



# Sustainability Statement

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# Lilium Sustainability Statement

Lilium is one of the world's leading pioneers in environmentally sustainable regional air mobility. Our goal is to transform the way people and goods move by accelerating the decarbonization of air transport, thereby supporting aviation's transition to a cleaner and more environmentally sustainable mode of transportation.

The Lilium Jet, currently under development, is a unique, fully electric, vertical take-off and landing aircraft. Lilium intends to make this vehicle the basis for sustainable, high-speed, and affordable regional air mobility, carrying people and products quickly and flexibly, with zero operating emissions and without the need for large-scale ground infrastructure. As such, sustainability and protection of the planet are very much at the core of Lilium's mission: *building radically better ways of moving*.

We believe that for many employees, our focus on sustainability and the drive to make the world a better place play a significant role in the decision to work at Lilium. Respect for the environment and respect for people is part of the culture we strive to build, both within Lilium and across the wider ecosystem of Lilium's partners and suppliers. Through our values, Lilium aims to foster results orientation, empowerment, continuous improvement, collaboration, safety and integrity. Lilium seeks to create an inclusive working environment and values diversity.

Lilium has formulated company statements and policies – including this Sustainability Statement, our Code of Business Conduct and our Code of Conduct for Suppliers – that support Lilium's efforts to operate sustainably by guiding our employees, partners, and suppliers in their business dealings and ensuring that applicable laws and regulations are correctly understood and followed.

Lilium's Sustainability Committee oversees and monitors the implementation of Lilium's sustainability program at the direction of Lilium's Board of Directors. Lilium's management has implemented a risk management system in an effort to identify, and where applicable, prevent, mitigate and/or eliminate actions – both internally and in our supply chain – that are contrary to Lilium's policies, procedures and values.

Among other priorities, we are focusing on ensuring the raw material to be used in our battery packs are sourced in a sustainable manner.

In accordance with the German Supply Chain Act (LkSG), if a supplier does not meet Lilium's expectations, we will engage with that supplier. The German Supply Chain Act promulgates the principles that staying and helping is better than cutting and running. In that regard, Lilium will first try to encourage the supplier to come into line with Lilium's expectations before terminating business with such supplier.

Lilium will only seek to immediately terminate relationships with suppliers where there is a serious and incurable violation of applicable law. In accordance with section 10 of the German Supply Chain Act, Lilium will submit an annual report on the fulfillment of its due diligence obligations.





## Environmental Impact

Lilium's technology aims to significantly reduce the environmental impact of air transport. We believe technology is a critically important element to achieve human progress while preserving our planet and creating an industry where resource consumption is in balance with nature. Lilium's approach to environmental responsibility began with our commitment to using technological innovation to drive sustainable mobility, and encompasses a transformational vision of an end-market aviation ecosystem featuring:

- Fully electric jets with zero operating emissions;
- Minimal infrastructure vertiports;
- Low-noise vertical take-off and landing capabilities; and
- High-speed regional connectivity.

Given that environmental preservation underlies Lilium's core goals and principles, we remain committed to developing disruptive travel technology and infrastructure in a manner that seeks to optimize energy efficiency and minimize emissions. In our operations and production processes, Lilium pursues opportunities to use water and natural resources more efficiently, leverage circular economy principles, and reduce waste. Lilium complies with all applicable environmental laws and regulations and strives to deploy high standards of environmental protection and safety. Lilium condemns destruction of vital natural resources through environmental pollution.

In addition to actively managing environmental risks throughout internal operations, Lilium also seeks to manage environmental risks in our supply chain. Pursuant to Lilium's Code of Conduct for Suppliers, suppliers must both comply with applicable environmental laws and regulations and conduct their business in a manner that actively manages environmental risks across their operations, products, and supply chain.



## Responsible Sourcing

Lilium believes that our responsibility towards the environment and people includes not only the safe operation of our aircraft and our internal processes, but also encompasses our supply chain and our use of basic raw materials. This also applies to raw materials used in the production of high-performance batteries, a key component of fully electric aircraft.

Lilium recognizes that the extraction, trade, handling and export of cassiterite, columbite-tantalite (coltan), wolframite, gold and cobalt, and the derivatives tin, tantalum and tungsten, have contributed to armed conflict and human rights abuses in the Democratic Republic of the Congo (the "DRC") and adjoining countries.

Lilium supports responsible sourcing of tin, tantalum, tungsten, gold and cobalt from the DRC and adjoining countries in accordance with the Organisation for Economic Co-operation and Development's Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas and the supplements thereto (the "OECD Guidance") and the OECD Guidance's model supply chain policy.

Lilium will use best efforts to require that suppliers: (i) adopt a responsible minerals sourcing policy and exercise due diligence on the source and chain of custody of the tin, tantalum, tungsten, gold and cobalt in the products it manufactures to reasonably assure that they are sourced in a manner consistent with the OECD Guidance, or an equivalent and recognized due diligence framework; and (ii) comply with the provisions of any contract between Lilium and such supplier. Lilium expects each supplier to only source from smelters and refiners that have successfully completed an assessment against the applicable Responsible Minerals Initiative Responsible Minerals Assurance Process standard or an equivalent cross-recognized assessment. Lilium expects, and will use best efforts to require, each supplier to cooperate with us in providing such reports, documentation and/or written assurances and taking such actions (including corrective measures) relating to responsible sourcing as requested by us or as required by the provisions of any contract between Lilium and such supplier.

If a supplier does not meet Lilium's expectations, we will engage with that supplier as appropriate. Lilium will continue to monitor global developments and the emergence of additional requirements or standards related to the sourcing of minerals from the DRC and adjoining countries as well as from other regions.



## Human Rights

We believe it is critical to consider the impact of our operations on human life around the world. In this regard, Lilium commits to proactively avoid human rights abuses and complicity in the human rights abuses of others in the operation of its business, including the rights of underrepresented groups and women. We expect our suppliers to adhere to the human rights standards articulated in Lilium’s Code of Conduct for Suppliers.

Forced, bonded (including debt bondage), or indentured labor, involuntary or exploitative prison labor, slavery, trafficking of persons, or use of security forces without proper oversight to prevent harm, is prohibited. As part of Lilium’s hiring processes and prior to employment, all employees must be provided with: (i) a written explanation (e.g., employment agreement or offer letter) that contains a description of the terms and conditions of employment; and (ii) clear information about their rights, responsibilities, working conditions and wages. All work must be voluntary, and workers shall be free to leave work at any time or terminate their employment without penalty if reasonable notice is given as per the worker’s agreement or offer letter.

Lilium does not tolerate the use of child labor. The term “child” refers to any person under the minimum legal age for employment where the work is performed, and/or the minimum working age defined by the International Labour Organization, whichever is higher.



## Labor Empowerment & Workplace Safety

Lilium is committed to promoting workforce rights internally as well as externally through our supply chain. Lilium condemns occupational safety and work-related health hazards. Lilium expressly prohibits discrimination on the basis of national origin, ancestry, race, religion, gender (including pregnancy and gender identity and expression), veteran status, political affiliation, sexual orientation, marital status, disability, medical condition, age, parental status, family or medical leave status, or any other protected class under applicable federal, state, or local laws. Lilium prohibits harassment of any kind toward any individual in the workplace or outside the workplace on matters connected to Lilium. This policy of non-discrimination and harassment extends to how Lilium treats its partners, investors, customers, suppliers, and other stakeholders.

Lilium's suppliers must ensure their employees are rewarded adequately and in accordance with applicable laws and industry standards. Lilium's suppliers must also ensure obligations to employees under labor or social security laws and regulations arising from the regular employment relationship are not avoided.

Lilium is committed to ensuring the health, safety and welfare of all employees and visitors, and providing and maintaining safe working conditions. Lilium expects its suppliers to provide a safe and hygienic working environment, in particular to avoid accidents and injuries, and to provide employees with regular and recorded health and safety training. Finally, Lilium expects its suppliers to minimize or eliminate, where reasonable, all sources of danger in the workplace and do so based on the general level of knowledge regarding health and safety in the relevant industrial sector.



# Diversity, Equity and Inclusion

As a technology pioneer, Lilium is also aware of its responsibilities in offering to people of all backgrounds exciting and rewarding career opportunities in the highly competitive field of aviation, an industry in which women and many social groups have traditionally been underrepresented. Lilium seeks to foster an inclusive environment where individuals can perform to the best of their ability without fear of discrimination. At Lilium, we value diversity, equity and inclusion.

Diversity includes, but is not limited to, differences in race, ethnicity, sex, gender, sexual orientation or identity, disability, religion, age, national origin, political beliefs, military or veteran status, and other categories protected or mandated under applicable law. Diversity also includes differences in backgrounds, experiences, perspectives, thoughts, interests, and ideas. Equity is the process of ensuring that processes and procedures are fair, impartial and provide equal opportunities for all individuals. Inclusion means ensuring that all employees are valued, heard, engaged, and involved at work and have full opportunities to collaborate, contribute, and grow professionally.

This includes:

- Applying principles of equity and social justice to achieve equal employment opportunities for qualified individuals of all backgrounds.
- Attracting, recruiting, retaining, engaging, supporting, developing, and advancing underrepresented and diverse employees.
- Promoting respectfulness, cultural awareness and inclusivity by:
  - Fostering a collaborative work environment in which all employees participate and contribute;
  - Empowering and providing a safe environment for all employees to express themselves, exchange ideas and feel heard; and
  - Encouraging employees to be open and curious about others' Wexperiences and perspectives.

Lilium strives for equitable representation of employees while supporting all individuals and groups, and without excluding other individuals or groups. Lilium is committed to understanding and learning more about underrepresented members of the population in each location where we operate. At all times Lilium will comply with all applicable laws, including in relation to recruiting and hiring, diversity and inclusion, employment and employer obligations, and data privacy.

Lilium recognizes that we must continue to challenge ourselves to uphold these values. We are committed to evaluating our policies and procedures and adapting or introducing new initiatives as our diversity and inclusion goals evolve.

# Reporting of Concerns or Violations

Any violations, or suspected violations, of Liliium’s policies or procedures – including this Sustainability Statement, our Code of Business Conduct and our Code of Conduct for Suppliers – should be reported through Liliium’s Compliance Reporting System. This system includes a website, accessible globally by computers and mobile devices, as well as a telephone line. The system is available 24 hours a day, 365 days of the year. The website can be accessed at **Liliium.Integrityline.com**, where the phone numbers that can be used to make reports via telephone are also provided. When reporting online, reporters will enter information directly into a web portal. When reporting by telephone, reporters will reach an operator who will enter the information into the portal. Whatever method is used, enough detail should be provided so that Liliium can effectively investigate the concern. Reports can be provided anonymously, unless otherwise required by law.

Nothing herein is intended to prevent you from reporting potential violations of law or regulations to any governmental authority. You also can choose to report externally to a competent authority.

This document contains certain forward-looking statements within the meaning of the federal securities laws including, but not limited to, statements regarding Liliium N.V. and its subsidiaries (collectively, the “Liliium Group”) proposed business and business model, the markets and industry in which the Liliium Group operates or intends to operate and launch of the Liliium Group’s business in phases and the expected results of the Liliium Group’s business and business model. These forward-looking statements generally are identified by the words “believe,” “project,” “expect,” “anticipate,” “estimate,” “intend,” “strategy,” “future,” “opportunity,” “plan,” “may,” “should,” “will,” “would,” “will be,” “will continue,” “will likely result,” and similar expressions. Forward-looking statements are predictions, projections, and other statements about future events that are based on management’s current expectations with respect to future events and are based on assumptions and subject to risk and uncertainties and subject to change at any time. Actual events or results may differ materially from those contained in the projections or forward-looking statements. Factors that could cause actual future events to differ materially from the forward-looking statements in this document include those discussed in Liliium’s filings with the U.S. Securities and Exchange Commission (“SEC”), including in the section titled “Risk Factors” in our Annual Report on Form 20-F for the year ended December 31, 2022 on file with the SEC, all of which are available at [www.sec.gov](http://www.sec.gov). Forward-looking statements speak only as of the date they are made. You are cautioned not to put undue reliance on forward-looking statements, and the Liliium Group assumes no obligation to, and does not intend to, update or revise these forward-looking statements, whether as a result of new information, future events, or otherwise.



