transport of weapons and dual-use goods linked to entities suspected of maltreatment of individuals, or governments notorious for breaching Human Rights. This engagement is complemented by a growing list of embargoed goods and countries which is continually reviewed and updated.

From an employer's perspective, Cargolux is dedicated to ensuring a healthy, safe, and fair workplace for its employees. Our comprehensive occupational health and safety program minimizes the risk of accidents and incidents, fostering a secure work environment. Additionally, our Collective Work Agreement offers guarantees that exceed labor law requirements. To further demonstrate our commitment, we are developing a company-wide human rights program.

Human Rights is a complex issue that is, at times, difficult to assess and monitor but Cargolux is committed to playing its part in ensuring these fundamental rights are respected. We are increasingly taking steps in the right direction and raising awareness of this crucial topic.



Richard Forson,
President & CEO

PART A: Governance of Respect for Human Rights:

A1: What does the company say publicly about its commitment to respect Human Rights?

A1.1 How has the public commitment been developed?

Cargolux Airlines International (Cargolux) formalized its commitment to Human Rights in a declarative policy in 2021. This pledge aims to stress the importance of Human Rights for the airline and to improve the visibility of this important topic within the company. This engagement was bolstered by the signing of Luxembourg's pact for Business and Human Rights the following year.

In 2024, Cargolux renewed its ESR (Entreprise Socialement Responsable - Socially Responsible Company) label, a distinction delivered by Luxembourg's National Institute of Sustainable Development (INDR). Cargolux is also a signatory of Luxembourg's national Diversity Charter and IATA's 25 by 2025 commitment on gender equality.

Furthermore, Cargolux was recently awarded a label from the Luxembourg Ministry for Gender Equality and Diversity for its participation in the Ministry's Positive Action Program - a voluntary program which supports an inclusive economy and an equal society.

The airline has been a signatory of the UN Global Compact since 2007.

A1.2 Whose Human Rights does the public commitment address?

The company is committed to respecting Human Rights as a whole, but it has defined two main areas of focus and action. On one hand, Human Rights related to employees, such as health & safety, ensuring diversity and equality while fighting all forms of discrimination and harassment. On the other hand, managing the impact of the company's operations on global communities.

As a service-based company, Cargolux recognizes the effect of its global operation and the need to identify its impact across its activities and value chain.

A1.3 How is the public commitment disseminated?

As a signatory of the UN Global Compact, Cargolux has communicated its commitment to Human Rights and CSR in the annual CSR/Sustainability reports that have been published since 2007. A dedicated Human Rights page is both publicly available on the company's corporate website and accessible internally on the intranet. This information is also regularly included in material such as presentations to customers and business partners.

A2: How does the company demonstrate the importance it attaches to the implementation of its Human Rights commitment?

A2.1 How is day-to-day responsibility for Human Rights performance organized within the company, and why?

Human Rights are an important aspect of Cargolux's compliance activities. In 2021, a KYC (Know Your Customer) project was introduced to ensure due diligence is conducted on customers. A KYS (Know Your Supplier) policy had already been introduced in 2010.

In 2022, Cargolux published a Supplier Sustainability Charter outlining the fundamental principles and values that should govern Cargolux's activities and its partners' operations. A first group of suppliers has signed the commitment.

As regards Human Resources and employee welfare, the Collective Work Agreement (CWA) covers a number of Human Rights particularly relevant to the workplace. For example, the CWA

defines work-life balance measures, provides for employee representatives such as the Safety Delegate, Equality Delegate or the Pilot Representatives, as well as all instances of health and safety at work.

In 2024, an employee engagement survey was conducted, addressing several matters related to labor and Human Rights. This edition of the survey included, for the first time, four questions on how psychosocial factors impact employees' working conditions, as well as how "DEI" (Diversity, Equity & Inclusion) aspects are addressed within the teams. A company-wide follow-up action plan will be built to prioritize improvement actions as was done following the previous staff survey two years prior.

A2.2 What kinds of Human Rights issues are discussed by senior management and by the Board, and why?

Cargolux' Sustainability Governance has been re-structured to further enhance compliance, monitor performance and achieve objectives in line with the 2023 Sustainability Policy and Strategy. In the current structure, a Sustainability Steering Group (SSG), chaired by the Chief Sustainability Officer, directly informs the Executive Committee on sustainability matters. The Human Rights Working Group is chaired by the Senior Manager Corporate Social Responsibility and nominated Human Rights Officer. Other material topic working groups are in place, such as the Diversity, Equality and Inclusion and Occupational Health and Safety groups chaired by the Vice-President Human Resources.

Furthermore, topic specific control procedures are in place in case of severe findings on the violation of company policies, with adequate due diligence, grievance and remediation mechanisms, in which issues can be escalated to Executive Management level when required.

A2.3 How are employees and contract workers made aware of the ways in which respect for Human Rights should inform their decisions and actions?

Employees undergo regular trainings that include job specific Human Rights topics. All new joiners undergo an in-depth induction course on the company's Code of Conduct & Ethics that summarizes compliance with international laws, norms and regulations, and informs on the company's voluntary commitments to sustainable development and Human Rights.

Topic specific trainings are also a part of the mandatory course catalog for all employees, including training on harassment and anti-discrimination, anti-corruption and bribery, data privacy and OHS, amongst others. Specialized training is provided as required for defined roles.

Cargolux's OHS management system is ISO 45001:2018 certified, and recognizes the company's efforts to create a safe and healthy work environment for its employees.

A2.4 How does the company make clear in its business relationships the importance it places on respect for Human Rights?

See A2.1

A2.5 What lessons has the company learned during the reporting period about achieving respect for Human Rights, and what has changed as a result?

Since Cargolux publicly formalized its commitment in 2021, the company has recognized the responsibility it holds, as a multinational business, towards Human Rights.

The airline aims to embed Human Rights across its commercial activities and business relationships.

Furthermore, the company has a comprehensive due diligence program, and a grievance and remediation mechanisms that fully capture the complexity of Human Rights practices in business contexts.

Training, awareness and regular stakeholder engagement have also been identified as requirements for the successful implementation of a Human Rights framework within the company.

PART B: Defining the focus of reporting

B1: Statement of salient issues: State the salient Human Rights issues associated with the company's activities and business relationships during the reporting period.

Under Cargolux's Code of Conduct and Ethics and the Human Rights Policy Commitment, the following topics reflect Cargolux's commitment to Human Rights:

- *Freedom of association and the effective recognition of the right to collective bargaining.*
- *Safe and healthy working environment.*
- *Child labor.*
- *Forced labor.*
- *Non-discrimination in respect of employment and occupation.*
- *Working conditions (wages, working hours).*
- *Freedom of expression.*
- *Digital security / privacy.*
- *Gender equality and women's rights.*

B2: Determination of salient issues: Describe how the salient Human Rights issues were determined, including any input from stakeholders.

The list of salient issues will be updated in 2025 following the Human Rights risk assessment of the Cargolux Group. Dedicated workshops were run by an external supplier and included representatives from key departments.

B3: Choice of focal geographies: If reporting on the salient Human Rights issues focuses on particular geographies, explain how that choice was made.

As a global operator, Cargolux recognizes its role and the need to track its impact across its activities and value chain. A dedicated framework for Human Rights is therefore under development as part of the company's 2023 Sustainability Strategy and will cover the airline's global activities.

B4: Additional severe impacts: Identify any severe impacts on Human Rights that occurred or were still being addressed during the reporting period, but which fall outside of the salient Human Rights issues, and explain how they have been addressed.

Nothing to report.

PART C: Management of salient Human Rights issues

C1: Does the company have any specific policies that address its salient Human Rights issues and, if so, what are they?

C1.1 How does the company make clear the relevance and significance of such policies to those who need to implement them?

Cargolux has an established and regularly updated Code of Conduct and Ethics that defines its commitment to maintaining international standards on Human Rights and labor conditions. In the Code of Conduct, the company acknowledges its responsibility to respect all Human Rights, invest in learning and development, ensure health, safety and wellbeing, and promote gender equality, diversity and inclusion.

Stand-alone company policies cover specific topics, such as the Occupational Health & Safety, Anti-Harassment and Non-Discrimination, Just Culture, Diversity, Equity and Inclusion, Data Privacy & Protection, Corporate Reporting and Whistle-Blower Protection, and Human Rights.

The airline has an established Collective Work Agreement (CWA) in place that covers all legally mandatory and other additional provisions on working conditions for CWA employees based in Luxembourg. The current CWA, signed in 2023, provides enhanced working conditions, especially related to work-life balance. This includes the right to disconnect and 13th month conversion into additional vacation days. A Working From Home (WFH) policy was also implemented in October 2023.

New joiners are enrolled in a mandatory induction training that introduces company policies, the Code of Conduct and Ethics and their connection to relevant SDGs.

C2: What is the company's approach to engagement with stakeholders in relation to each salient Human Rights issue?

As part of its impact materiality assessment, a survey is regularly sent to key stakeholder groups. Cargolux is currently preparing the stakeholder engagement in alignment with the requirements of the CSRD to collect their feedback on the Double Materiality Assessment.

The airline also covers salient Human Rights issues in the due diligence process that is performed as part of the KYS / KYC procedure.

Another regular survey campaign that was last conducted in 2024 is the employee engagement survey, sent to all Cargolux employees. The survey results were used to develop an action plan on the improvement of identified working conditions and is currently being implemented. Amongst some of the successful actions already deployed are those related to work-life balance and employee development.

Other surveys were conducted to evaluate employees' expectations on targeted themes: open two-way communication and work from home. The latest survey was launched after one year of implementing the WFH policy in October 2023. The goal was to get initial feedback on employee and manager satisfaction and any difficulties encountered.

C2.1 How does the company identify which stakeholders to engage with in relation to each salient issue, and when and how to do so?

In early 2025, Cargolux reviewed the stakeholder mapping in a workshop with key internal stakeholders, run by an external supplier.

C2.2 During the reporting period, which stakeholders has the company engaged with regarding each salient issue, and why?

Customers, employees, suppliers and investors (banks).

See C2. for more detail on Stakeholder Engagement process.

C2.3 During the reporting period, how have the views of stakeholders influenced the company's understanding of each salient issue and/or its approach to addressing it?

Stakeholder views and opinions are taken into consideration in the Sustainability Steering Group's decision-making processes. The feedback is then translated into company-wide measures and action plans.

See C2. for more detail on Stakeholder Engagement process.

C3: How does the company identify any changes in the nature of each salient Human Rights issue over time?

C3.1 During the reporting period, were there any notable trends or patterns in impacts related to a salient issue and, if so, what were they?

Changes in the nature of salient Human Rights issues, or any other issue related to sustainability topics are mainly identified through two tools.

First of all, the surveys conducted in the framework of stakeholder engagement provides a direct overview of stakeholders' expectations towards the company.

Another widely used tool is topical risk assessments. As defined in Cargolux's 2023 Sustainability Strategy, risks assessments on previously identified material topics are being conducted to provide a more technical, focused and informed overview of the company's overall risks and opportunities related to material sustainability topics. A Human Rights risk assessment, run in 2024, contributes to the work of its associated Working Group and depicts more accurately the risks and opportunities related to Human Rights, as well as its position in the company's activities and value chain. The outcome of the risk assessment feeds directly into the materiality process and the company's approach to sustainability. It contributes to better direct the measures taken to implement the planned Human Rights framework.

C3.2 During the reporting period, did any severe impacts occur that were related to a salient issue and, if so, what were they?

Nothing to report.

C4: How does the company integrate its findings about each salient Human Rights issue into its decision-making processes and actions?

C4.1 How are those parts of the company whose decisions and actions can affect the management of salient issues, involved in finding and implementing solutions?

See A2.2 for more detail.

C4.2 When tensions arise between the prevention or mitigation of impacts related to a salient issue and other business objectives, how are these tensions addressed?

Company policies establish dedicated control processes over reporting or follow those available through the Corporate Reporting and Whistle-blowers Protection Policy, which is in line with the obligation under the 2019 EU Directive 2019/1937 on the subject. These documents establish

the provisions on tensions and how they are managed. The Corporate Reporting and Whistleblowers Protection Policy is designed to offer protection to Reporters, in line with the requirements of the Law and Directive.

For example, under the company's Anti-Harassment and Non-Discrimination Policy, an Equality Delegate function and a health & safety delegate function are have been established for Luxembourg (main basis of operations). These delegates are authorized to assist and advise workers on how to report harassment. Victims of harassment, as well as the alleged harasser(s), can be accompanied or assisted by an employee delegate. Additionally, in Luxembourg, Cargolux's home base, 82.4% of employees are covered by the Collective Work Agreement. Employees can be represented by their Staff Representatives when disputes or issues arise in relation to the company, especially on matters concerning working conditions. For crew, an additional Pilots Representative function is also available to serve as a discussion partner for crew-related matters.

When the Staff Delegation is not able to find a suitable solution for the company and employee, the Joint Committee to the Collective Work Agreement is also tasked with examining the issue prior to any possible conciliation procedure.

C4.3 During the reporting period, what action has the company taken to prevent or mitigate potential impacts related to each salient issue?

Based on the results of the Human Rights risk assessment conducted in 2024, the identified salient Human Rights issues will be reviewed to determine what measures, if any, need to be taken to prevent or mitigate potential impacts.

C5: How does the company know if its efforts to address each salient Human Rights issue are effective in practice?

C5.1 What specific examples from the reporting period illustrate whether each salient issue is being managed effectively?

Progress tracking on actions and measures taken is regularly assessed through stakeholder engagement and the work conducted at the Working Groups' level.

See C3.1. for more detail.

C6: How does the company enable effective remedy if people are harmed by its actions or decisions in relation to a salient Human Rights issue?

C6.1 Through what means can the company receive complaints or concerns related to each salient issue?

Remediation processes are established under company policies and are structured based on the policy topics' complexity. All legal procedures are in place for remediation to ensue, if salient Human Rights issues are duly reported and identified.

Cargolux has established a dedicated reporting structure, based on each policy topic, allowing employees to report concerns or seek advice on issues identified. Reports can be done by following the reporting procedure established under the Corporate Reporting and Whistleblowers Protection Policy. The Policy is applicable to all allegations of violations of external laws and regulations, and internal company policies. It is mainly addressed to Cargolux employees and legal representatives, but also applicable to external parties who wish to use the reporting channels or processes established in the Policy. Reporting can be done directly to a superior or dedicated departments (Human Resources, Compliance, Corporate Security, etc.) or by using

the available Safety Management System. A third-party reporting system is available for confidential reporting.

The Safety Management Systems provides additional procedures, tools and accountable functions for reporting concerns in relation to the elements under its scope. This is the case for Occupational Health and Safety and Environmental issues.

The airline also has a nominated Human Rights Officer that can be consulted.

C6.2 How does the company know if people feel able and empowered to raise complaints or concerns?

Cargolux places the utmost importance in providing a Just Culture and safe working environment throughout its operations and value chain.

Stakeholders' general perception on company practices, including its general reporting mechanisms, are assessed through stakeholder engagement surveys. Based on this assessment, a comprehensive effort is made to ensure affected stakeholders are aware of company reporting procedures and channels and where these channels can be accessed. Mandatory and regular training is also provided to all employees to encourage reporting and ensure protection for all those who wish to report alleged violations of both external laws and regulations, and internal company policies.

Furthermore, the company has an established Just Culture Policy in order to foster an atmosphere of trust, in which employees, contracted employees and company representatives feel encouraged to provide essential safety related information within reporting schemes related to aviation safety.

C6.3 How does the company process complaints and assess the effectiveness of outcomes?

Complaints are processed and assessed based on the reporting channels used and the complexity of the issue reported.

Firstly, the report is followed by a receipt of acknowledgment with responsible functions to determine the severity of the issue reported and the preparation of a preliminary report on the case.

Depending on the preliminary report, the issue is escalated following a defined line of control. An investigation follows, if deemed necessary, following the initial investigation procedure.

If an investigation is conducted, a final report is made available to relevant functions in the line of control.

See C6.1. for more detail on reporting mechanisms.

C6.4 During the reporting period, what were the trends and patterns in complaints or concerns and their outcomes regarding each salient issue, and what lessons has the company learned?

8 complaints for discrimination and harassment allegations and safe working environment were filed in 2024.

C6.5 During the reporting period, did the company provide or enable remedy for any actual impacts related to a salient issue and, if so, what are typical or significant examples?

Whenever the allegation was founded, the company took action to remedy any actual impacts related to those issues, such as communications to the employees or their managers, or ensuring certain processes would be reviewed in the company.

References:

Cargolux signed the UN Global Compact in 2007 and committed to the UN Sustainable Development Goals in 2017. The company’s Human Rights Report 2024 addresses the SDGs as shown here below. The illustration also shows what principles of the UN Global Compact are covered by the respective SDGs.

Note that principles 7-9 (environment) are not explicitly addressed in this report but are covered in Cargolux’s broader sustainability strategy.



The Ten Principles of the UN Global Compact:

Human Rights	<ul style="list-style-type: none"> ① Businesses should support and respect the protection of internationally proclaimed human rights ② Make sure that they are not complicit in human rights abuses
Labor	<ul style="list-style-type: none"> ③ Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining; ④ the elimination of all forms of forced and compulsory labor; ⑤ the effective abolition of child labor; and ⑥ the elimination of discrimination in respect of employment and occupation
Environment	<ul style="list-style-type: none"> ⑦ Businesses should support a precautionary approach to environmental challenges ⑧ undertake initiatives to promote greater environmental responsibility; and ⑨ encourage the development and diffusion of environmentally friendly technologies
Anti-Corruption	<ul style="list-style-type: none"> ⑩ Businesses should work against corruption in all its forms, including extortion and bribery