# MODERN SLAVERY AND HUMAN TRAFFICKING STATEMENT

## N3 Engine Overhaul Services GmbH & Co. KG

### Introduction

The respect for human rights is self-evident and forms an integral part of the company culture of N3 that acts with responsibility and integrity. Modern slavery is a crime and a violation of fundamental human rights. We are committed to improve our practices to combat modern slavery and human trafficking. Our statement outlines the steps we have taken to prevent Modern Slavery within N3 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 Group's slavery and human trafficking statement for the financial year ending December 31st, 2024.

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


I. About N3 – our organizational structure
II. Our Supply Chains
III. Our policies regarding Modern Slavery and Human Trafficking
IV. Human Rights
V. Due Diligence and Risk Assessment
VI. Our further steps to prevent Modern Slavery
VII. Approval for this statement


### 1 About N3 – our organizational structure

N3 Engine Overhaul Services (N3) in Arnstadt, Thuringia, is the European Technology Centre for the maintenance and repair of Rolls-Royce Trent engines and components. The joint venture between Lufthansa Technik AG (LHT) and Rolls-Royce plc has 1033 employees as of December 31st, 2024. N3 is an independent company, but the shareholders have agreed (and documented in the Joint Venture Agreement) that N3 is attached to LHT/ Lufthansa Group (LHG) for compliance purposes. For this reason, you will repeatedly find the link to LHT or the LHG in our statement.

### 2 Our Supply Chains

Taking ESG aspects in the supply chain into account is an important element of acting responsibly. In addition to economic aspects, impacts on human rights and the environment are taken into consideration during the procurement process. To meet the standards the N3 sets for the sustainability of its own products and services, N3 relies on close collaboration with suppliers who share and implement these standards. This also forms part of the N3 Code

of Conduct. N3´s expectations of its suppliers regarding social, ecological, and ethical responsibility are summarized in the N3 Supplier Code of Conduct. Both documents are available on the N3 website.

The obligation to assume social and environmental responsibility is a key procurement policy. Appropriate training is available to these employees and is mandatory for persons in management positions.

By including obligations in contracts with suppliers, N3 endeavors to ensure responsible practices by its direct suppliers to meet its own standards for corporate responsibility and to prevent risks. The following obligations, among others, are requested to be included in contracts with suppliers:

- to comply with the 10 principles of the UN Global Compact
- to comply with basic principles of the International Labor Organization (ILO).
- to provide contractual services in compliance with the protected legal positions
- participate in training depending on risks
- to inform N3 about identified risks and measures taken
- to support prevention and remedial measures
- to grant the right to carry out audits
- to grant the right to terminate the contractual relationship in the event of a breach of the agreements

In order to enable appropriate and effective risk management for the large number of centrally controlled existing suppliers, N3 uses an IT application that supports to identify potential human rights risks and environmental risks or violations. If N3 detects an actual or imminent violation of human rights or environmental obligations, it introduces appropriate remedial and preventive measures.

In order to identify human rights, environmental, compliance and financial risks in the supply chain before contracts are awarded, N3 has established a supplier review process. If a supplier falls into a risk category in the first step of the review, e. g. because of the country of origin or the product group, a more in-depth review will be carried out, including using external sources. The review process helps to identify potential risks before a contract is concluded, to determine necessary measures to minimize risks or, as a final measure, to prevent collaboration with the respective supplier.

## 3 Our policies regarding Modern Slavery and Human Trafficking

As a supporter of the UN Global Compact N3 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 company culture.

N3 has a long tradition of working with its labour union partners in the works councils and trade unions. This practice is aimed at acting collectively based on mutual interests. The binding Code of Conduct documents the values, principles and standards of conduct of N3. It is binding for all bodies, managers and employees of N3. Furthermore, this Code of Conduct defines what we expect from our business partners, including our suppliers.

A dedicated chapter for “Respect for human rights” expressly states:

“We want to promote human rights worldwide. We aim to anchor this expectation at N3 and its supply chain. Human rights include, in particular, prohibition of both child and forced labor and slavery, compliance with occupational health and safety obligations, respect for freedom of association, working conditions that are adequate and humane, and refraining from environmental pollution, land deprivation, torture and cruel, inhuman or degrading treatment.”

Our suppliers are additionally subject to the N3's Supplier Code of Conduct, which build on the N3 of Conduct and specifically mentions:

“Suppliers of N3 must not use or tolerate any form of (modern) slavery, servitude, forced or compulsory labor, human trafficking or comparable forms of exploitation, oppression or humiliation (ILO core labor standards 29 and 105). They must ensure that their employees carry out their work of their own free will and without restrictions to their freedom of movement. Our suppliers should actively campaign for the elimination of all forms of forced labor or slavery.”

**Whistleblowing procedures**

N3 uses the electronic whistleblower system of Lufthansa Group. It was established in 2021 in addition to the existing ombudsman system to facilitate the submission of compliance related hints. This system was extended in 2022 also to human rights related hints. An overview of all our whistleblowing channels is available on our website. Employees of N3 as well as external third parties, such as customers or suppliers, have several options to file a complaint, also anonymously. N3 employees can also contact the Lufthansa Group Human Rights and Non-Discrimination Team, their supervisors, human resources management or the co-determination bodies directly. An overview of all our whistleblowing channels and the N3´s Rules of Procedure pursuant to Section 8 of the German Supply Chain Due Diligence Act is available on our website[1].

## 4 Human Rights

N3 established a team of 3 employees in 2023 to monitor the Supply Chain Due Diligence Act and Human Rights. This N3 team regularly exchanges information with the Lufthansa Group's Human Rights and Non-Discrimination Team. The objective is to monitor and discuss potentially high-risk and critical areas, incidents and actions related to human rights and the specific area of modern slavery.

## 5 Due diligence and Risk assessment

The German Supply Chain Due Diligence Act (LkSG) came into effect on January 1st, 2023, and established further binding due diligence obligations. The obligations are intended to ensure that human rights are respected in the supply chain as well as within the corporation. In its application, the LkSG addresses 12 human rights-related and eight environmental risks. Due to the commitment of N3´s Code of Conduct, we decided to bundle the activities in this regard and also to take them into account in this statement.

[1] https://www.n3eos.com/en/company/compliance

Together with the Lufthansa Group Human Rights and Non-Discrimination Team N3 implemented a risk analysis for its own N3 suppliers in the reporting year. Software was used to assist in the appropriate identification, weighing, and prioritization of risks given the large number of companies. In line with the German Supply Chain Due Diligence Act, the risk of human slavery was specifically included and considered as a dedicated category “Modern Slavery” during the risk analysis.

The risk was calculated on the basis of country and sector risk indicators and media reports. In addition to external data sources, internal findings such as information received via reporting channels, including the anonymous whistleblower system, were also taken into account. There were no red flags on the part of N3.

For the effective prevention of negative human rights or environmental impacts, N3 reviews the effectiveness of its preventive and remedial measures and makes any necessary adjustments. This includes evaluating information from affected parties, obtaining feedback from target groups, and conducting spot checks and audits.

## 6 Our further steps to prevent Modern Slavery

N3, as a globally operating company, sees it as its responsibility to contribute. Companies do not control political developments in the countries they operate in; however, they have a responsibility in the sphere of their work, especially towards their employees and suppliers worldwide. In the coming year, N3 will look to further improve its structures, practices, and trainings to fight Modern Slavery and Human Trafficking.

## 7 Approval for this statement

On 12.05.2025, this statement was approved by the N3´s Director & General Manager and Managing Director with respect to the Financial Year 2024.

Holger Sindemann
Director and General Manager

Stefan Landes
Managing Director