

2022

The year saw many significant events across the Company. These included contract signings and programme milestones as well as progress on decarbonisation.

Financial

Revenues (€ million)

58,763

(2021: 52,149)

EBIT Adjusted (€ million)

5,627

(2021: 4,865)

EBIT Reported (€ million)

5,325

(2021: 5,342)

Reported earnings per share ⁽¹⁾ (€)

5.40

(2021: 5.36)

Order intake (€ million)

82,521

(2021: 62,007)

Non-Financial ⁽²⁾

Energy consumption (GWh)

2,594

(From stationary sources and electricity)

CO₂e Scope 1 & 2 emissions (ktons)

762

(CO₂ equivalent)

Total employee training (millions of hours)

1.79

(1 Oct. 2021 to 30 Sept. 2022)

Ethics & Compliance e-learning sessions

290,178

(1 Oct. 2021 to 30 Sept. 2022)

Number of employees

134,267

(End 2021: 126,495)

(1) FY2022 average number of shares 787,080,579 compared to 785,326,074 in FY2021.

(2) For further information see the Non-Financial Information section of the Universal Registration Document 2022.



Safeguarding future security in Europe

Key defence contracts were signed with governments and between industry partners that will help safeguard Europe's long-term security and its strategic autonomy. These included Demonstrator Phase 1B of the Future Combat Air System programme (pictured), the Eurodrone global contract and Spain's order for 20 latest-generation Eurofighter jets.

A321XLR flight testing gets underway

The A321XLR flew for the first time, with three prototype aircraft involved in the flight testing campaign by the end of the year. It will provide operators with longer range for single-aisle commercial aircraft and offer lower fuel consumption per seat compared to previous-generation aircraft.

3. Legal Risks

Legal and Regulatory Proceedings

The Company is currently engaged in a number of active legal and regulatory proceedings. For further information, please refer to “Notes to the IFRS Consolidated Financial Statements – Note 39: Litigation and Claims”.

For the investigation by the UK Serious Fraud Office (“SFO”), France’s Parquet National Financier (“PNF”), and the US Departments of State (“DoS”) and Justice (“DoJ”), which is described in “Anti-Corruption Laws and Regulations”, the Company has reached an agreement with the authorities, which was approved by the French and UK courts and US court and regulator on 31 January 2020. The agreement resulted in a fine totalling €3.6 billion plus costs to the French, UK, and US authorities. The three-year deferral period expired on 30 January 2023, after which time the charges would be dismissed, absent extension by the authorities or agreement among the parties. The Company awaits the formal determination by the authorities that it has complied with the agreements’ terms throughout the period and to close the prosecutions in line with the procedural requirements of each country. On 13 February 2023, the SFO gave notice to the Company discontinuing the prosecution. On 17 March 2023, the PNF gave notice of the same with receipt of the *Constat de l’extinction de l’action publique*. For further information about the investigation and related securities litigation, see immediately below and “– 1.1.7 Legal and Arbitration Proceedings”.

The Company expects to continue to spend time and incur expenses associated with its defence of legal and regulatory proceedings, regardless of the outcome, and this may divert the efforts and attention of management from normal business operations. Although the Company is unable to predict the outcome of these proceedings, it is possible that they will result in the imposition of damages, fines or other remedies, which could have a material effect on the Company’s business, results of operations and financial condition. An unfavourable ruling could also negatively impact the Company’s stock price and reputation.

In addition, the Company is from time to time subject to government inquiries and investigations of its business and competitive environment due, among other things, to the heavily regulated nature of its industry. Such inquiries and investigations may cover matters relating to, among other matters, anti-bribery laws and regulations, export control laws and regulations, securities law, trade law and competition law. An adverse decision in any such matter could have a material effect on the Company’s business, results of operations and financial condition. In addition to the risk of an unfavourable ruling against the Company, any such inquiry or investigation could negatively affect the Company’s reputation and its ability to attract and retain customers and investors, which could have a negative effect on its business, results of operations and financial condition. See “– Information on the Company’s Activities – Non-Financial Information – 1.2.14 Exemplify business integrity”.

Anti-Corruption Laws and Regulations

The Company is required to comply with applicable anti-bribery laws and regulations in jurisdictions around the world where it does business. To that end, an anti-corruption programme has been put in place that seeks to ensure adequate identification, assessment, monitoring and mitigation of corruption risks. Despite these efforts, ethical misconduct or non-compliance with applicable laws and regulations by the Company, its employees or any third party acting on its behalf could expose it to liability or have a negative impact on its business.

The Company may be subject to administrative, civil or criminal liabilities including significant fines and penalties, as well as suspension or debarment from government or non-government contracts for some period of time. The Company may also be required to modify its business practices and compliance programme and/or have a compliance monitor imposed on it. Any one or more of the foregoing could have a significant adverse effect on the Company’s reputation and its business, results of operations and financial condition.

In 2016, for example, the Company announced that it had discovered misstatements and omissions in certain applications for export credit financing for the Company’s customers, and had engaged legal, investigative and forensic accounting experts to conduct a review. Separately, the UK SFO announced that it had opened a criminal investigation into allegations of fraud, bribery and corruption in the civil aviation business of

the Company, relating to irregularities concerning third party consultants. The Company was subsequently informed that the French authorities, the PNF, had also opened a preliminary investigation into the same subject and that the two authorities would act in coordination going forward. The Company engaged with the government of the US (DoS and DoJ) relating to conduct forming part of the SFO/PNF investigation that could fall within US jurisdiction. The Company also engaged with the government of the US concerning breaches of the International Traffic in Arms Regulations (“ITAR”). On 31 January 2020, the French and UK courts and US court and regulator approved an agreement reached by the Company with the authorities. **Any breach of the terms of the agreements by the Company could lead to rescission by the authorities of the terms of the agreements and reopening of the prosecutions.** Prosecution could result in the imposition of further monetary penalties or other sanctions including additional tax liability and could have a material impact on the Financial Statements, business and operations of the Company. The agreements reached with authorities may lead to additional commercial litigation and arbitration against the Company and tax liability in the future, which could have a material impact on the Financial Statements, business and operations of the Company. For further information, see “– 1.1.7 Legal and Arbitration Proceedings (Investigation by the UK SFO, France’s PNF, US Departments of State and Justice and Related Commercial Litigation)”.

as interoperability with Tetra and Tetrapol technologies. SLC provides its customers with networks, terminals, accessories, applications and services, and its portfolio is tailored to the needs of public safety professionals, as well as users in the fields of transport, utility and industry, healthcare, and mobile network operators. It includes infrastructure, networks, devices, applications, software, and services, based on the latest technologies, which enhance situational awareness, improve user experience and safety, and optimise operational efficiency.

In 2022, Secure Land Communications recorded some awards for the renewal and upgrade of its installed base all over the world. In France, Airbus SLC was awarded the Réseau Radio du Futur contract by the French Ministry of the Interior, which pioneers the roll-out of broadband technologies for public safety. In Germany, key milestones were achieved in the mid-life upgrade of the largest Tetra network in the world (Bosnet VTS). In addition to that, several partnerships with mobile network operators have been established with major players in France, Middle East, Latin America and India for the distribution of the Agnet solution. Finally, SLC successfully supported the Winter Olympic and Paralympic Games in Beijing and the FIFA World Cup in Qatar.

Operations/Engineering

Airbus Defence and Space is headquartered in the Munich region. The main engineering and production facilities of the Division are located in France (Paris region and southwest France), Germany (Bavaria, Baden-Württemberg and Bremen), Spain (Madrid region and Andalusia) and the UK (southern England and Wales). In addition, Airbus Defence and Space has affiliates and subsidiaries in approximately 40 countries around the globe.

MBDA

Airbus Defence and Space holds a 37.5% stake in MBDA (a joint venture with BAE Systems and Leonardo). MBDA offers missile systems capabilities that cover the whole range of solutions for air dominance, ground-based air defence, maritime superiority and battlefield engagement. Beyond its role in European markets, MBDA has an established presence in export markets like Asia, the Gulf region and Latin America.

The broad product portfolio covers all five principal missile system categories: air-to-air, air-to-surface, surface-to-air, anti-ship and surface-to-surface. MBDA's product range also includes a portfolio of airborne countermeasures such as missile warning and decoy systems and other customer support activities.

The most significant programmes currently under development are the next generation of the successful MICA air-to-air missile (*Missile d'interception, de combat et d'autodéfense*), the SPEAR 3 missile (Selected Precision Effects at Range Capability 3), the precision attack Brimstone 3 missile, the CAMM-ER missile (Common Anti-Air Modular Missile Extended Range), the Anglo-French joint initiative for a FC/ASW (Future Cruise / Anti-Ship Weapon), the development of Anti-ship weapons for the two nations, as well as the battlefield engagement MHT missile (*Missile Haute Traîne*).

Recent product upgrades also include the Aster Block 1 NT (New Technology), the air and missile defence systems for France and Italy, the Sea Venom / ANL (*Anti-Navire Léger*) missile for the helicopters of the UK and French navies, as well as the Enforcer/MMP (*Missile Moyenne Portée*) missile for the battlefield.

Further activities include the preparation of hypersonic and direct energy applications/systems for future programmes such as FCAS and Tempest, the production of various aircraft packages for the Eurofighter Typhoon and Rafale existing programmes (including ASRAAM, MICA NT, and Meteor BVRAAM), as well as the production of various packages for frigates and corvettes systems/missiles (including Aster B1, CAMM, VL MICA, Marte ER and Otomat).

ArianeGroup

Airbus Defence and Space is active in the field of launchers and launch services through its ArianeGroup joint venture, which prior to July 2017 was named Airbus Safran Launchers (ASL).

ArianeGroup is responsible for the coordination and programme management of civil activities of the launcher business and relevant participations that have been transferred. ArianeGroup owns a total 74% stake in Arianespace, 46% of Starsem and 51% of Eurockot, providing a complete range of launch services with the Ariane, Vega and Rockot launchers.

1.1.5 Investments

Dassault Aviation

In 2013, the Company entered into an agreement with the French State pursuant to which the Company:

- grants the French State a right of first offer in case of the sale of all or part of its shareholding in Dassault Aviation; and

- commits to consult with the French State prior to making any decision at any shareholders' meeting of Dassault Aviation.

The Company holds 9.90% of Dassault Aviation's share capital.

1.1.6 Insurance

The Company's Insurance Risk Management function ("IRM") is established to proactively and efficiently respond to risks that can be treated by insurance techniques. IRM is responsible for all corporate insurance activities and related protection for the Company and is empowered to deal directly with the insurance and re-insurance markets via the Company's inhouse broker entity. IRM's continuous objective in 2022 was to further implement and improve efficient and appropriate corporate and project-related insurance solutions.

IRM's mission includes the definition and implementation of the Company's strategy for insurance risk management to help ensure that harmonised insurance policies and standards are in place for all insurable risks worldwide for the Company. A systematic review, monitoring and reporting procedure applicable to all Divisions is in place to assess the exposure and protection systems applicable to all the Company's sites. The Company's insurance programmes cover high risk exposures related to its assets and liabilities.

Asset and liability insurance policies underwritten by IRM for the Company cover risks such as property damage, business interruption, cyber, aviation and non-aviation general and product liability. IRM also provides a Group insurance policy for Supervisory and Managing Board Members and certain

other employees of the Company. The Company follows a policy of seeking to transfer the insurable risk of the Company to external insurance markets at reasonable conditions, on customised and sufficient terms and limits as provided by the international insurance markets. A difficult global corporate insurance environment remained in 2022 due to economical and geopolitical situations and the corporate insurers have maintained their underwriting strategy for large corporations, however, Airbus' positive outlook and insurance strategy allowed to differentiate the impact on insurance policies.

Airbus is, with other European companies, one of the founding members of the cyber insurance mutual Miris dedicated to cyber risks. Miris will participate in the cyber group insurance policy in 2023.

The insurance industry and some risk factors impact on the Company's risk remain unpredictable and most Group insurance policies are renewed on an annual basis. There may be further demands to change scope of coverage, premiums and deductible amounts. Thus, no assurance can be given that the Company will be able to maintain its current levels of coverage nor that the insurance policies in place are adequate to cover all significant risk exposure of the Company.

1.1.7 Legal and Arbitration Proceedings

The Company is involved from time to time in various governmental, legal and arbitration proceedings in the ordinary course of its business, the most significant of which are described below. Other than as described below, there are no material governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened) which may have or have had in the recent past significant effects on Airbus SE's or the Company's Financial Position or profitability.

Regarding the Company's provisions policy, the Company recognises provisions for litigation and claims when (i) it has a present obligation from legal actions, governmental investigations, proceedings and other claims resulting from past events that are pending or may be instituted or asserted in the future against the Company, (ii) it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and (iii) a reliable estimate of the amount of such obligation can be made. Although the Company believes that adequate provisions have been made to cover current or contemplated general and specific litigation and regulatory risks, no assurance can be provided that such provisions will be sufficient. For the amount of provisions for litigation and claims, please refer to the "Notes to the IFRS Consolidated Financial Statements – Note 25: Provisions, Contingent Assets and Contingent Liabilities".

If the Company concludes that the disclosures relative to contingent liabilities can be expected to prejudice seriously its position in a dispute with other parties, the Company limits its disclosures to the nature of the dispute.

Investigation by the UK SFO, France's PNF, US Departments of State and Justice and Related Commercial Litigation

The Company reached final agreements ("the agreements") with the French Parquet National Financier ("PNF"), the UK Serious Fraud Office ("SFO"), and the US Department of Justice ("DoJ") resolving the authorities' investigations into allegations of bribery and corruption, as well as with the US Department of State ("DoS") and the DoJ to resolve their investigations into inaccurate and misleading filings made with the DoS pursuant to the US International Traffic in Arms Regulations ("ITAR"). The agreements were approved and made public on 31 January 2020.

Under the terms of the agreements, the Company agreed to pay penalties of €3,597,766,766 plus interest and costs to the French, UK and US authorities. This was recognised in the Company's 2019 accounts. The settlements with each authority were as follows: PNF €2,083,137,455, the SFO €983,974,311, the DoJ €526,150,496 and the DoS €9,009,008 of which €4,504,504 may be used for approved remedial compliance measures. All penalties have been paid.

Under the terms of the *Convention judiciaire d'intérêt public* ("CJIP") with the PNF, the Company has an obligation to submit its compliance programme to targeted audits carried out by the Agence Française Anticorruption ("AFA") over a period of three years.

Under the terms of the Deferred Prosecution Agreement ("DPA") with the SFO, no independent compliance monitor will be imposed on the Company in light of the continuing monitorship to be conducted by the AFA.

Under the terms of the DPA with the DoJ, no independent compliance monitor will be imposed on Airbus under the agreement with the DoJ, but the Company will periodically report on its continuing compliance enhancement progress during the three year term of the DPA and carry out further reviews as required by the DoJ.

The agreements resulted in the suspension of prosecution for a duration of three years. This deferral period ended on 31 January 2023. The Company awaits the formal determination by the authorities that it has complied with the agreements' terms throughout the period whereupon it expects the closure of the prosecutions in line with the procedural requirements of each country. On 13 February 2023, the SFO gave notice to the Company discontinuing the prosecution. On 17 March 2023, the PNF gave notice of the same with receipt of the *Constat de l'extinction de l'action publique*.

Under the terms of the Consent Agreement with the DoS, the DoS has agreed to settle all civil violations of the ITAR outlined in the Company's voluntary disclosures identified in the Consent Agreement, and the Company has agreed to retain an independent export control compliance officer, who will monitor the effectiveness of the Company's export control systems and its compliance with the ITAR for a duration of three years.

As a result of the Company's decision to redirect export control compliance resources to ensure compliance with export control restrictions and international sanctions announced against Russia, Belarus and certain Russian entities and individuals following Russia's invasion of Ukraine on 24 February 2022, the Company asked the DoS to extend the Consent Agreement by nine months. The DoS has granted the extension. The Company does not expect the Consent Agreement extension to have an impact on the DPAs with the SFO and DoJ, nor on the CJIP with the PNF, nor on the AFA's monitorship, as those are independent of the DoS's civil compliance programme review.

Any breach of the terms of the agreements by the Company could lead to rescission by the authorities of the terms of the agreements and reopening of the prosecutions. Prosecution could result in the imposition of further monetary penalties or other sanctions including additional tax liability and could have a material impact on the Financial Statements, business and operations of the Company.

In addition to any pending investigation in other jurisdictions, the factual disclosures made in the course of reaching the agreements may result in the commencement of additional investigations in other jurisdictions. Such investigations could also result in (i) civil claims or claims by shareholders against the Company, (ii) adverse consequences on the Company's ability to obtain or continue financing for current or future projects, (iii) limitations on the eligibility of group companies for certain public sector contracts, and/or (iv) damage to the Company's business or reputation via negative publicity adversely affecting the Company's prospects in the commercial market place.

Airbus will continue to cooperate with the authorities in the future, pursuant to the agreements and to enhance its strong Ethics & Compliance culture within the Company.

Several consultants and other third parties have initiated commercial litigation and arbitration against the Company seeking relief. The agreements reached with authorities may lead to additional commercial litigation and arbitration against the Company and tax liability in the future, which could have a material impact on the Financial Statements, business and operations of the Company.

Securities Litigation

In August 2020, a putative class action lawsuit was filed in US federal court in the state of New Jersey against Airbus SE and members of its current and former management. The Company was served with the complaint in the fourth quarter of 2021. The lawsuit was brought on behalf of alleged shareholders that purchased or otherwise acquired Airbus SE securities in the US between 24 February 2016 and 30 July 2020, and asserted violations of US securities laws. The complaint alleged that defendants made false and misleading statements or omissions concerning, among other things, the Company's agreements approved on 31 January 2020 with the French PNF, the UK SFO, the US DoJ and the US DoS as well as the Company's historic practices regarding the use of third party business partners and anti-corruption compliance. The matter was fully and finally settled on 30 September 2022 in exchange for a payment in the amount of \$5,000,000 USD without any acknowledgement of liability.

In addition, the Company received notification in August 2021 of two separate claims and in March 2022 a third claim, all alleging similar facts as the US class action. Three claims have been filed in the Netherlands purportedly on behalf of Airbus investors.

The first Dutch claim was filed in August 2021 by a special purpose vehicle incorporated under the laws of Guernsey, an assignee purportedly representing numerous private shareholders and institutional investors, seeking a declaratory judgment with damages to be assessed in follow on proceedings. This claim is now pending before the Amsterdam District Court.

The second Dutch claim was filed in December 2021 following a demand letter sent by a foundation incorporated under the laws of the Netherlands, a purported representative of unnamed institutional and retail investors worldwide, starting a class action against the Company before the Dutch courts. This second Dutch claim targets the Company, certain of the Company's current and former directors and officers, and the Company's current and former auditors.

The third Dutch claim was a class action filed in April 2022 against the Company by a foundation incorporated under the laws of the Netherlands. In accordance with Dutch procedural law, the two Dutch class action claims are treated jointly as one case.

The Dutch claims allege that the Company violated its reporting obligations by failing to adequately inform investors and providing false or misleading information about its use of intermediaries and alleged corrupt practices, its related financial exposure, internal investigations and subsequent measures taken by the Company, and related criminal investigations, which allegedly impacted the Company's share price.

The Company cannot exclude the possibility that additional claims are filed related to this subject matter attempting different theories of recovery in the same or different jurisdictions.

The Company believes it has solid grounds to defend itself against the allegations. The consequences of such litigation and the outcome of the proceedings cannot be fully assessed at this stage, but any judgment or decision unfavourable to the Company could have a material adverse impact on the Financial Statements, business and operations of the Company.

Air France Flight 447 Trial

On 1 June 2009, an A330 operated by Air France flight AF447 from Rio de Janeiro to Paris disappeared over the Atlantic Ocean with 228 persons onboard. The wreckage was located in April 2011 after several search campaigns organised by the *Bureau d'Enquêtes et d'Analyses* ("**BEA**"), which published its final investigation report in July 2012. In the wake of the accident, the prosecutor in Paris opened an investigation for involuntary manslaughter and Airbus SAS was charged in March 2011. In September 2019, the investigating magistrates closed the investigation and dismissed all criminal charges after a thorough analysis of the technical and legal elements of the case. However, the Paris Court of Appeal overturned the magistrates' decision and ordered trial for involuntary manslaughter. The Company's appeal to the French Supreme Court has been dismissed. The trial took place in the fourth quarter of 2022. The prosecutor recommended a dismissal of all criminal charges against Air France and Airbus. The judgment of the Paris Criminal Court expected on 17 April 2023, if unfavourable to the Company, could result in damage to its business or reputation.

Qatar Airways Commercial Litigation

Citing surface degradation on some of its A350 fleet and alleging an underlying "design defect", Qatar Airways filed a legal claim against the Company in the London Commercial Court on 17 December 2021. On 1 February 2023, the parties announced they had reached an amicable and mutually agreeable settlement in relation to their legal dispute over A350 surface degradation and the grounding of A350 aircraft. The parties have proceeded to discontinue their legal claims. The settlement agreement is not an admission of liability for either party. The parties have also agreed terms for the delivery of 50 A321 and 23 A350 aircraft.

Grand Canyon Helicopter Accident

On 10 February 2018, a fatal accident occurred in the Grand Canyon at a site called Quartermaster in Arizona involving an EC130 B4 helicopter operated by Papillon Helicopters impacting the canyon floor and catching fire, leading to five fatalities and two severely injured persons. Following the accident, product liability claims were filed in Nevada state court in the US, including claims by the estate and parents of a deceased passenger and by the injured pilot of the helicopter. The Company intends to vigorously defend itself against the claims, but such claims may generate negative publicity and reputational harm. The trial is scheduled to take place in the first quarter of 2024. Any judgment or decision unfavourable to the Company could have a material adverse impact on the Financial Statements, business and operations of the Company as well as on its reputation.

Other Investigations

The Company cooperated fully with the authorities in relation to three investigations initiated by independent magistrates in France concerning the activities of commercial intermediaries in Libya, Kazakhstan, Kuwait and several Eastern European countries. In recognition of the fulsome nature of the cooperation and upon payment of a penalty of €15.8 million, all three investigations were closed by means of a *Convention judiciaire d'intérêt public* ("**CJIP**") with the PNF on 30 November 2022. This ends all remaining prosecutions in France for similar historical activities.

In 2019, the Company self-reported to German authorities potentially improper advance receipt and communication of confidential customer information by employees of Airbus Defence and Space GmbH. The information concerned relates to future German government procurement projects. The self-disclosure by the Company followed an internal review with the support of an external law firm. Both the German Ministry of Defence and the Munich public prosecutor opened an investigation into the matter. The investigation could have an impact on Airbus Defence and Space GmbH's and Airbus Secure Land Communications GmbH's ability to participate in future public procurement projects in Germany. In 2021 the Munich prosecution issued a penalty notice against Airbus Defence and Space GmbH for €10 million for negligent violation of supervisory duties in connection with this matter. The Company continues to fully cooperate with relevant authorities.

VI. Governance

Conscious of the strategic importance of sustainability, the Company has defined governance at the highest level. Oversight has been established at the Board of Directors level with the Ethics, Compliance and Sustainability Committee ("ECSC"). For further information about the ECSC, see "– Corporate Governance – 4.1 Management and Control". The ECSC is responsible for assisting the Board of Directors to oversee the Company's:

- Culture and commitment to ethical business, integrity and sustainability;
- Ethics and Compliance programme, organisation and framework for the effective governance of ethics and compliance, including all associated internal policies, procedures and controls; and

- Sustainability strategy and effective governance to ensure that sustainability-related topics are taken into account in the Company's strategy and objectives.

Under the Board Rules, the Board of Directors delegates the day-to-day management of the Company to the CEO, who, supported by the Executive Committee, makes decisions with respect to the management of the Company, including sustainability. The Executive Committee has the responsibility to provide top level expectations and direction, while overseeing and validating the sustainability strategy. This entails validating sustainability targets, including those integrated into the Top Company Objectives.



The Executive Committee is supported by several committees or boards linked to the Company's four sustainability commitments:

- the Environment Executive Steering Committee, the Inclusion & Diversity Advisory Board, the Product Safety Board as well as the Occupational Health and Safety Governance Board (created in 2022; see "– 1.2.9 Health and Safety"), all chaired by Executive Committee members;
- the Steering Committees of the Human Rights and Sustainable Supply Chain Roadmaps, both sponsored by Executive Committee members.

Other sustainability topics such as business integrity are brought directly to the attention of the Executive Committee. Where relevant, additional elements of governance linked to specific topics are explained in the governance sections of this report.

Organisation and policy framework: The sustainability & environment team put in place in January 2020 at corporate level has continued to develop and expand. Its mission continues to focus on:

- Setting the ambition level regarding the Company's environmental and social commitments;
- Identifying the levers to achieve this ambition;
- Enabling the business to deliver this ambition across the full value chain;
- Engaging employees on sustainability;
- Providing clarity on ambition and progress to internal and external stakeholders;
- Coordinating with relevant functions the performance and reporting on progress with regards to the four commitments.

While the sustainability & environment team has a Company-wide role to provide direction and check regularly on advancements across all sustainability topics, there are for each of those topics (e.g. health and safety, inclusion and diversity, human rights, etc.), related functions, departments or "roadmaps" (multi-functional teams addressing cross-functional sustainability topics) driving

their continuous improvement. These teams are for the most part supported by dedicated policies which are referred to in the Company's Code of Conduct – a single reference intended to guide daily behaviour and help employees resolve the most common ethical and compliance issues that they may encounter. The Code of Conduct applies to all of the Company's employees and directors, regardless of their job title, responsibilities, seniority, or location, within every subsidiary or joint venture where the Company has control.

Incentivisation and remuneration: The Company also believes the integration of sustainability criteria into its reward mechanisms is an important enabler for accelerating its sustainability ambition. A sustainability criterion is integrated into the common collective component of the CEO's variable remuneration, accounting for 20%, see “– Corporate Governance – 4.2.1 Remuneration Policy”. This principle also applies to the other members of the Executive Committee who do not serve on the Board of Directors, and to a large extent to executives and “Level IV” managers employed at the Company. Other criteria also apply to all employees as summarised below:

Variable remuneration component	Objective / KPI (s)	Weight (s)	Population
- Collective performance	Health and Safety FR1 Reduction of CO ₂ emission	10% 10%	“Level IV” Managers and Executives (around 4,500 employees)
- Success sharing	Health and Safety FR1	c. 5%	Around 115,000 employees
- Individual performance	Ethics & Compliance Functional sustainability objectives	Over 10% Individualised	All employees entitled to an individual bonus (around 50,000 employees)

VII. Airbus' Way Forward: Vigilance Plan

The Company is determined to conduct its business responsibly and with integrity. It is convinced that promoting responsible business conduct within its value chain is key to sustainable growth. The Company's vigilance plan includes measures to identify risks and prevent serious impacts related to sustainability resulting from the Company's own operations and from its suppliers and other contractors (including subcontractors). As far as its own operations are concerned, the Company has adopted internal policies and management tools to perform the monitoring, assessment, mitigation and reporting of risk and compliance allegations, which are embedded into the Company's culture and processes. For the Company's vigilance plan for its supply chain, see “– 1.2.15 Responsible Supply Chain”, which shall be deemed to be incorporated by reference and form part of this plan.

Enterprise risk management and internal audit: With regards to risk management, sustainability risks and opportunities are fully embedded in the Company's ERM system. For further information on ERM, see “– Corporate Governance – 4.1.3 Enterprise Risk Management System”. For further information on the Company's risks, see “– Risk Factors”. Internal audits are also performed regularly across the Company, including on sustainability topics. External audits are performed in line with certification requirements, as detailed in the related material topic sections.

Sustainability competencies and employee engagement: Raising awareness, developing competencies and engaging employees are essential to preventing and mitigating sustainability risks and maximising opportunities. On this matter, the Company offered employees more than 900 online and in-person training opportunities in 2022, ranging from ethics and compliance to export control, health and safety, product safety, cyber security, internal controls, inclusion and diversity, quality and customer centricity, sustainability awareness and more. Training courses linked to sustainability topics were integrated into the 2022 mandatory training list for Company employees. Specific information on training is covered in the related material topic sections.

Affiliates: All Company controlled affiliates are expected to deploy similar internal policies by applying the Company's directives. A company-wide single directive defines rules, processes and procedures applicable to the Company's affiliates and their respective boards, directors and officers. Its enforcement is supported by the Directors' training programme which was delivered to 117 people in 2022 over eight full-day digital sessions, as well as on-boarding sessions performed for newly appointed managing directors of controlled affiliates. The single directive assists the Company's affiliates in effectively fulfilling their responsibilities, while assuring the Company's ongoing commitment to high standards of corporate governance. It was built on the basis of Company related internal policies including, but not limited to: the Company's Code of Conduct, International Framework Agreement, Agreement on the European Works Council, Supplier Code of Conduct, Health & Safety Policy, Environmental Policy, the Company's Anti-Corruption Policy and related directives. An online Internal Controls Self Assessment (“ICSA”) is completed on an annual basis by the controlled affiliates to self-assess their internal controls, including how they relate to the environment, health and safety, human resources, governance, finance, procurement and compliance requirements in order to identify any gaps and define remedial action plans as required. Controlled affiliates can update the self-assessment on a quarterly basis based on their progression. Following ICSA, internal verifications are carried out by the respective corporate functions to validate answers and, when gaps are identified, develop improvement measures jointly with controlled affiliates to enhance their conformity level. In 2022, 81 controlled affiliates were selected to perform such verifications. Verifications are run every three years at least, and more frequently when ICSAs evidence material gaps. The Company's controlled affiliates are also asked to regularly evaluate risks via the Company's ERM system, and to regularly monitor them as part of their risk assessment process.

Monitoring system: The table below shows an overview of the monitoring system in place. More detailed descriptions, as well as performance measures and analysis, can be found in the respective material topic sections.

	KPIs	Responsible management body	Supervisory committees	Controls
Environment Operations	CO ₂ Scope 1, 2, Water, Waste	S&E Department / Environmental Roadmap	See governance chart in governance section above	ERM, internal audit
Use of Products	Delivered aircraft CO ₂ efficiency metric			
Health and Safety	Lost time injury frequency rate	Health and Safety Department		ERM, internal audit
Human Rights	Nb of social assessments % of findings closed within 18 months	S&E Department / Human Rights Roadmap		ERM, site social assessments and supply chain assessments
Supply Chain	% suppliers at risk % action plan launched	Procurement / Sustainable Supply Chain Roadmap		ERM, audits Self questionnaires

Lead the Journey Towards Clean Aerospace

1.2.2 Climate Change

I. Introduction

In line with the Company's purpose, "pioneering sustainable aerospace for a safe and united world", and its aim to lead the transition of the air transport sector towards its net-zero carbon emissions aspirational goal, the Company's foremost ambition as an aircraft manufacturer is to bring the first hydrogen-powered commercial aircraft to the market by the middle of the next decade, and to play a leading role in the decarbonisation of the aviation sector. In parallel, the Company is investing

large resources into examining and reducing the impact of its products in operation together with all actors within the aviation sector. Consideration of greenhouse gas ("GHG") emissions throughout the value chain, which are predominantly carbon dioxide (CO₂) emissions, is a key focus for the Company's analysis of its contribution to climate change. The non-CO₂ effects of aircraft operations are also being studied in order to determine their potential contribution to the climate (see Transition plan – Product stewardship).

Exemplify Business Integrity

1.2.14 Business Integrity

I. Introduction

The Company's Ethics & Compliance programme seeks to ensure that the Company's business practices conform to applicable laws, regulations and ethical business principles, as well as reinforcing a culture of integrity and speak-up. In 2022, Ethics & Compliance continued to be a top priority for the Company. In its list of priorities for the year, the Company set the objective to Speak Up, Listen Up and act with integrity and respect.

The Company has worked over the past several years to develop an Ethics & Compliance programme that is structured around the following key risk areas: Business Ethics / Anti-Corruption

Compliance, Export Compliance and Privacy. Each of these areas is, in turn, supported by dedicated compliance policies and a team responsible for their implementation, together with the identification and proposal of new measures to adapt to a constantly evolving regulatory landscape.

Improving the Ethics & Compliance programme remains a constant and ongoing process, in cooperation with other functions within the Company, in order to sustain and capitalise on its values.

Business Integrity	GRI	SASB	SDGs	Others
	205 Anti Corruption	Business Ethics	16	
Highest governance body(ies) involved	Board of Directors / ECSC Executive Committee			
Related corporate policies and reference documents	Anti Corruption Policy, Responsible Lobbying Charter Directives: see below, section III. Risk Management Code of conduct, Supplier Code of Conduct			
External standards taken into account	IFBEC's Global Principles of Business Ethics, FX Global Code			
Key metrics			2021	2022
Number of employees per appointed Ethics & Compliance Representatives			372	360
Number of employees per appointed Export Control Point of Contact				236
% of employees who completed the E&C training objective (<i>Reporting period: from 1 Jan. to 31 Dec.</i>)			90%	96%
Number of E&C e-learning sessions taken by employees (<i>Reporting period: from 1 Oct. to 30 Sep.</i>)			284,774	290,178
<i>Of which</i> Export Control e-learning sessions delivered to employees (<i>Reporting period: from 1 Oct. to 30 Sep.</i>)				149,426
Number of privacy e-learning sessions delivered to employees (<i>Reporting period: from 1 Oct. to 30 Sep.</i>)			9,327	3,181
Additional resources	Airbus Ethics & Compliance webpage, including CEO statement ¹ , Airbus Values Anti Corruption Policy ² , Responsible Lobbying Charter ³ , Airbus' commitment on the protection of Personal Data ⁴ , Code of Conduct ⁵ , Supplier Code of Conduct ⁶ , OpenLine ⁷ , Compliance at Airbus IFBEC website ⁸ , Global Foreign Exchange Committee website ⁹			

II. Governance

The Ethics & Compliance organisation is part of the Legal Department under the ultimate responsibility of the Company's General Counsel. The aim is to provide strong governance throughout the Company with the global presence of qualified Compliance officers who ensure the Ethics & Compliance programme is implemented consistently in the different functional and operational areas.

The Company's Chief Ethics & Compliance Officer, who reports to both the General Counsel and the ECSC of the Board of Directors, leads a dedicated team of Compliance professionals who are responsible for supporting and advising across the Company on compliance related topics, supporting the day-to-day business, performing risk assessments, drafting policies, conducting third party due diligence, investigating compliance

allegations, implementing tools and controls and delivering compliance training.

The ECSC also plays a key role in the oversight and continued development of the Company's Ethics & Compliance programme, organisation and framework for the effective governance of Ethics & Compliance.

In addition to the dedicated Compliance professionals, the Company is coordinating a network of part-time Ethics & Compliance Representatives ("ECRs"), spanning all Divisions, functions, and regions. The number of ECRs slightly increased in 2022, with a total of 373 ECRs at the end of 2022 (compared to 340 at the end of 2021). Although the ECR network members are not compliance experts, they play an important role in promoting

the Ethics & Compliance programme and culture and serve as points of contact for any employee who has questions about the Ethics & Compliance programme or wishes to raise an Ethics & Compliance concern, including but not limited to bribery or corruption. The Ethics & Compliance team animates the ECR network, providing continuous training and information to the ECRs.

In February 2022, the Company launched the Export Control Points of Contact ("EPoCs") network, spanning all Divisions, functions, and regions. Similar to ECRs, EPoCs are not export control experts but serve as "first line of defence" and the "go-to" individuals for export control matters. On the occasion of the launch, the Chief Ethics & Compliance Officer stated that "by raising awareness among employees and acting as local focal points for queries on Export Control-related topics in their respective functions, EPoCs will be key contributors to the Company's common objective: embed an export control compliance system and culture throughout Company's businesses." By the end of 2022, the network was established and active within the business, with a total of 570 EPoCs.

Likewise, the Personal Data Protection Officer ("DPO") relies on a team of privacy experts to guide, train and advise the business with respect to privacy requirements, and a network of Privacy Focal Points in the business functions and affiliates, to support the Airbus privacy programme.

III. Risk Management

The Company is required to comply with numerous laws and regulations in jurisdictions around the world where it conducts business. This includes countries perceived as presenting an increased risk of corruption.

Accordingly, the Company conducts a thorough bribery and corruption risk assessment across its two Divisions and different businesses annually. The results of this risk assessment are embedded and monitored within the Company's ERM framework and highlight, among others, the risk of improper payments being made to or via third parties such as sales intermediaries, lobbyists and special advisors, suppliers, distributors and joint venture or offset partners. Further corruption risks include the use of sponsorships, donations, or political contributions to improperly benefit decision-makers, or the provision of excessive or overly frequent gifts and hospitality by Company employees.

In order to ensure its compliance with Export Control regulations and laws in the European Union, US and internationally, the Company continues to strengthen its Export Control compliance programme to ensure it is fit for purpose. Where risks are identified, they are embedded and monitored in the Company's ERM. Identified risks include potential unauthorised access to export-controlled data and hardware by third parties and non-compliance with the ITAR.

Regarding privacy, the Company undertakes privacy impact assessments depending on the nature of the personal data processed or scale of the processing. In addition, risks relating to the protection of personal data are also assessed in the context of the ERM and kept updated.

Specific directives have been adopted to address the Company's key compliance risk areas. These include among others:

- Requirements for the Prevention of Corruption in the Engagement of Sales Intermediaries;
- Requirements for the Prevention of Corruption in the Engagement of Lobbyists & Special Advisors;
- Requirements for Gifts & Hospitality;
- Requirements for Sponsorships, Donations and Corporate Memberships;
- Requirements for Supplier Compliance Review;
- Requirements for Preventing and Declaring Conflicts of Interest;
- Requirements for the Prevention of Corruption related to Mergers & Acquisitions, Joint Ventures, Partnerships and similar Transactions;
- Method for the Prevention of Corruption in the Context of International Cooperation & Offset Activities;
- Requirements for Anti-Money Laundering / Know your Customer;
- Guidelines for Competitive Intelligence Gathering Activities
- Requirements for Export Control Sanctions, Embargoes and Screening;
- Requirements for Export Control Framework;
- Requirements for Export Control Escalation and Voluntary Disclosure;
- Requirements for Export Control Brokering;
- Requirements for Export Control Classification;
- Requirements for Export Control Licences and Agreements;
- Requirements for ITAR Part 130 Reporting;
- Personal Data Protection Directive, Method and Binding Corporate Rules.

The Ethics & Compliance organisation is charged with oversight and monitoring of these directives to ensure that they are being implemented effectively. Periodic controls on key processes are performed and reports provided to the Company's Executive Committee and the ECSC, including recommendations to strengthen the Ethics & Compliance programme where necessary.

In addition, the Corporate Audit & Forensic Department conducts periodic, independent audits of the Company's compliance processes to assess the effectiveness of internal controls and procedures and allow the Company to develop action plans for strengthening such controls.

IV. Implementation/Activities

Awareness and Training

As part of their annual goals & objectives, all Company employees are required to undergo a minimum amount of compliance training via e-learning. Additionally, depending on the function, the country and the level of risk implied by their role, certain employees are selected to attend live classroom training as well, including on Anti Bribery & Corruption and Export Control. Attendance in such cases is mandatory, and managers have a responsibility to ensure that their team members do so. Exposed employees are also required to complete regular training refreshers.

From 1 October 2021 to 30 September 2022, the Company's employees followed 290,178 Ethics & Compliance e-learning sessions, including on bribery, corruption and export control. Furthermore, 4,699 employees attended live classroom training

on different Ethics & Compliance topics over the period, the majority of which were delivered in virtual classroom settings due to the pandemic.

Likewise, the Company also delivered anti-bribery and corruption training towards higher risk third parties, including sales intermediaries, lobbyists and special advisors. In 2022, 100% of higher risk third parties were trained on Ethics & Compliance requirements and expectations.

The Company continued the roll out of the privacy e-learning as part of the Ethics & Compliance compulsory training catalogue. 3,181 privacy training sessions were performed in 2022 (reporting period from 1 October 2021 to 30 September 2022).

Speak-Up Channel: OpenLine

The Company recognises that the Code of Conduct cannot address every challenging situations that may arise, and therefore encourages its employees to speak-up through various channels, including through OpenLine (available at <https://www.airbusopenline.com>). The OpenLine enables users to submit an alert securely and confidentially, and also to ask questions related to Ethics & Compliance.

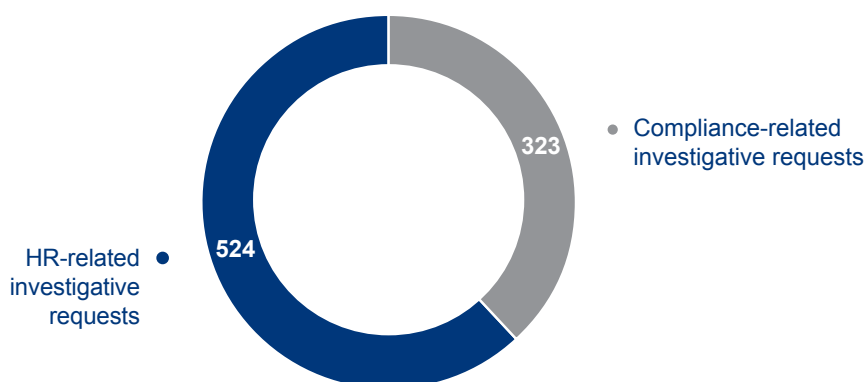
The Company protects those who speak up and raise concerns appropriately and in good faith. The Company does not retaliate against anyone who raises a concern, or against those who assist in investigations of suspected violations.

In addition, the dataprotection@airbus.com mailbox is systematically published in the Company's privacy policies and information notices specific to the various applications, to ensure that data subjects can exercise their rights and/or lodge complaints.

To further increase awareness about Speak-Up, in 2022, the Ethics & Compliance team conducted an analysis of the results from the Company's internal survey "My Working Environment" to identify opportunities to continuously foster a Speak Up culture. This analysis led to the launch of additional initiatives throughout the Company to promote Speak-Up culture, including the development of a Speak-Up team talk in January 2022, which was shared with all managers to help them raise the importance of speaking-up with their teams. A simplified version of this "team talk" was designed and deployed within the shop floor community.

In 2022, the Company received a total of 847 investigative requests of which 524 were HR related. Cases requiring investigation are managed by dedicated members of the Ethics & Compliance team in accordance with an internal method for the conduct of Investigations. The Ethics & Compliance team provides regular updates to the pool of internal investigators, on internal policies, recent developments in the regulatory framework, and recurring reminders on investigation best practices to ensure the consistent deployment of compliance investigations across the entire Company.

847 investigative requests received in 2022



In some instances, the Company may engage outside counsel for support, depending on the nature of the investigation.

The Ethics, Compliance & Sustainability Committee and other relevant stakeholders (including relevant authorities, if applicable, and Company's local management teams) are briefed regarding the progress and outcome of internal investigations on a regular basis.

Policies and Procedures

In 2022, the Company continued to improve its policies and procedures framework, by issuing a guidance on third parties categorisation, for example, and translating the Code of Conduct into seven additional languages to maximise the reach of this foundational document. All policies and guidelines are made available to employees on the Intranet, and classroom training

is delivered to employees who are particularly exposed to the underlying risks as described above.

On the Export Control side, the Company has cascaded its Export Control requirements through nine Directives and Methods throughout the Company. The cascading triggered an update of the relevant business processes and was completed in Summer 2022.

In 2021 and 2022, as required under the Consent Agreement, two audits of the Company's ITAR compliance programme were undertaken by external counsels. Please refer to "Notes to the IFRS Consolidated Financial Statements – Note 39: Litigation and Claims" (Investigation by the SFO, PNF, DoJ, DoS, Related Commercial Litigation).

Responsible Lobbying Charter

The Company is committed to ensuring that any lobbying activity is undertaken in compliance with all applicable laws and its anti-corruption programme. In 2021, the Company launched a Responsible Lobbying Charter aimed at anybody who engages with public officials in any capacity, including third party representatives retained by the Company. The Charter outlines the Company's core principles for responsible lobbying and brings together the Company's key codes and directives relevant to this topic. The principles are also reinforced by a training module available to all employees.

V. Outlook

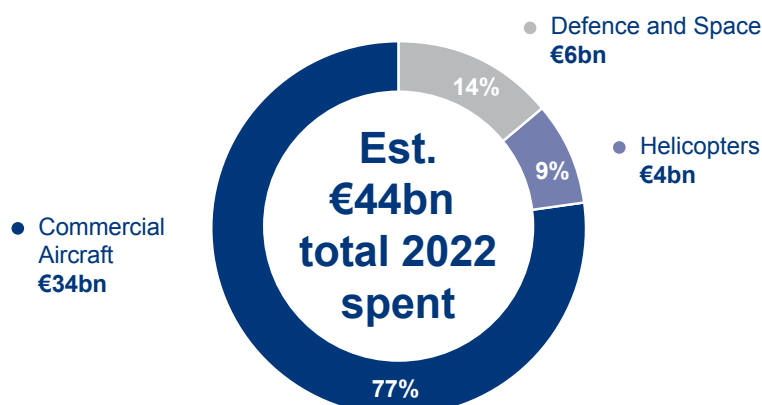
An effective Ethics & Compliance programme is one that, by definition, continuously adapts to changes and improves over time. Going forward, the Company will continue to assess its risks and monitor and test the implementation of mitigation measures at all levels: corporate level, Divisions, regions and local entities.

When misconduct reveals a gap in compliance policies, procedures or tools, the Company undertakes revisions to its Ethics & Compliance programme commensurate with the wrongdoing and in light of lessons learned. While compliance at the Company will therefore always be a work in progress, the Company is committed to this endeavour, as it aims to make its Ethics & Compliance programme sustainable over time.

1.2.15 Responsible Supply Chain

I. Introduction

At the end of 2022, approximately 18,000 suppliers from more than 90 countries supply parts, components, systems and services to the Company.

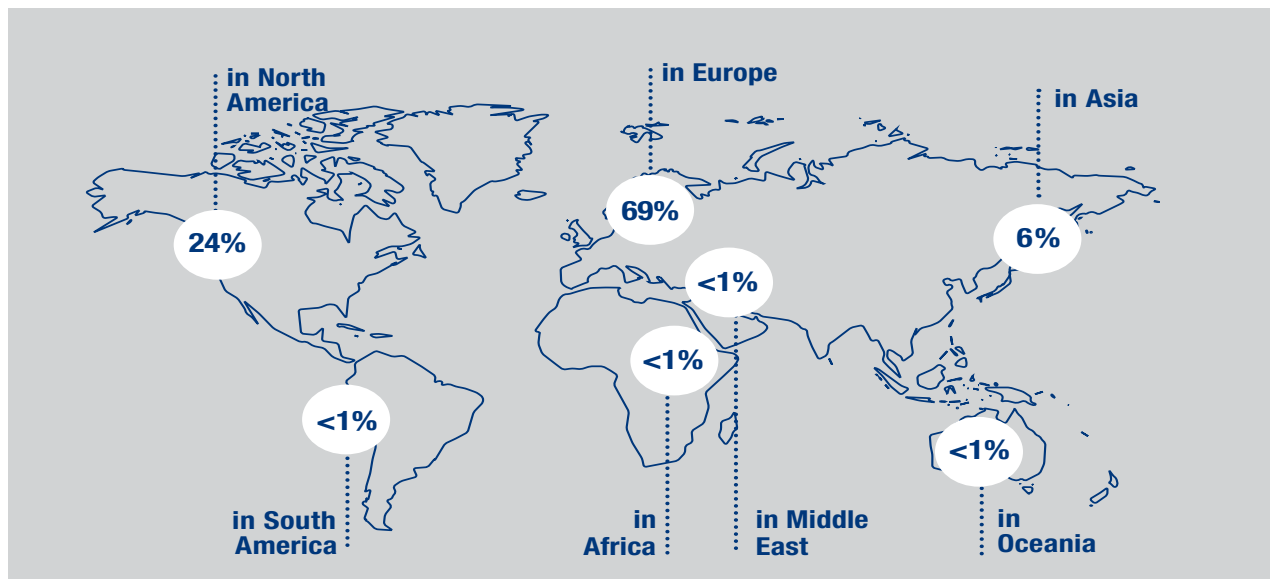


In 2022, the Company's external sourcing volume was estimated around €44 billion and shared between Divisions with 77% for the Company's commercial aircraft business, 14% for the Airbus Defence and Space Division and 9% for the Airbus Helicopters Division.

Of note, these figures may marginally change, as the data consolidation process was not finalised at the date of publication.

RESPONSIBLE SUPPLY CHAIN	GRI	SASB	SDGs	Others
	102-9 Supply Chain 204 Procurement Practices 308 Supplier Environmental Assessment 408 Child Labor 409 Forced or Compulsory Labor 414 Supplier Social Assessment	Materials Sourcing	4, 5, 8, 9, 12, 13, 16, 17	Vigilance plan
Highest governance body(ies) involved	Board of Directors / ECSC Sustainable Supply Chain Roadmap Steering Committee			
Related corporate policies	Responsible Mineral Policy, Environmental Policy, Health and Safety Policy			
Certifications	ISO 14001	As Company's commercial aircraft business and its two Divisions are certified, control and influence of the supply chain is concerned.		
Company's commitments to external standards and frameworks	Reference to certain international organisations standards or principles, in particular ILO have been included into the Airbus Supplier Code of Conduct			
KPIs	2022 Target	2021	2022	2022 vs 2021
Percentage of sourcing volume of suppliers invited to CDP who have responded	75%	68% ⁽¹⁾	78% ⁽⁶⁾	+9p.p.
Percentage of identified high risk suppliers ⁽²⁾ , who have undergone a sustainability assessment	100% ⁽⁶⁾	95%	99.5%	+4.5p.p.
Percentage of sourcing volume covered by supplier commitment to the Supplier Code of Conduct ⁽⁴⁾	85%	79% ⁽³⁾	86% ⁽⁶⁾	+7p.p.
Digitalisation of supplier substance data collection – supplier sites	290 ⁽⁷⁾	-	298	-
Other key metrics	2021	2022		
Sustainability assessment: percentage of assessed suppliers not meeting the Company's sustainability expectations (=red flags)	13%	16%		
Percentage of action plans defined for suppliers not meeting the Company's sustainability expectations	15%	31%		
Percentage of responding suppliers to the CDP scoring A or B	53% ⁽⁸⁾	66% ⁽⁶⁾		
Number of sustainability alerts	12	44		
Assumptions	(1) Based on 2019 turnover. (2) Based on 2019 risky suppliers (see details further in § Risk Management/1. Supply base risk mapping).19 suppliers have since 2019 been removed from the scope (see details below). (3) Based on 2020 turnover. (4) Subsidiaries excluded from the scope. (5) 2021 target. (6) Based on 2021 turnover for the Divisions and the entity in Canada (7) Target defined for the Company's commercial aircraft business. (8) Based on number of suppliers.			
Additional resources	Supplier Code of Conduct🔗, Environmental Policy Statement🔗, Responsible Mineral Policy statement🔗, Be an Airbus supplier on Airbus.com, Human Rights Policy, IFBEC🔗, Responsible Minerals initiative🔗, OECD Due Diligence Guidelines for Responsible Business Conduct🔗			

In 2022, the Company sourced 89% of its total purchased volume from countries in which it has significant operations, including France 34%, USA 23%, Germany 16%, United Kingdom 9%, Spain 4%, Canada 2% and China 1%.



Company's 2022 total spent regional split

While the Company's products and services are sold all over the world, the majority of its supply chain is based in Europe and OECD countries. However, in the past few years, the supply chain has become concentrated and more international. In addition, and due to increasing consolidation within the aerospace and defence sector, larger work packages are being placed with a smaller number of lead suppliers.

The Company's global sourcing footprint is represented as follows based on Tier one suppliers only.

To promote further globalisation of its sourcing footprint, the Company has established regional procurement offices in North America (Herndon, VA), India (Bangalore), Asia Pacific (Singapore) and China (Beijing). The regional procurement offices represent the Procurement function in the respective regions. They are responsible for strategic sourcing, general procurement and supplier development (procurement operations) while supporting the application of the Company's procurement process and policy and digital solutions. As the Company's commercial aircraft business and its two Divisions are certified ISO 14001, the Procurement function acts in adherence with ISO 14001 requirements.

II. Governance

The Company's sustainable supply chain ambition is built on four pillars: "lead the journey towards clean aerospace, respect human rights and foster inclusion, build our business on the foundation of safety and quality, exemplify business integrity".

Derived from this ambition, the Company's Sustainable Supply Chain Roadmap is based on a three-step approach; supplier

commitment, supplier assessment, supplier engagement & development.

The Company strives to make environmental and social responsibility a core element of its procurement strategy. This includes managing the relationships with suppliers throughout the sourcing strategy, supplier selection, contract management and supplier monitoring and development. The Company's suppliers must comply with all applicable laws and regulations. In addition, all business shall be conducted by suppliers in compliance with the principles of the Company's Supplier Code of Conduct, which is the document of reference for the Company's responsible supplier management. This Supplier Code of Conduct integrates the group-wide values and principles in line with internationally recognised standards and conventions (such as OECD and ILO).

In order to drive the Sustainable Supply Chain Roadmap ("SSCR"), a monthly Steering Committee chaired by the Head of Sustainability & Environment, and the Head of Procurement Governance & Strategy and the representative of the Chief Procurement Officer of the Company is implemented. The Steering Committee includes Chief Procurement Officers of Airbus Helicopters and of Airbus Defence and Space, as well as the Head of Health & Safety, the Head of Product Safety and the Head of Ethics & Compliance, or their nominated representatives. The EVP Communication and Corporate Affairs and the Chief Procurement Officer of the Company act as sponsors of the SSCR. In addition, the Head of Procurement Governance and Strategy is part of the Procurement Leadership Team and is responsible for facilitating the communication on sustainability activities between the SSCR and the Procurement Leadership Team on a regular basis.

In 2022 the SSCR Steering Committee validated the annual planning and quarterly reviewed the progress of its SSCR implementation notably regarding the assessment of suppliers' sustainability practices as well as the reinforcement of the engagement with suppliers. On top of those forums, the Chief Procurement Officer of the Company also reports to the ECSC on the progress of the Company's responsible sourcing strategy implementation.

Concrete sustainability targets have been included in the 2022 objectives of the Company's Chief Procurement Officer ("CPO") and are directly linked to the CPO's variable pay and cascaded through the Company's Procurement organisations:

- commitment by suppliers to Airbus Supplier Code of Conduct for 85% of the 2021 sourcing volume;
- supplier sustainability assessments completed for 50% of the 2021 sourcing volume;
- response of suppliers to CDP assessment for 75% of the 2021 sourcing volume.

All sustainability activities in the supply chain are based on the following key elements and principles of due diligence following the OECD Due Diligence Guidance for Responsible Business Conduct:

- supply base risk mapping;
- supplier engagement and contractual requirements;
- supplier assessment/audits and development plans;
- policies, tools and reporting.

For any anti-corruption topics in the supply chain, the Procurement function cooperates closely with the Legal & Compliance department. The Company has also engaged into a plan to further develop its due diligence mechanisms (see IV. Due Diligence in the supply chain).

Those priorities are consistent with the most material topics identified in the Company's supply chain.

III. Risk Management

The Company's procurement-related risks and opportunities are embedded into the Company's ERM process. Risks and opportunities related to the deployment of the sustainability roadmap in the supply chain are managed according to the Procurement ERM plan and detailed hereafter.

1. Impact on the Company's Reputation

Any industrial accident or other serious incident in the supply chain, or any problems of the supplier to fulfil its operational or product compliance may have a significant adverse effect on the reputation of the Company and its products and services. The Company's reputation may also be affected by the public perception of social and/or environmental impacts of its supply chain's industrial operations on local environments, communities, biodiversity and the general public's health.

2. Impact on the Local Environment

From the extraction of raw materials to the manufacturing of parts delivered to the Company, a supplier's industrial operations may have significant adverse environmental impacts on the local environment where the activity is performed, with possible impacts on air, water, soil, biodiversity, workers' occupational health and safety, on the health of the general public, on the land rights of the local or indigenous communities and on forced and child labour (see salient risks in section "– 1.2.10 Human Rights").

3. Business Disruption Risk

In the event of a supplier failing to comply with environmental, human/labour rights, health and safety laws and regulations, even if caused by factors beyond its control, that failure may result in the levying of civil or criminal penalties and fines against the supplier. Regulatory authorities may require them to conduct investigations and undertake remedial activities, curtail operations or close installations or facilities temporarily to prevent imminent risks.

4. Risk of Product Non-Compliance

The various products manufactured and sold by suppliers must comply with applicable environmental, human/labour rights, health and safety laws and regulations, for example those covering substances and product composition. Even if a supplier seeks to ensure that its products meet the highest quality standards, increasingly stringent and complex laws and regulations, new scientific discoveries, delivery of defective products or the obligation to notify or provide regulatory authorities or others with required information (such as under the REACH regulation) may force it to adapt, redesign, redevelop, recertify and/or remove its products from the market. Seizures of defective products may be pronounced and could prevent delivery to the Company. In response, a Procurement Task Force has been established to ensure group-wide governance for supplier management and assessment of chemical regulations and obsolescence impact. This task force also coordinates communication to suppliers on substance issues and on substitution solutions qualified by the Company.

In this frame, the Company provided to its supply chain a dedicated Tool Kit on "REACH Substances – Certain Requirements & Substitution programmes". This tool kit reminds the main principles of the REACH regulation as Authorisation, Restrictions and Substitutions programmes in order to raise the attention of the supply chain on these challenges.

In response to the above 1. to 4., the Company deploys responsible sourcing activities and specific supplier due diligence actions in the frame of the SSCR.

IV. Supply Chain Vigilance Plan

1. Due Diligence in the Supply Chain

In 2022 the Company launched a project aimed at reinforcing due diligence in its supply chain. The outcomes of the project will be rolled out in 2023. Activities under this project cover primarily the Company's own suppliers; nonetheless, if an alert raised is linked to an upstream supplier, the Company will act on it as appropriate.

Alert and Grievance Mechanism

From 2019, the Company's OpenLine has been accessible to external stakeholders, such as suppliers and their employees. For further information on OpenLine, see "– 1.2.14 Business Integrity". Access to OpenLine has been reiterated in the revised Supplier Code of Conduct.

In addition to OpenLine, the Company's sustainable supply chain team may receive alerts from other sources including through the supplier onboarding process, media or directly from employees. During 2022, the sustainable supply chain roadmap received alerts on 44 potential allegations relating to environmental and human rights concerns in its supply chain. The number of alerts

increased in 2022, following the inclusion in a more systematic manner of sustainability criteria into the screening (including human rights, environment, health and safety). Analysis and/or investigations of those alerts are either complete or still in progress, according to best practice developed by the Legal and Compliance team as detailed below:

- initial review to determine if an investigation is needed;
- detailed analysis of the allegation including collection of evidence;
- assessment of information and documentation collected during the investigation, preparation of an investigation report which summarises the findings and proposes remedial actions necessary to reasonably respond to and prevent the recurrence of the conduct, if any;
- closing the investigation and reporting;
- monitoring of the implementation of remedial actions.

Supplier Risk Mapping

The supplier risk mapping is based on the alerts and grievance mechanisms detailed above, as well as the inherent risk mapping described below. It covers primarily tier-one suppliers; nonetheless if an alert raised is linked to a sub-tier supplier, the Company will include it in its risk mapping and act on it as appropriate.

Since 2018, the Procurement team has carried out annual proactive sustainability inherent risk mapping in line with international guidance, internal commodity expertise and externally available country indices. In 2021 and 2022, with the support of external advisors, the Company upgraded its inherent risk mapping methodology building on risk indexes considering the location and the type of activity performed by the suppliers. This allowed the delivery of an up-to-date suppliers' sustainability risk assessment and to identify suppliers most at risk regarding human rights, environment and health and safety (e.g. association freedom, decent wages, pollution).

In 2022, the Company updated its inherent risk mapping to rank its active suppliers according to this methodology. The riskiest suppliers will be invited to undertake an evidence-based desktop sustainability assessment according to the programme developed in 2022 with IAEG (see the section Engagement and awareness hereafter). Based on this assessment, a supplier not satisfying the Company's sustainability expectations, which means not meeting a defined level of maturity for each category, will be classified as "red flag", and will be requested to develop an improvement action plan.

Assessment – Evidence-based Desktop Assessments

The Company conducts two types of evidence-based desktop assessments: sustainability and carbon maturity. Since 2019, the Company has worked with external expert companies to conduct evidence-based desktop sustainability assessments and specific on-site assessments covering human rights, labour practices, health and safety and environment. At the end of 2022, 99.5% of the suppliers identified as high risk according to the Company's 2019 risk mapping methodology (in 2022, 19 suppliers were removed from the list for reasons such as not doing business with the Company anymore, or being a distributor) completed an evidence-based desktop assessment compared to a target of 100%.

In addition to suppliers identified as high risk, the Company extended the coverage of the assessment to additional suppliers in order to progressively cover a more representative portion of its supply chain. At the end of the year 2022, 73% of the sourcing volume was covered. Out of the suppliers completing an assessment, 16% (118) have at least one red flag (mainly linked to the environmental criteria). Those red flags are mainly linked to the environmental category for which the Company is requesting details on processes in place at the suppliers for capturing and satisfying regulatory changes, as well as for a certified environmental management systems addressing, notably, management of chemicals and GHG emissions.

Since 2020, the Company has engaged in the supply chain programme of the CDP in order to promote transparency about climate actions in the Company's supply chain. See section 5. "CO₂ emissions".

Assessment – On-site Assessments

A particular situation triggered by a result of an evidence based desktop assessment, or by any sustainability alert, may lead the Company to request an on-site assessment at a particular supplier site. In 2022, the Company performed seven on-site assessments. The Company engaged with suppliers on findings in order to improve the situation, when relevant.

Engagement & Mitigation Measures

The Company engages directly with suppliers in a number of different circumstances:

- if sustainability alerts have been reported linked to those suppliers;
- if a supplier has been identified as risky in the frame of the risk mapping methodology;
- if a supplier's assessment results have raised concerns on one or more sustainability aspects.

The results of the completed assessments (including a sustainability or CDP assessment) are communicated during events with suppliers and engagement takes place with all suppliers presenting findings. In addition, the Company reviews its relationship with suppliers who refuse to participate in its assessment programme.

On top of the above-described engagement linked to due diligence and findings, the Company is also engaging with its supply chain as described in section 3. "Engagement and awareness" below.

2. Traceability

Substances

See section III. "Risk management".

End of 2021, the Company launched a project to digitise the way for the suppliers to provide substance in products information. The main objective is to improve traceability and transparency on substances in products from the supply chain related to regulatory requirements. It also aims at replacing the current process and allowing an automated way of sharing this information. The solution for supplier substance data collection project started in 2022, with a target for the Company's commercial aircraft business of 290 suppliers' sites to be deployed in the digital solution by year-end. At the end of 2022 this target was achieved.

Responsible Mineral Sourcing

The Company places great importance on the responsible sourcing of materials used in manufacturing. Some minerals including 3TG (tin, tungsten, tantalum and gold) are necessary for the proper functioning of components within its products. The Company largely does not directly import minerals, but these minerals are found in certain products the Company procures. In that context, the Company requires all suppliers to comply with applicable laws and regulations on conflict minerals, including any 3TG conflict minerals. In 2019, the Company released a Responsible Mineral Policy, which details its engagement to improve safety and human rights conditions in the mineral supply chains. As described in the section *Work with External Stakeholders* hereafter, the Company benefits from the Responsible Mineral Initiative ("RMI") experience and available audits, tools and standardised ways of working.

For the small portion of direct procurement of parts containing minerals in the Company's Defence and Space Division, a dedicated Conflict Mineral Management System has been established. For this small portion of direct import, the Defence and Space Division is proactively asking suppliers to disclose proof of responsible sourcing and is cross-checking this data with third parties' audits available through the RMI trade association. In 2022, the Company's Defence and Space Division imported articles made of tungsten of the relevant Taric code above regulatory binding threshold; those articles are used as counterweight for aircraft. The Company's Defence and Space Division forecasted this import and performed relevant due diligence for the unique supplier supplying the material involved. The supplier was informed that the Company's Defence and Space Division is expecting responsible sourcing for the tungsten purchased under this contract. The supplier demonstrated that this material was exclusively originating from responsible sources.

This claim of responsible sourcing is based on third party audits of the smelters involved to deliver the products. The Company reviewed this claim and recognised that the audits were part of the RMI scheme and that smelters involved in the supply chain of the tungsten concerned metals conformed to RMI standards.

The Company is also monitoring developments from the European Commission on critical raw materials (CRM) and is investigating the possibilities to take a deeper look at its related supply chain, through direct involvement and/or trade associations. The Supplier Code of Conduct formally requires suppliers to establish a policy and a management system to ensure that critical raw materials are sourced responsibly.

3. Engagement and Awareness

Contractual Requirements

The Company's standard procurement contract templates have evolved over the last few years to reinforce clauses relating to sustainability and environment which require suppliers to:

- comply with all applicable laws and regulations dealing with labour and employment, health and safety, environment, anti-corruption and bribery and personal data protection in relation to production, products and services;
- provide information on substances used in manufacturing processes and contained in the product itself (covering both hazardous substances and conflict minerals);
- provide information on environmental, health and safety matters such as safe usage and management of products across its lifecycle (including waste management);

- implement an Environmental Management System based on ISO 14001 or equivalent;
- comply with the Company's anti-corruption and bribery requirements;
- commit to apply and cascade in its supply chain the principles of the Company's Supplier Code of Conduct, including with regard to environment, human rights, labour practices, responsible sourcing of minerals and anti-corruption;
- comply with the Company's sustainability requirements such as maturity assessment by an external expert company and completion of a questionnaire during the call-for-tender phase.

The Company's contractual requirements enable assessment of levels of suppliers' compliance.

Processes

In 2021, the SSCR Steering Committee agreed to anchor sustainability requirements into procurement processes of the Company. In 2022, the Company introduced sustainability in its supplier selection process. Sustainability is now one of the selection criteria in a call for tender. Suppliers are requested to fill in a sustainability questionnaire based on their governance and on the specific performance of the product or service the Company intends to source. The questionnaire notably requests information on certifications (e.g. environment, health and safety) and processes, as well as on resources used and on the impact of processes related to product manufacturing or service delivery.

This also includes the agreement from suppliers to regularly fulfil the evidence-based assessment on sustainability (see section *Assessment* above) and for the most important suppliers – based in part on annual spend with the Company – to be transparent on their climate change strategies (see section 5. "CO₂ emissions" below). This will ultimately require suppliers to cooperate when a sustainability risk is identified, including with further analysis into the supplier's supply chain (see paragraph *Contractual requirements* above).

Supplier Award and Dialogue

The Company is fostering suppliers' engagement through direct dialogue and values the commitment, contribution and efforts of its supply chain to improve on sustainability topics.

In 2022, the Company launched the first Airbus Supplier Sustainability Council establishing a framework to step-up collaboration within its supply chain on sustainability and fostering a new model of engagement with suppliers. The target is to launch concrete improvement initiatives co-led by representatives of the Company and of members of the council. The council will focus on areas such as decarbonisation, transparency and engagement acting as key enablers to accelerate specific initiatives from industry bodies such as IAEG and to share best practices across the full supply base.

Sustainability is a standard agenda item in regular reviews or conferences with suppliers, including the Annual Supplier Conference for the Company's commercial aircraft business, the Defence and Space Division supplier conference or the Suppliers' councils. During these events, workshops take place to enable exchange on best practices and future collaboration.

The Company continues to give awards to its suppliers contributing positively to sustainability. In 2022, SABCA was awarded by the Company's commercial aircraft business for its 5-year plan to cut CO₂ emissions at its site by installing wind turbines, solar panels and optimising transportation of

its employees and logistic flows. For the second time, Hexcel Composite was also presented with an award for its sustainability efforts and its innovation in composite recycling during the Defence and Space Division Supplier Awards.

Training & Awareness

Trainings & Competences

The Company's Procurement Academy defines jobs, competences, skills, and associated training to ensure procurement employees in all Divisions are ready to face current and future challenges. In 2022:

- the Sustainability Fundamentals competence was added to all procurement jobs to ensure generic understanding of sustainability principles;
- a new job "Procurement Sustainability Officer" was created for people in the organisation who are dedicated to sustainability in the supply chain;
- a new competence "Sustainability Concern Management" was defined to develop the ability to identify situations where sustainability is at stake in all its dimensions (e.g. Human Rights, Environment, Health & Safety), as well as to define measures to comply with Company's Supplier Code of Conduct. This competence is part of the Procurement Sustainability Officer job and will be added to buyer and Supply Chain Quality Management (SCQM) jobs when relevant.

To support people upskilling, on top of existing Company training courses on sustainability, the Company's Procurement organisation developed an awareness of the contractual environmental clause with pilots in 2022, as well as a specific training on human rights with pilots in 2022. This awareness and human rights training will be deployed from 2023, giving priority to buyers and quality and supply chain managers in charge of risky suppliers.

Additionally, sustainability modules are embedded in Procurement's newcomer induction path and Procurement Manager Development Programme (development programme for future leaders in the Procurement function).

Communication

During 2022, the Company has continued to implement its communication plan to raise awareness on the different pillars of its sustainability ambition amongst its employees, suppliers, and customers. In particular:

- awareness sessions have been carried out in relation to the initiatives of the supply chain roadmap: for instance accompanying the deployment of the new sustainability questionnaire in calls for tender, or developing the ability of procurement operation teams to identify sustainability issues when visiting suppliers on-site;
- communication activities in 2022 spread the key messages about the importance of sustainability. Internally, for instance, there was a presentation of the SSCR progress during the procurement annual roadshow, and a SSCR "marketplace" during the annual sustainability town hall. Externally, the Company's CPO participated in the IAEG sponsor meeting about supplier assessment and development, as well as the Bundesverband für Materialwirtschaft, Einkauf & Logistik ("BME") conference in Berlin;
- the toolkit presenting sustainability in the supply chain, deployed in 2021, targeting internal and external population, is regularly updated;

- different additional communication means are being used such as: posters, kakemonos, a dedicated intranet website, participation in internal events promoting sustainability initiatives.

Gemba walk

In 2019, the Company introduced Supplier Factory Visits called "the Gemba Walk" pocketbook, applicable to commercial aircraft activities, which is a practical and visual guide for the Company's employees when visiting the shop floor of a supplier, supporting the identification and reporting of risks or improvement opportunities observed during factory visits.

Work With External Stakeholders

The Company is a founding member of IAEG, which is working on common aerospace industry standards and tools to manage environmental obligations. More specifically, for the supply chain, IAEG has developed:

- a supply chain environmental survey, which the Company implemented in 2019 and which will be used as environmental assessment module, as mentioned in the section "Assessment" above;
- an EMS implementation guideline to encourage a wider uptake of EMSs as appropriate for each supplier in a phased approach and cost effective, consistent and supportive manner;
- the definition of an Environmental Qualification Program to assess and develop the environmental maturity of suppliers.

Under Company's leadership, the IAEG (initially focused on environment) extended its scope of actions to environmental, social and governance topics. In 2022, and co-led by the Company, a contract has been established between IAEG and the selected service provider to build a sectoral approach for supplier engagement and 2023 will be the year of deployment.

As a co-founder of the International Forum on Business Ethical Conduct ("IFBEC"), the Company is supporting the application of global standards for business ethics and compliance. IFBEC members have established a Model Supplier Code of Conduct which expresses the minimum ethical standards to be applied by suppliers throughout the aerospace and defence industries. It also encourages suppliers to go beyond legal compliance, drawing upon internationally recognised standards in order to advance in social and environmental responsibility and business ethics.

All suppliers are now being asked to sign a confirmation of compliance with the principles of the latest version of the Supplier Code of Conduct (or to confirm their own practices are aligned with the principles set out in this Code), and to cascade these principles throughout their own supply chains. The Company is committed to support suppliers, where necessary, to improve their own human rights due diligence.

In 2019, the Company joined the Responsible Business Alliance's RMI, in order to further enforce activities of responsible sourcing while applying industry standards for supplier due diligence and data management in accordance with the OECD framework. In 2022, it decided to extend its membership to the whole Responsible Business Alliance ("RBA") initiative.

EU Taxonomy KPIs Accompanying Information

1. Accounting Policy

The Company's EU Taxonomy disclosure covers the following scope: EU Taxonomy-compliant share of turnover, capital expenditure ("CapEx") aligned with the EU Taxonomy and operational expenditure ("OpEx") aligned with the EU Taxonomy of the Company consolidated that, for the purpose of EU Taxonomy disclosure, are split per economic activity according to the Climate Delegated Act and the Complementary Climate Delegated Act of the EU Taxonomy. Please refer to the "Notes to the IFRS Consolidated Financial Statements – Note 4: Significant Accounting Policies".

In the context of EU Taxonomy disclosure, the Company assessed any economic activity that in aggregate exceeds 1% of the total turnover, CapEx or OpEx. The materiality threshold has been set at 1%, as the Company expects economic activities that in aggregate do not exceed 1% of the total turnover, CapEx or OpEx to have no material influence on the reporting. However, should there be availability of data, the Company may choose to disclose such activities.

Turnover, CapEx and OpEx were determined and allocated to the numerator by performing a mapping between the description of activities in the EU Taxonomy and the Company's portfolio of sources of revenues, investments and expenses.

As the EU Taxonomy KPIs are published for the first time in the reporting over FY 2022, prior-year figures are not provided. No material changes to the CapEx plan have occurred in FY 2022. The capital expenditures disclosed under the CapEx KPI are not part of a CapEx Plan meeting the conditions specified under the EU taxonomy regulation.

2. Assessment of Compliance with EU Taxonomy Regulation

Information on Assessment of Compliance with the EU Taxonomy Regulation

The assessment of compliance with the EU Taxonomy Regulation has been carried out in four steps:

- Determination of EU Taxonomy eligibility: screening of the Company's turnover, CapEx and OpEx *versus* the activities described in the currently adopted Climate Delegated Act and Complementary Climate Delegated Act and allocation on the basis of the activity description, resulting in a list of eligible activities.
- Determination of EU Taxonomy alignment with technical screening criteria: for the eligible activities which exceed the materiality threshold of 1%, applicable substantial contribution and do no significant harm criteria have been identified and analysed, gathering the available and relevant information and evidence.
- **Determination of EU Taxonomy alignment with the minimum safeguards: following the guidance provided by the Platform on Sustainable Finance in its "Final Report on Minimum Safeguards" published in October 2022 ⁽¹⁾, and more specifically by analysing the non-compliance criteria proposed in the aforementioned report concerning human rights, taxation, fair competition and corruption & bribery areas at Company level.**

This exercise has been conducted by a dedicated team involving experts from different functions and Divisions through a number of interviews and working sessions during the year.

In 2022, Taxonomy eligible activities related to "4.24 Production of heat/cool from bioenergy" and "7.3 Installation, maintenance and repair of energy efficiency equipment", were related to projects aiming to improve energy efficiency and reduce CO₂ emissions that could make a substantial contribution to the *climate change mitigation* objective while eligible activities related to "8.1 Data processing, hosting and related activities" also met activity description. They have been allocated to one taxonomy activity and one environmental objective, avoiding the risk of double counting.

In 2022, the results of the self-assessment of Minimum Safeguards criteria was positive taking into account the non-compliance criteria recommended in the Final Report on Minimum Safeguards.

Contribution to Multiple Objectives

Due to the nature of the projects linked to Taxonomy eligible activities in 2022, substantial contribution has been assessed against the *climate change mitigation* objective only and its relevant criteria.

Disaggregation of KPIs

In 2022, the preparation and disclosure of figures as per Taxonomy requirements did not require any disaggregation.

3. Contextual Information

Contextual Information About Turnover KPI

Turnover KPI has been assessed as not material and therefore reported as 0%.

Contextual Information About CapEx KPI

All CapEx identified as eligible were added to property, plant and equipment during the year 2022. In 2022, Taxonomy eligible activities were related to projects aiming to improve energy efficiency and reduce CO₂ emissions that could make a substantial contribution to the climate change mitigation objective, while data processing related CapEx (e.g. data centres) met activity description.

In light of the complexity and granularity of the applicable criteria, the investments could not be assessed as aligned by the Company in 2022. The Company took a cautious approach to assessing Appendix C criteria and compliance could not be confirmed in 2022.

In addition, some of the CapEx contributing to the Company's decarbonisation plan as presented in section "– 1.2.2 Climate Change" could not be assessed as eligible.

The capital expenditures disclosed under the CapEx KPI are not part of a CapEx Plan meeting the conditions specified under the EU taxonomy Regulation.

(1) Platform on Sustainable Finance – Final report on Minimum Safeguards, October 2022.

Contextual Information About the OpEx KPI

The Company's OpEx definition differs from the EU Taxonomy OpEx definition. For the purpose of the EU Taxonomy disclosure, only research and development costs are considered.

Future Developments

In the coming years, the Company will continue to report under the EU Taxonomy with regard to its Taxonomy-eligible economic activities as well as its Taxonomy-aligned economic activities. This entails a further and continuous review of our economic activities. Future guidance on the EU Taxonomy could result in updated definitions and other decision-making in meeting reporting obligations that may come into force. The Company expects that its reporting will evolve over time as more insights will be gained on how best to comply with the EU Taxonomy. If the delegated act related to the manufacturing of aircraft is adopted under the EU Taxonomy Regulation, the turnover generated by sales of commercial aircraft may then become eligible.

Estimated eligibility and alignment if aviation-related technical screening criteria were to be adopted as per draft recommendation: Pursuant to the Draft Recommendations, aviation-related activities are included in the EU Taxonomy by

means of delegated act(s) to be adopted in 2023. The Company's commercial aircraft activity corresponding to NACE code 30.3 is described under section 7.2 Manufacturing of aircraft of the Draft Recommendations⁽¹⁾. According to the Draft Recommendations, a majority of the Company's 2022 turnover would be eligible, mainly including the turnover generated by sales of commercial aircraft. Based on the same information, the Company estimates that a significant portion of this eligible turnover could be Taxonomy-aligned, subject to Do-No-Significant-Harm criteria and minimum safeguards criteria assessment. As per the technical screening criteria of section 7.2 of the Draft Recommendations, the alignment would correspond to the proportion of new aircraft sold that will replace less efficient older generation aircraft, and therefore contributing to reducing the overall carbon footprint of aviation – as described in section “– 1.2.2 Climate change” / IV. Transition plan / 2. Product stewardship. Activities from the Company's two Divisions may be covered to some extent in future developments of the EU Taxonomy, while current level of information available does not enable the Company to provide an estimate. Accordingly, “best-in-class” aircraft programme related CapEx, and R&D (Operating Expenses) should be respectively eligible and aligned at least in proportions similar to turnover ones.

(1) Platform on Sustainable Finance: Technical Working Group / Part B – Annex: Full list of Technical Screening Criteria March 2022.

GRI	Disclosure	Related content
404-1	Average hours of training per year per employee	
404-2	Programmes for upgrading employee skills and transition assistance programmes	See – 1.2.13 People, – 1.2.17 ESG Data Board (Social performance)
404-3	Percentage of employees receiving regular performance and career development reviews	
201-3	Defined benefit plan obligations and other retirement plans	See – Risk Factors 1. Financial Market Risks (Pension Commitments), – 2.1.6.1 Cash Flows (Contribution to Plan Assets of Pension Schemes) – 4.2.1.3 Implementation of the Remuneration Policy in 2021: CEO (h. Retirement)
407-1	Freedom of association and collective bargain	See – 1.2.10 Human rights, – 1.2.12 Social dialogue, – 1.2.15 Responsible supply chain, – 1.2.17 ESG Data Board (Social performance)

Exemplify business integrity

Business integrity

3-3	Management of material topics	See – 1.2.1 The Company's approach to sustainability, – 1.2.14 Business integrity, – 1.2.1.VII Vigilance Plan
205-1	Operations assessed for risks related to corruption	See – 1.2.14 Business Integrity, – 1.2.17 ESG Data Board (Social performance), – 1.2.1.VII Vigilance Plan
205-2	Communication and training about anti-corruption policies and procedures	See – 1.2.14 Business integrity, – 1.2.17 ESG Data Board (Social performance), – 1.2.1.VII Vigilance Plan
205-3	Confirmed incidents of corruption and actions taken	See – 1.2.14 Business integrity, – 1.2.17 ESG Data Board (Social performance), – 1.1.7 Legal and Arbitration Proceedings

Responsible supply chains

3-3	Management of material topics	See – 1.2.1 The Company's approach to sustainability, – 1.2.15 Responsible supply chain, – 1.2.1.VII Vigilance Plan
308-1	New suppliers screened using environmental criteria	
308-2	Negative environmental impacts in the supply chain and actions taken	See – 1.2.15 Responsible supply chain, – 1.2.17 ESG Data Board (Social performance), – 1.2.1.VII Vigilance Plan
414-2	Negative social impacts in the supply chain and actions taken	
408-1	Operations and suppliers at significant risk for incidents of child labor	See – 1.2.10 Human rights – 1.2.15 Responsible supply chain, – 1.2.17 ESG Data Board (Social performance), – 1.2.1.VII Vigilance Plan
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	
204-1	Proportion of spending on local suppliers	See – 1.2.15 Responsible supply chain, – 1.2.17 ESG Data Board (Social performance), – 1.2.1.VII Vigilance Plan

Community impact

3-3	Management of material topics	See – 1.2.1 The Company's approach to sustainability, – 1.2.16 Community impact
203-1	Infrastructure investments and services supported	
203-2	Significant indirect economic impacts	See – 1.2.1 The Company's approach to sustainability, – 1.2.16 Community impact
201-1	Direct economic value generated and distributed	See 1.2.1 The Company's approach to sustainability, – 1.2.15 Responsible supply chain, – 1.2.17 ESG Data Board (Social performance)

1.2.21 SASB Correspondence Table

Sustainability Disclosure Topics & Accounting Metrics		
Energy Management - Total energy consumed, percentage grid electricity, percentage renewable	RT-AE-130a.1	See 1.2.2 "Lead the journey towards clean aerospace" See 1.2.17 ESG Data Board, section Environmental Performance / Energy
Hazardous Waste Mgmt - Amount of hazardous waste generated, percentage of hazardous waste recycled - Number and aggregate quantity of reportable spills, quantity recovered from reportable spills	RT-AE-150a.1 RT-AE-150a.2	See 1.2.2 "Lead the journey towards clean aerospace" See 1.2.17 ESG Data Board, section Environmental Performance / Waste
Data Security - Number of data breaches, percentage involving confidential information - Description of approach to identifying and addressing data security risks in Company operations and products	RT-AE-230a.1 RT-AE-230a.2	See 1.2.8 "Cyber security" See 1.2.17 "ESG Data Board, section Social Performance / Cybersecurity"
Product Safety - Number of recalls issued, total units recalled - Number of counterfeit parts detected, percentage avoided - Number of Airworthiness Directives received, total units affected - Total amount of monetary losses as a result of legal proceedings associated with product safety	RT-AE-250a.1 RT-AE-250a.2 RT-AE-250a.3 RT-AE-250a.4	See 1.2.7 "Aviation and product safety"
Fuel Economy & Emissions in Use-Phase - Revenue from alternative energy-related products - Description of approach and discussion of strategy to address fuel economy and strategy to address fuel economy and greenhouse gas (GHG) emissions of products	RT-AE-410a.1 RT-AE-410a.2	See EU Taxonomy estimates disclosure in 1.2.19 EU Taxonomy See 1.2.2 "Lead the journey towards clean aerospace"
Materials Sourcing - Description of the management of risks associated with the use of critical materials	RT-AE-440a.1	See 1.2.15 "Responsible supply chain"
Business Ethics - Total amount of monetary losses as a result of legal proceedings associated with incidents of corruption, bribery, and/or illicit international trade - Revenue from countries ranked in the "E" or "F" Band of Transparency International's Government Defence Anti-Corruption Index - Discussion of processes to manage business ethics risks throughout the value chain	RT-AE-510a.1 RT-AE-510a.2 RT-AE-510a.3	See 1.2.14 "Business integrity"
Activity metrics - Production by reportable segment: Production should be disclosed as the number of units produced by product category, where relevant product categories include ground vehicles, aircraft, marine vehicles, vehicle and aircraft components, and space and weapons systems. - Number of employees	RT-AE-000.A RT-AE-000.B	See 2.1.4 "Results of Operations" (2.1.4.1 Revenues) See 1.2.17 ESG Data Board