

1. Information on the Company's Activities

1.2 Non-Financial Information

1.2 Non-Financial Information

1.2.1 The Company's approach to sustainability

I. Purpose

The Company's purpose is to "pioneer sustainable aerospace for a safe and united world". The Company designs, manufactures and delivers aerospace products, services and solutions to customers on a worldwide scale helping to create value and drive growth. The Company is aware of its responsibility to society and future generations, and contributes to a number of UN Sustainable Development Goals ("SDGs") through its core business and how it operates.

The Company enables prosperity. Its products help to unite cultures, connect economies, and enable global cooperation and partnership. The Company brings together people and organisations across the globe, physically with its commercial aircraft and helicopters, and virtually with its satellites and connectivity solutions. It mobilises the collective positive impact of its workforce, products and services to tackle societal challenges in partnership with local communities. In addition, the Company works in cooperation with others to maximise its positive impact, playing an active advocacy role, educating the aerospace industry and partnering with other businesses and public sector organisations to develop technology and solutions for the industry to contribute to the transition towards a responsible economy. It is committed to being an economically resilient business that has the financial strength to invest in the future.

The Company is committed to valuing people. Its business is built on a foundation of integrity, safety and quality, applying high standards from design to operation. A key aspect of integrity is respect for human rights. The Company embeds and advances respect for human rights within its business, operations and supply chain. The Company's technology allows its customers to support the protection of lives during conflict and the management of crises to reduce the risk of escalation. The Company's products help to protect citizens, defend sovereignty and advance global security, mindful that there can be no sustainability without security.

The Company strives to respect the planet. It aspires to lead the decarbonisation journey in aerospace. The Company pioneers advanced and disruptive technologies while continuously improving the fuel efficiency of its products. From exploring new aircraft and propulsion technologies and alternatives to fossil fuels such as Sustainable Aviation Fuels ("SAF"), to testing new prototype aircraft concepts powered by hydrogen, the Company is committed to reducing the environmental impact of its products. It is also committed to improving its environmental performance and, for example, to actively reducing emissions through its value chain, cutting on-site waste and increasing the recycling capability of aircraft at the end of their service life. The Company's products and services, such as its Earth-observation technologies, allow it to play its part in addressing climate change, providing insights to help make the planet more resilient.

GENERAL	GRI	SDGs	Others
	2-1 General Disclosures	4, 5, 8, 9, 12, 13, 16, 17	Vigilance Plan
Highest governance body(ies) involved	Board of Directors / ECSC Executive Committee supported by topic-focused committees		
Commitments to external frameworks	UN Global Compact, OECD Guidelines for Multinational Enterprises on Responsible Business Conduct, UN Sustainable Development Goals		
Add. resources <small>↳: this symbol indicates a link to an external website</small>	Sustainability on Airbus.com↳, Airbus Tax Strategy↳, Shaping the future of aerospace on Airbus.com↳, Airbus Scale↳, Earth monitoring and understanding (e.g. Climate change monitoring) ↳, 2023 ASD Facts Sheet ↳, ATAG Benefits Beyond Borders fact sheet ↳		

II. Indirect contributions

The Company's contribution to a more prosperous and sustainable society goes beyond what it offers directly through its products and services. For example, as an important player in the aviation industry, the Company contributes significantly to

“– SDG 8 Decent Work and Economic Growth” – as highlighted through the 2020 Benefits Beyond Borders – global fact sheet, available on the Air Transport Action Group website (latest available figures, reflecting pre-COVID 19 situation):

Economic benefits

87.7 million

Jobs supported by aviation worldwide

- 11.3 million direct jobs in the industry:
 - 648,000 at airport operators
 - 5.5 million in other on-airport jobs
 - 3.6 million at airlines
 - 1.3 million in civil aerospace
 - 237,000 at air navigation service providers
- 18.1 million jobs supported through the aviation industry supply chain
- 13.5 million jobs through induced benefits of industry and employee spending
- 44.8 million jobs supported in the tourism industry

\$3.5 trillion

Global contribution to GDP, 2018
(4.1% of world economic activity)

4.3x

Aviation jobs are, on average,
4.3 times more productive than other jobs

35%

Worldwide trade by value carried
by air transport, 2018 (\$6.5 trillion).
By volume: 0.5%

17th

If aviation were a country, it would rank
17th in size by GDP

As a major European defence manufacturer, the Company also has significant economic impact across Europe. According to the AeroSpace and Defence Industries Association of Europe, the industry supports over 921,000 jobs across the continent, all contributing to Europe's economic prosperity with €260 billion in annual revenue in 2022.

While the Company contributes to the global economy as a whole, it also contributes to the economic development of the communities where it operates. Full aerospace ecosystems – bringing together academia, research centres and corporations, all with high value-added jobs – often develop around the Company's sites such as those in Toulouse, Hamburg or Bristol.

This development is accelerated thanks to the Company's innovation ecosystem such as Airbus Scale: an innovation unit that combines corporate innovation, start-up engagement and company-building activities. Airbus Scale identifies and promotes internal corporate innovation opportunities that can be developed into solutions for the external world, bringing them to market and attracting external investments that could result in spin-offs. This generates value not only for the Company but also for the local communities where these new companies will set up and operate.

1. Information on the Company's Activities

1.2 Non-Financial Information

III. Sustainability commitments

Furthermore, the Company understands that contributing to a sustainable society is achieved not just through what it does but also how it does it, striving to minimise negative impacts and maximise the positive ones. In order to give direction and focus, in 2020 the Company updated its sustainability strategic

framework around the four sustainability priority commitments listed below that also include its value chain in various areas. These commitments are still in place today and are in close connection with the UN SDGs, contributing more specifically to eight of them.

The Company's four commitments	Material topics (see hereafter)	SDGs	Section
#1 Lead the journey towards clean aerospace	Climate change Pollution Materials and circularity Water Biodiversity	   	1.2.2 1.2.3 1.2.4 1.2.5 1.2.6
#2 Build our business on the foundation of safety and quality	Product safety Cyber security Health and safety	 	1.2.7 1.2.8 1.2.9
#3 Respect human rights and foster inclusion	Human rights Inclusion and diversity Social dialogue People	   	1.2.10 1.2.11 1.2.12 1.2.13
#4 Exemplify business integrity	Business integrity		1.2.14

Across each commitment the Company has set key performance indicators (“**KPIs**”) and targets enabling the Company to monitor progress towards these ambitions. These can be found in “– 1.2.17 ESG data board”, which gathers all reported sustainability metrics. They can also be found in the related sections of this chapter, which is structured around each of the four commitments, completed by two sections which cut across all four commitments, “– 1.2.15 Responsible supply chain” and “– 1.2.16 Community impact”. In addition, EU taxonomy regulatory information is disclosed in section 1.2.19.

Several sources were essential in deciding on the four commitments, including the 2019 materiality assessment which is regularly updated, a benchmark exercise, an analysis of market and regulatory trends, an evaluation of ESG risks in the Company’s risk report, a human rights gap analysis and the consideration of the Company’s values.

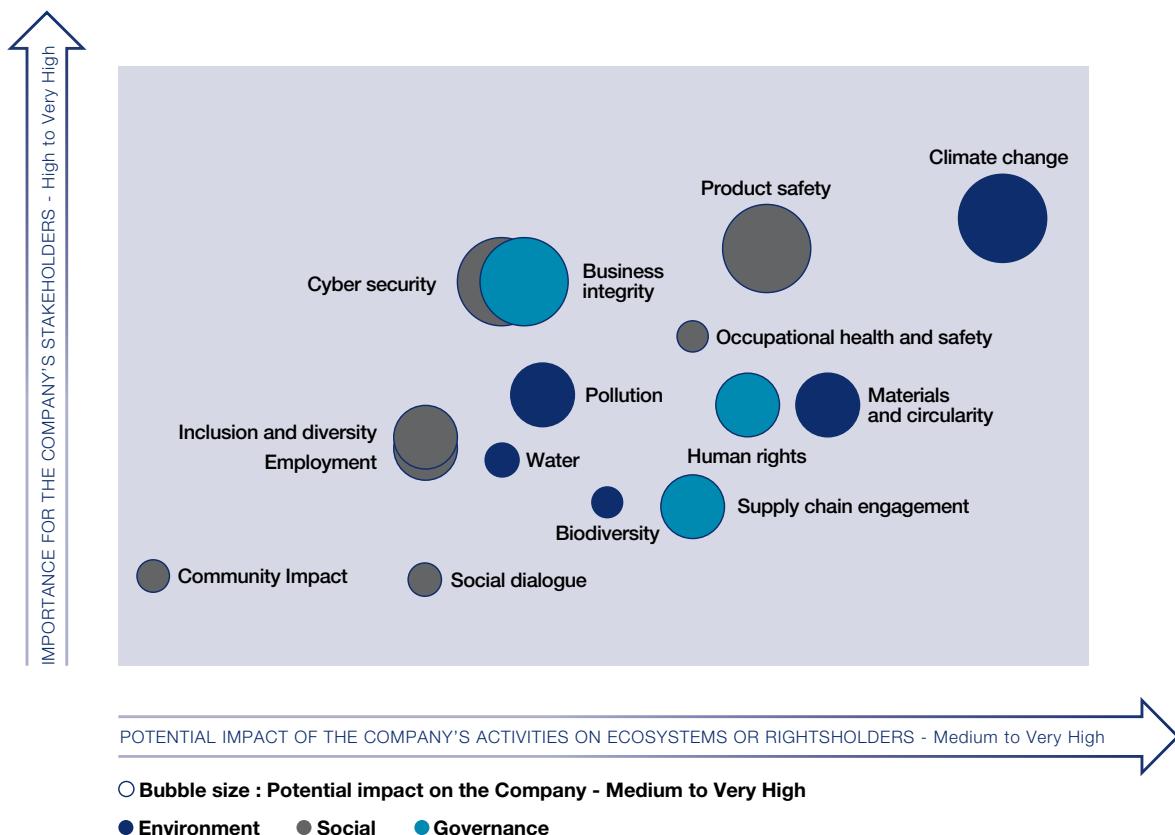
IV. Materiality matrix

The Company updated its materiality assessment in 2022 and used stakeholders’ inputs to support the ranking of which ESG issues are most material (and would consequently be addressed in the sustainability strategy). The range of ESG topics assessed was defined based on relevant industry and regulatory references, as well as on internal expertise. The results of this 2022 update were captured in a materiality matrix (refer to materiality matrix chart below), which is fundamental in confirming the relevance of the Company’s four commitments. It is a three-dimensional matrix:

- **Importance to stakeholders** (vertical axis): The Company asked its 12 most important stakeholder groups (see “Stakeholder engagement” section below) about their view on how important it is for the Company to address a given topic. Scoring was established by capturing the voice of key stakeholders – including employees, customers, suppliers, investors, social partners – via a survey sent to selected representatives in each category and targeting individuals who are familiar with sustainability matters. Other information was obtained with the support of artificial intelligence (based on analysis of reports, legislation and media sources), capturing the importance of the respective topics in stakeholders’ communication. Most information was collected using the Datamaran tool. During the feedback consolidation phase, a greater weight was assigned to critical stakeholders.

- **Potential impact on rightsholders or ecosystems** (horizontal axis): the Company evaluated the potential impact of its activities on people and environment – e.g. employees, end users, and local communities. Scoring was established taking into account the scale, scope, remediability and likelihood of risks associated with the topic. This assessment was based on interviews with internal experts in each domain.

- **Impact on the Company or financial materiality** (bubble size): The assessment of the potential impact of ESG-related topics on the Company's financial performance took into consideration the degree of risk associated with identified ESG topics. Scoring was derived from the Company's enterprise risk management ("ERM") system and complemented by interviews with representatives from the Company's top management.



The materiality assessment is updated continuously, based on feedback captured from stakeholders in day-to-day business, the outcome of the Company's due diligence – including the analysis of related performance indicators – and the Company's evolving understanding of topics' impacts. In addition, the Company

periodically – indicatively every three years – launches an in-depth review where each topic materiality is fully reassessed. The Company started such an exercise in 2023, which is expected to result in an updated materiality matrix in 2024.

1. Information on the Company's Activities

1.2 Non-Financial Information

V. Stakeholder engagement

The Company is committed to engage in constant meaningful dialogue with its stakeholders, striving for openness, transparency and inclusiveness. Key stakeholder groups, in line with the International Aerospace Environmental Group proposal for the sector include, amongst others, employees, customers, suppliers, industrial partners (including energy providers), social partners, investors, Non Governmental Organisations, authorities / governments / policy makers, industry associations, MRO (maintenance, repair and overhaul) providers, air navigation service providers (ANSPs), airports, and the community at large. The Company endeavours to take the interests of relevant stakeholders – including in connection with the sustainability aspects of the Company's strategy – into account, whereby the Company aspires to treat its stakeholders with respect and dignity and welcomes their perspectives.

In its communications, the Company seeks to use clear and concise language and works to provide stakeholders with sufficient information regarding relevant topics, in a timely manner. The Company attempts to improve its stakeholder engagement processes continuously, including by regularly reviewing and, if necessary, updating the various principles it observes, to ensure that the dialogue remains relevant and effective. If a relevant stakeholder requests dialogue, the Company tries to facilitate this request, unless it does not believe that this would be in the best interest of the Company and its business, in which case the Company may reject such request. In case stakeholder dialogue is already taking place, the Company may terminate such stakeholder dialogue if the Company believes that continuing such dialogue would not be in the best interest of the Company and its business.

The Company's dialogue with its stakeholders, in line with the above-mentioned principles, helps the Company to progress its sustainability ambition. In addition, it has formalised a number of opportunities to exchange more widely with its stakeholders. For instance, beyond materiality assessment, the Company meets at least twice a year with social partners to review sustainability topics (see “– 1.2.12 Social dialogue”). It has also established the Airbus Supplier Sustainability Council in 2022 (see “– 1.2.15 Responsible supply chain”). It organises other events where sustainability topics are addressed, such as the Capital Market Day and the Airbus Summit, both last held in 2022. Additionally, it participated in numerous events such as air shows or conferences, which fostered dialogue on sustainability matters with a large number of external stakeholders including investors, customers, media, NGOs, institutions, policy makers, and other industry or value chain partners.

VI. Governance

On 1 January 2024, the Company further strengthened sustainability with the creation of a Chief Sustainability Officer (CSO) position. Hence, Julie Kitcher has been appointed CSO and Communications and remains a member of the Executive Committee. In her new role, she continues to assume the governance bodies responsibilities previously taken on as EVP Communications & Corporate Affairs.

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 “– 4.1 Corporate Governance – 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 & Compliance programme, organisation and framework for the effective governance of ethics and compliance, including all associated internal policies, procedures and controls (this includes the areas of money laundering and terrorist financing, fraud, bribery and corruption, trade sanctions and export control, data privacy, procurement and supply chain compliance and anti-competitive practice); 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. Alignment between the Board of Directors and the Company leadership team is also supported by the regular attendance of the CSO and Communications, an Executive Committee member, to the ECSC. 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 Sustainability Strategy Committee, which reviews sustainability performance and progress twice a year, aims to ensure alignment across all sustainability topics. It is co-chaired by the CSO and Communications and the Head of Strategy and Public Affairs.
- The Environment 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.



Organisation and policy framework. The Sustainability & Environment organisation 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.
- Identifying means of 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 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 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 “– 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 4,950 employees)
- Success sharing	Health and Safety FR1	c. 5%	Around 125,000 employees
- Individual performance	Ethics & Compliance Functional sustainability objectives	Over 10% Individualised	All employees entitled to an individual bonus (around 50,000 employees)

1. Information on the Company's Activities

1.2 Non-Financial Information

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 help prevent severe sustainability-related impacts 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 help 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 – IV. Supply Chain Vigilance Plan”, 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 “– 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 1,000 online and in-person training opportunities in 2023, 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. Specific information on training is covered in the related material topic sections.

Affiliates. All of the Company's controlled affiliates are expected to deploy similar internal policies by applying the Company's directives. Through a company-wide single digital handbook, the controlled affiliates access the applicable rules, processes and procedures. Its enforcement is supported by the Directors' training programme which was delivered to 110 people in 2023 over seven full-day digital sessions, as well as on-boarding sessions performed for newly appointed managing directors of controlled affiliates. The Single Digital Handbook assists those Company affiliates, their directors and officers as well as their respective Boards in effectively fulfilling their responsibilities, while assuring the Company's ongoing commitment to high standards of corporate governance. The Handbook is 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 methods. An online self-assessment 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 progress. Internal verifications are carried out by the respective corporate functions to validate answers and, when gaps are identified, develop improvement measures with controlled affiliates to enhance their conformity level. In 2023, ~250 controlled affiliates were selected to perform such verifications. Fit checks are conducted every three years and more frequently when gaps are identified. 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.

	Priority risk in the scope of	
RISK MAPPING	The Company	Suppliers a
ENVIRONMENT		
Climate change	✓	✓
HUMAN RIGHTS		
Impacts related to products and services	✓	
Impacts related to diverse and inclusive workplaces*	✓	
Risk of forced labour		✓
Impacts related to sourcing of raw materials		✓
HEALTH AND SAFETY		
Exposure to hazardous substances and materials*	✓	
Working environment*	✓	
<i>In situ</i> contractor health and safety management*	✓	
Mental health and wellbeing	✓	

* Includes *in situ* contractors.

Complementing the materiality assessment described further above, the Company reviewed in 2022 and confirmed in 2023 the list of its priority sustainability risks (as shown above) to help prioritise its actions. This process complements, and is fully integrated into, the Company's ERM process. It is based on contributions and inputs consolidated from a wide range of stakeholders and resources. This includes desktop research, interviews with key internal stakeholders and verification with internal and external stakeholders. The human rights risks identified were complemented and cross-analysed with product

life cycle assessments – including sectoral inputs – and the Company's top health and safety risks. For more details on risks related to the environment, see “– 1.2.2 Climate change – III. Risk Management and IV. Transition Plan – 1. Industrial Operations”. For more details on risks related to human rights, see “– 1.2.10 Human rights – III. Risk Management and IV. Implementation / Activities”. For more details on risks related to health and safety, see “– 1.2.9 Health and safety – III. Risk Management and IV. Implementation / Activities”.

Procedures for regularly assessing the situation of relevant subsidiaries, contractors and suppliers. The table below summarises procedures for regularly assessing the situation of relevant subsidiaries, contractors and suppliers. Specific relevant complementary information can be found in the respective topic sections.

	The Company			Suppliers		
	ICSA (Self assessment)	Internal assessment / audit	External audits (e.g. ISO)	Management system	Self assessment	Company (or via 3 rd party) assessment
Environment	✓	✓	✓ ISO 14001 ⁽¹⁾	✓	✓	✓
Health and Safety	✓	✓	✓ ISO 45001 ⁽²⁾	✓	✓	✓
Human Rights			✓		✓	✓

(1) 87% workforce currently covered.

(2) ~25% workforce currently covered.

Prevention and mitigation actions: the table below summarises transversal mitigation / preventive actions.

	The Company					Suppliers	
	Training	Whistleblowing system (see below)	Code of Conduct	Policies / directives	Contractual terms and conditions	Whistleblowing system	Supplier Code of Conduct
Environment	✓	✓	✓	✓	✓	✓	✓
Health and Safety	✓	✓	✓	✓	✓	✓	✓
Human Rights	✓	✓	✓	✓	✓	✓	✓

Alert / grievance and whistleblowing mechanism: The Company recognises that the Code of Conduct cannot prevent every situation that may arise, and therefore encourages people – including employees, interns, temporary workers, candidates for employment, shareholders and third parties – to speak-up about concerns related to the Company. Concerns may be raised through various channels, including through OpenLine (available at <https://www.airbusopenline.com>). OpenLine enables people to submit an alert securely and confidentially.

Employees may also report concerns to managers, HRBPs, Ethics & Compliance Representatives, Privacy Focal Points, or Export Control Points of Contact. OpenLine is anonymous where legally permissible. It covers all sustainability topics and is also available to external stakeholders including suppliers. The Company endeavours to ensure that the procedures to assess, investigate and manage allegations are well-aligned throughout the Company. For further information, see “– 1.2.14 Business Integrity”.

1. Information on the Company's Activities

1.2 Non-Financial Information

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 topic sections. Moreover, effectiveness of actions is reviewed periodically in the respective topical governance bodies, as well as in the Sustainability Strategy Committee whose scope encompasses all four topics.

	KPIs	Responsible management body	Supervising committee	Controls
Environment > Operations > Use of Products	CO _{2e} Scope 1, 2, Water, Waste Delivered aircraft CO ₂ efficiency metric	S&E Organisation / Environmental Roadmap		ERM, internal audit
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	Sustainability Strategy Committee	ERM, site social assessments and supply chain assessments
Supply Chain	Nb of identified high risk suppliers % action plan launched	Procurement / Sustainable Supply Chain Roadmap		ERM, external assessments, self assessments

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 the goal set by IATA, ATAG and ICAO to reach "net zero carbon emissions by 2050", the Company's foremost ambition is to play a leading role in the decarbonisation of the aviation sector. This includes preparing technologies for the next generation of Single Aisle aircraft to be ready in the second half of the next decade, and bringing the first hydrogen-powered commercial aircraft to the market by the middle of the next decade. The Company also believes sustainable aviation fuel ("**SAF**") is one of the aerospace industry's

key decarbonisation solutions that can be used in both in-service fleets and the flying fleets of tomorrow. In parallel, the Company is investing significant resources into examining and reducing the impact of its products in operation (together with many actors within the aviation sector). Consideration of greenhouse gas ("**GHG**") emissions throughout the value chain is a key focus for the Company's analysis of its contribution to climate change. The so-called "non-CO₂" effects of aircraft operations are also being studied in order to determine their potential climate impact (see Transition plan – Product stewardship).

Climate change	GRI	SASB	SDGs	Others
	302 Energy 305 Emissions	- Energy Management - Fuel Economy & Emissions in Use-Phase	9-12-13-17	TCFD Vigilance plan
Highest governance body(ies) involved	Board of Directors / ECSC Executive Committee / Environment Committee			
Related corporate policies	Environmental Policy, Code of Conduct			
Management system certifications / labels	EMS – Environmental Management System, ISO14001 – 87% of workforce covered SBTi-validated emission targets			
KPIs	Target	2015 baseline	2022	2023 vs. 2022 2023 vs. baseline
CO ₂ e Scope 1 & 2 ⁽¹⁾ (ktons)	2030: -63% in line with 1.5°C pathway, and neutralising yearly residual emissions	1,119	757	645 -14.8% -42%
Energy from stationary sources ⁽²⁾ (GWh)	2030: -20%	3,103	2,584	2,534 -1.9% -18.3%
CO ₂ e Scope 3 intensity Delivered aircraft efficiency intensity (gCO ₂ /km.pax)	2035: -46%	88.8	64.4	62.9 -2.4% -29.2%
Supply chain CDP engagement	"Maintain at least 75% of sourcing volume of suppliers invited to CDP who have responded"		78%	80.1% +2.1p.p
Other key metrics (More metrics available in the ESG Data Board)		2022	2023	2023 vs. 2022
Scope 3 – Cat 11 – commercial aircraft – SAF as per IEA-SDS scenario (CO ₂ e ktons)		425,454	464,136	+9.1%
Scope 3 – Cat 11 – commercial aircraft – "no SAF" scenario (CO ₂ e ktons)		494,893	548,701	+10.9%
Scope 3 – Cat 11 – other products (incl. military aircraft, helicopters, satellites, CO ₂ e ktons)		10,993	8,646	-21.4%
Scope 3 – Cat 1 – Purchased goods and services (CO ₂ e ktons)		10,325	N/A	N/A
CDP rating		A-	A-	
Percentage of responding suppliers to the CDP rated A or B		66%	N/A	
Remuneration	CO ₂ e performance included in CEO, Executives and "Level IV" managers variable remuneration. Targets (on TCO scope): 2024: 581 ktons CO ₂ e (-3% vs extended scope). 2023 performance: 593 ktons CO ₂ e or -15%.			
KPI assumptions	Metrics: see "– 1.2.17 ESG data board"; targets: see "– IV. Transition Plan". ⁽¹⁾ CO ₂ equivalent ("CO ₂ e"), Total Scope 1 + Scope 2 CO ₂ emissions "market-based" (location based net of REC). ⁽²⁾ Purchased grid electricity and other purchased energies (gas and other stationary fuels)			
Additional resources	Environmental Policy Statement ↗, Sustainability on Airbus.com ↗, Environment on Airbus.com ↗, CDP Climate Change Questionnaire on Airbus.com ↗ and on CDP website ↗, ATAG Waypoint 2050 ↗, IEA – Aviation report ↗, IPCC AR6 report ↗, SESAR initiative ↗, CEDAR Chair "Chair for Eco-Design of Aircraft" together with ISAE-SUPAERO ↗, ATM decarbonisation potential by Eurocontrol ↗			

Climate change is considered by the Company as a financially material topic and is one of the top Company risks (see risk factors and risk management section hereafter). Impact materiality was also confirmed through the comprehensive

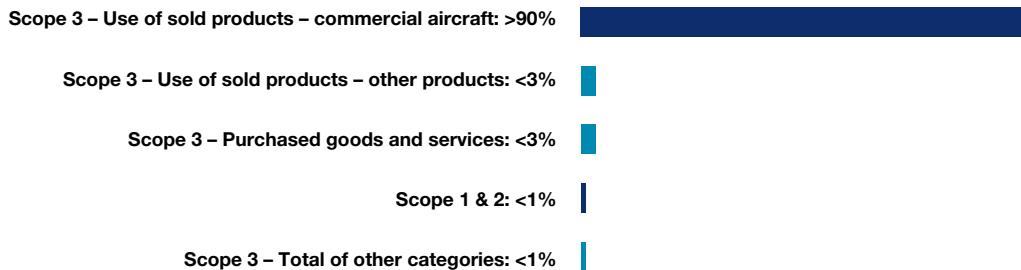
Scope 1, 2 and 3 screening completed as part of the Company submitting targets for validation of the Science-Based Target Initiative ("SBTi"), using the recommended Greenhouse Gas Protocol methodology.

1. Information on the Company's Activities

1.2 Non-Financial Information

While Scope 1 & 2 represent around 0.2% of total emissions each, Scope 3 category 11 – Use of sold products – has been identified as highly material for the Company, representing above 90% of total emissions. The second most material was Category 1 – Purchased goods and services, representing around 2.5% of

total emissions (see figures in table below). For those categories, more precise methodological inventories have been developed (see “– 1.2.17 ESG Data Board – Environmental performance”).



CO₂ emissions from commercial aircraft in operation appear to be the most material category. According to both the Intergovernmental Panel on Climate Change (IPCC) and the International Energy Agency (IEA), air transport represented over 2% of global man-made GHG emissions in 2022. While this makes the decarbonisation of aircraft operations the absolute priority, addressing emissions from upstream industrial operations, including the Company's own, is also seen as an important objective. In this context, the Company's roadmap to decarbonisation is intrinsically linked to the entire sector. While the Company has a role in developing and providing technical solutions, the concomitant development of adapted ecosystems will also be a key success factor, which the Company intends to facilitate and enable.

In addition, in order to better meet stakeholders' expectations and develop its own climate strategy, the Company adheres to the CDP, SBTi and Task Force on Climate-Related Financial Disclosures ("TCFD") initiatives. In 2023, the Company's approach to disclosing and addressing its climate change impacts was rated A- by the CDP for the fourth consecutive year (early 2024 release). In addition, the Company has set its first near-term science-based targets to reduce emissions on all scopes, in line with a 1.5°C temperature pathway for its Scope 1 & 2 emissions, which were validated by SBTi in January 2023. The following sections gather information related to the four pillars of the TCFD framework, of which the Company has been a supporter since December 2020.

II. Governance

Environmental policy

The Airbus Environmental Policy is the top level definition of its guiding principles, vision, mission and associated initiatives relating to the environment. The policy applies company-wide, including to affiliates where the Company owns more than half of the voting rights or has the right to appoint the majority of the board directors. The policy also covers the Company's employees and contractors while at the Company's sites or at work under the responsibility of the Company. It takes a holistic approach to measuring and acting upon the Company's environmental performance by assessing the environmental impact of internal operations, as well as providing capabilities to the Company's customers to help reduce the impact of the

products in operation. This also means introducing a lifecycle perspective aiming to help in mitigating the risks and impacts at all stages of the life-cycle: from the procurement of raw materials, through the design and manufacturing of products, to their in-service life until their retirement.

Organisation and responsibilities

Two main management structures are relevant for the governance of sustainability matters and climate change: the Board of Directors and the Executive Committee. As mentioned earlier, the Board of Directors is supported by the ECSC. In practical terms, the ECSC, as a committee of the Board of Directors, oversees strategic decision-making and the execution of the approved sustainability strategy, including areas such as innovation and environmental and climate action.

In 2023, the ECSC reviewed and provided guidance on a wide variety of climate-related topics, including climate disclosures, internal strategy related to SBTi Targets and SAF.

To support the Executive Committee in environmental matters, including climate-related matters, an Environment Committee ("EnC") was established in 2019. The EnC is composed of a member of the Executive Committee and senior executives company-wide responsible for environmental topics. It meets every two months to review progress and take decisions on all matters related to environmental strategy. The EnC's review of climate change related topics includes reviewing progress on meeting objectives to reduce GHG emissions, the decarbonisation strategy and climate-related risks.

Environmental operations are led by the Sustainability & Environment organisation (described earlier), whose role is to guide the business on environmental matters and to set the policy and deploy, drive and improve the Environmental Management System ("EMS") throughout the Company.

The Company's EMS is based on ISO 14001:2015. It was recertified in November 2022, and confirmed by certification surveillance audits in 2023. The Company's environmental strategy is implemented operationally by dedicated multi-functional teams at corporate and/or divisional level. These cover topics such as industrial and site impact, product operation, supply chain and chemical substances.

Disclosure of environmental indicators

The Company actively monitors its environmental data throughout the organisation in order to measure the environmental impact of its operations, track its performance and communicate information on environmental matters to internal and external stakeholders. Since 2010, environmental data published by the Company has been verified by external auditors. This data is included in the ESG data board at the end of this section.

Capturing emerging regulatory requirements, stakeholder's expectations and trends

In order to anticipate fast-evolving sustainability regulation, requirements and expectations that could impact its business, a "Sustainability Regulatory Intelligence" team monitors regulatory developments with a view to understanding, evaluating, and preparing for regulatory requirements that may apply to the Company's activities and products. This Sustainability Regulatory Intelligence team covers sustainability-related topics, including environment, human rights and sustainable finance.

Shadow carbon price

The Company has started to use an internal carbon price to support decision making of the Company's CapEx investment taking into account CO₂ reduction impacts on operations for all Divisions. The price has been set at 150 €/tCO₂, signalling to project leaders the importance of CO₂ footprint reduction and to support consistency of investment decision making with the Company's commitments to decarbonisation. From November 2023, the use of the shadow carbon price was extended to current commercial aircraft programmes' product-related major incremental developments to further incentivise carbon efficiency improvements.

III. Risk Management

Environmental risks and opportunities are managed following the Company's ERM system. A specific sustainability and environment ERM plan integrates additional requirements, defined within the ISO14001:2015 certified EMS, and provides a set of rules applicable company-wide, to ensure consistent management of environmental risks and opportunities.

Relevant criteria for the evaluation of environmental risks and opportunities include: financial impact, impact on environmental performance, and impact on EMS certification, as well as legal, supply chain and reputational aspects.

Risks and opportunities are reported quarterly to the Executive Committee of the Company and of its Divisions, including

climate-related risks. Top risks are consolidated at Company level to be brought to the attention of the Board of Directors and reviewed semi-annually.

Climate-related risks and opportunities

Climate change may have a major impact on both the Company's industrial operations and its upstream and downstream value chain, including directly on aircraft operations and on the wider air transport ecosystem, along with a strong influence on regulations and on stakeholders expectations. Accordingly, climate-related risks could materially affect the Company's business and competitiveness, its customers and other elements of the aviation industry.

The Company uses the recommendations of the Task Force on Climate-related Financial Disclosures ("TCFD") to categorise, manage and report on its climate-related risks and opportunities. Accordingly, the Company has strengthened its ERM risk identification process for climate-related risks and opportunities by incorporating climate scenario analysis, and uses the following TCFD risks categories for managing and reporting:

Transition risks	Physical risks	Opportunities
Technology Market Policy and legal Reputation	Acute Chronic	Market Products and services Energy sources

The scope of the climate-risk identification exercise comprises the entire Company – including its Divisions – and the upstream and downstream value chain.

Following TCFD recommendations and in pursuit of continuous improvement, during 2023 the Company has updated its climate change scenario analysis. It uses a range of different temperature scenarios (1.5°C, well-below 2°C and >3°C) to represent different climate realities based upon the global scenarios of the Intergovernmental Panel on Climate Change ("IPCC" – Assessment Report 6 ("AR6")) and the International Energy Agency ("IEA").

The scenario analysis is used to identify financial and operational risks and opportunities related to climate change that may begin to impact the Company in the short-term ("ST", around 2025), medium-term ("MT", around 2035) and long-term ("LT", around 2050) so that the Company can work to increase the resilience of its assets and operations in order to mitigate and adapt to climate change.

1. Information on the Company's Activities

1.2 Non-Financial Information

The climate scenarios used in the updated analysis in 2023 are briefly described below:

	Aggressive mitigation – Limiting warming to 1.5°C – Based on IPCC Assessment Report 6 (AR6) Scenario Shared Socioeconomic Pathway (SSP1-1.9) / Net Zero Emissions by 2050 Scenario (NZE) by the International Energy Agency (IEA) which reflects the ambition of the Paris Agreement to the United Nations Framework Convention on Climate Change (Paris Agreement)
1.5°C	This is a very ambitious scenario that limits global warming to 1.5 °C by the end of the century. In this scenario the global energy sector achieves net-zero CO ₂ emissions by 2050 and the world reaches the objective of the Paris Agreement. Developed countries (e.g., including those within the European Union) accelerate in decarbonisation. Societies adopt practices to enable the required levels of reduction of emissions, including increasing investment in and development of technologies that could reduce emissions of the transport sector in developed countries and limit emissions growth in developing countries. Policies to decarbonise are introduced immediately (2020s), with these policies diverging across sectors and regions and differing in both the timing of their deployment and their reach.
	Mitigation strategies implemented worldwide and across sectors include: (i) transitioning from fossil-based energy to very low or zero-carbon sources including hydrogen and high density biofuels for aviation; (ii) carbon capture utilisation and storage is used in remaining fossil-fuels facilities; (iii) improvements in energy efficiency are implemented (however additional mitigation technologies for aviation are required); (iv) both nature- and technology-based Carbon Dioxide Removals ("CDR") are deployed to the levels required to neutralise global residual GHG emissions; and (iv) countries implement measures towards restricting demand for transport services while supporting the shift to more energy efficient and low carbon intensive products and transport modes.
	Severe weather events are more frequent, but the world has avoided the worst consequences of climate change.
WB 2°C	Strong mitigation – Warming limited to well-below ("WB") 2°C – Based on IPCC Scenario AR6 SSP1-2.6 / Sustainable Development Scenario (SDS) Scenario by the International Energy Agency – Paris Agreement
>3°C	This scenario assumes a more gradual approach in the introduction of climate mitigation actions, limiting global warming to well-below 2°C by the end of the century. Net-zero emissions are achieved around or after 2070. In this scenario the same socio-economic trends presented in the scenario limiting 1.5°C are maintained but economic and social development progress is slower and the environment experiences further degradation.
	Disorderly mitigation – Warming exceeding 3°C – Based on IPCC Scenario AR6 SSP5-8.5
	This is the highest emissions scenario and worst-case scenario in temperature increase. This scenario assumes current levels of CO ₂ emissions and greenhouse gases will almost double by 2050. The world economy grows rapidly, but this growth is driven by fossil fuel exploitation and very high-intensive lifestyles. This scenario is characterised by high economic challenges and high social negative impacts and challenges for specific societies to mitigation as well as low socio-economic challenges to adaptation. The scenario particularly explores the limits to adaptation and the climate physical risks that may impact the Company's operations and its value chain. On the mitigation side, in this scenario the pursuit of CO ₂ removal and other climate engineering practices would be more likely given the high challenges to mitigation.

The results of the Company's climate scenario analysis has led to the identification of the following risks and opportunities:

Climate-related risks:

Transition – Technology: Emergence of disruptive technologies from competition and low availability of renewable and low-carbon energy

Delivering on existing commitments and potential future requirements to mitigate climate impacts will require significant investments in new technologies for the commercial aircraft sector, making the delivery of low-emission technologies a significant marker of future competitiveness. A competitor or new market participant could have access to technological developments unavailable to the Company that offer significantly lower emissions at a faster pace than the Company and its partners, resulting in a loss of market share and competitiveness with resulting reduced revenue. The imperative for the Company to develop new technologies faster than other actors in the market will require substantial research and technology (R&T) and research and development investments. Coupled with the need to sustain high investments to spur technological innovation, the Company has identified risks linked to the availability of renewable and low-carbon energy. First, there is the risk of low volumes in absolute terms, due to insufficient investments in renewable or low-carbon energy (including through the sustainable transformation of available biomass). Second, the risk that even if total volumes are approaching sufficiency in absolute terms, the aviation sector is unable to, access sufficient volumes, leading to a risk of a slower than expected substitution of fossil fuel energy and low uptake of the new solutions and products to be developed by the Company, and resulting in lower or longer returns on invested R&D.

Transition – Market: Impact of market measures and their development on demand for the Company's products

Accommodating new types of aircraft that respond to the aviation sector's decarbonisation objectives requires an ecosystem that is ready. For instance, the development of future products based on the ZEROe concepts will require significant investments in both products and supporting infrastructure, which could directly impact the operating costs of such a product. Consequently, the absence of measures to stimulate robust hydrogen, synthetic fuels and biofuels supply infrastructure and adapted procedures to ensure efficiency and safety of operations could mean that the ecosystem will be unable to accommodate the Company's future products, notably resulting in significant development costs incurred and a risk of compromising the investments made if customers are unable or unwilling to purchase products that cannot be widely operated within the available infrastructure and procedures. Moreover, the competitiveness of this next generation product will also strongly depend, among other factors, on the evolution of the price of CO₂ emissions. A high price on CO₂ May impact the demand for aircraft relative to competitors' portfolios and could result in the loss of market share for the Company relative to its competitors. The Company's business, results of operations and financial condition may be materially affected if the Company does not, at each step of development of its future products, account for market expectations while ensuring its products stay affordable for customers and competitive with respect to competitors' portfolios.

Transition – Policy and legal: Climate-related regulations and restrictions – divergence in regulatory framework

Aviation and aerospace are complex industries, with long product development cycles and where change takes a long time to be implemented. A rapid evolution of climate related policies (such as the EU zero-pollution communications) and regulatory frameworks (CO₂ standards, sustainable finance, emissions trading systems, aircraft operation restrictions, among others) could generate fast-changing requirements and could obstruct new product development pathways. In particular for aviation, as it is a global industry, policies and regulations implemented at national or regional rather than international level, or these evolving at a different speed depending on the region, could result in a negative impact on the competitive conditions for manufacturers and aircraft operators. This could result in a loss of competitiveness for the Company and reduced demand for its products.

Transition – Reputation: Change in behaviours, perceptions and societal expectations

Reputational risks could be divided into several categories. Firstly, there is a risk that negative perceptions about the Company's environmental performance could be used as key decision-making criteria for consumers, investors, or even new talents. Secondly, there is a risk that the Company's reputation could be damaged by growing societal concerns about the climate change impact of aviation or by the lack of transparency on progress made to address climate-related issues. As an example, the Company was the first manufacturer to disclose its ambition to bring a hydrogen-powered aircraft to the market. If the ambition is perceived as unattainable or if the Company is not able to deliver on its ambition, this could result in reputational damage leading to less investment, loss of revenues and reduced attractiveness. A similar situation could occur if the Company's environmental performance is not on par with its expressed ambition.

Physical – Acute: Extreme weather events may impact the Company's products and its operations

The foreseen consequences of climate change include more frequent extreme weather events, such as drought, dust storms, extreme temperatures, extreme winds, flood, hail storms, landslides, hurricanes, tornadoes, cyclones and wildfires. These could negatively impact the Company's products and its operations (including but not limited to route delays and safe aircraft operations), land assets and infrastructure as well as employees' safety (and people's safety generally).

The above consequences and impacts may result in production or other operational disruptions leading to lost revenues, reduced profits, and losses. This could result in the need for additional modifications to the Company's products in order to meet more stringent safety needs, as well as requiring changes to industrial operations and procurement strategy, leading to increased operational and production costs and the consequential costs of adapting the Company's insurance coverage.

Physical – Chronic: Consequences of long-term changing weather patterns that may cause sea level rise, water scarcity, chronic heat waves, chronic cold, increased industrial asset, infrastructure and operations costs, and reduced labour productivity and employee health

The foreseen consequences of climate change include long-term shifts in climate patterns (e.g., change in precipitation patterns, ice/permafrost melt, ocean acidification, sustained

higher temperatures, sea level rise, water stress or chronic heat waves). Such changes may cause an accelerated degradation of the Company's industrial infrastructure and assets (buildings, tools, hardware), may reduce the availability of operational resources and may interrupt logistics flows, therefore impacting the Company's manufacturing activities. In addition, the change in environmental conditions could also negatively impact the performance of products in operation and negatively impact the health and safety of the Company's employees. This may result in the need for additional modifications to the Company's products, as well as to industrial operations and procurement strategy, leading to increased costs and the adaptation of the Company's insurance coverage.

Continuing the exercise performed in 2022 and the physical risks identified above, during 2023 the Company has launched a study case to have local detailed assessments of the exposure to climate change for certain sites identified the previous year as priority. This exercise will continue and extend during 2024 and will also include an assessment of the Company's supply chain. The focus is intended to be exploring the vulnerability to climate-hazards (heat and cold; wet and dry; wind; snow and ice; coastal and open ocean).

Climate-related opportunities:

Products and services – Demand for energy-efficient products: Demand for more energy-efficient products (driven by increased or high energy costs, carbon pricing and climate commitments) or products allowing the use of other energies could lead to accelerated airline fleet replacement and to new business lines.

Market – Market for Earth observation, atmospheric and weather data monitoring services: Increased need for Earth observation, atmospheric and weather data services (including but not limited to the following sectors: aviation, agriculture, finance and insurance) could increase market demand for certain products and services of the Company, and could also lead to the creation of new business opportunities.

Energy source – Energy diversification: As the Company enters the field of renewable and low-carbon energy (including carbon removal technologies, and including through partnerships and in collaboration with stakeholders) in order to position the Company in the energy value chain and contribute to the Paris Agreement objectives, the Company may also identify further business opportunities.

Based on a qualitative analysis, the Company has estimated the probability of risk or opportunity materialisation. It has also performed a preliminary internal assessment, using data from the Company's ERM system, as to which climate-related risks may involve the most significant financial impacts in the future. The results (as of the publication date of this document) are displayed in the following table.

The scope and the assessment of risks and opportunities covered through this approach are subject to widening and revision respectively, as the methodology and process further mature. Mitigation actions the Company has engaged, including to address these risks and opportunities are presented in the following "IV. Transition plan" section, also supported by SBTi-approved targets presented hereafter.

1. Information on the Company's Activities

1.2 Non-Financial Information

Company's climate-related Risks and opportunities mapping	Climate scenario / time horizon(s) where risk or opportunity likelihood is considered medium or high, based on Company's qualitative analysis			Most Important financial impacts before mitigation	Key associated Actions presented in the Company's transition plan
	1.5°C	WB2°C	>3°C		
RISKS					
Transition – Technology	►►►	►►►	►►►	✓	- Supporting fleet renewal by delivering its latest generation aircraft.
Transition – Market	►►►	►►►	►►►	✓	- Developing and deploying SAF, with the ambition for all aircraft types to be capable of flying with up to 100% SAF by 2030.
Transition – Policy and legal	►►►	►►►	►►►		- Investing in technologies to reduce product emissions, including the objective to bring a hydrogen-powered commercial aircraft to market in 2035.
Transition – Reputation	►►►	►►►	►►►		- Investing in smart air traffic management (ATM) solutions and optimised operations.
Physical – Acute	►►►	►►►	►►►	✓	- Exploring CO ₂ capture technologies.
Physical – Chronic	►►►	►►►	►►►	✓	- Researching Non-CO ₂ effect impacts.
OPPORTUNITIES					- Marketing products and services supporting climate monitoring and adaptation.
Product and services	►►►	►►►	►►►	✓	- Engaging employees, value chain and the ecosystem.
Market	►►►	►►►	►►►	✓	
Energy source	►►►	►►►	►►►		

►►►: ST – ►►►: MT – ►►►: LT

IV. Transition Plan

Based on the International Energy Agency remaining global carbon budget and the share it allocates to air transport, air transport can grow at up to a certain level and meet the Paris Agreement objectives. This relies in part on technological developments to improve the efficiency of air transport, in which the Company and its suppliers have a role to play. This approach also echoes “net zero carbon emissions by 2050” ambitions from international sectoral bodies such as the Air Transport Action Group (ATAG), as well as the UN specialised civil aviation body, the International Civil Aviation Organization (ICAO). This is consistent with the Company's near-term target setting, covering all three scopes, and with its core product policy that focuses on developing and delivering aircraft capable of lower carbon emissions while engaging with the energy ecosystem (see section 2. Product stewardship). The cost of such a transformation of the sector is expected to be substantial. In particular, the carbon price (through taxation, emissions trading and crediting schemes) and the extra cost for SAF and/or higher investments are likely to materially impact business models of operators.

Based on identified risks and opportunities, the Company has established a transition plan covering its industrial operations, products and services, supply chain, and employees, including relevant targets, against which performance is monitored and reported. Regarding GHG emissions, this plan is based on a scientific approach and is consistent with the aviation sector's long-term aspirational decarbonisation goal of reaching net-zero carbon emissions by 2050. Its success will depend on coordinated cooperation across the sector. The Company is

engaging with various actors in the aviation sector (described hereafter) to contribute to the transition towards a low-carbon economy. The Company is working to embed just and inclusive transition principles in its decarbonisation plan. For example, social and human rights criteria are considered in SAF standards, or have been included in the Company's carbon offset strategy in order to safeguard communities that are in proximity to selected projects, or even create opportunities for them. It is also essential that the development of new technologies driving the sector's decarbonisation efforts takes into consideration any undesired environmental and social side effects, such as inappropriate land use impacting local communities, and human rights. The Company will strive to consider and avoid these impacts, and to engage accordingly with relevant stakeholders in constant dialogue.

The required transformation of the sector also implies the emergence of new technologies and associated ecosystems, with expected impacts on jobs and required skills. Preparing the workforce for such changes will be both a social duty and an important success factor. Consequently, the Company has updated its sustainability competencies strategy and is developing training, awareness, and engagement plans in a multifunctional team in order to drive culture change and support the workforce for the transformation. The Company is also working with non-profit organisations that are engaging global young talent around topics of climate change to build their capacity and prepare them for transition (see “– 1.2.16 Community Impact” and “– 4. Employee Engagement” hereafter).

1. Industrial operations

		Commitments
CO₂ emissions Scope 1&2 Absolute figures	2030	Target -63% (SBTi-validated) vs. 2015 neutralisation of residual emissions aligned with 1.5°C pathway
	2023 2024	Target (TCO scope): 687 kt_{CO₂e} (-0.9% vs. 2022) Target: 581 kt_{CO₂e} (extended TCO scope, -3% vs. 2023)
Energy from stationary sources Absolute figures	2030	Target -20% vs. 2015 purchased grid electricity and other energies (gas and other stationary fuels)

The Company has defined the following targets and ambitions for its own operations, against which it reports on progress. Targets have been set *in absolute*; this means that upcoming anticipated production ramp-up is expected to bring an additional layer of challenge towards reaching 2030 targets.

CO₂ emissions:

- reduce direct (scope 1) and indirect (scope 2) net GHG emissions by 63% by 2030 compared to 2015 across the whole Company reporting scope. This target is in line with a "1.5°C" pathway and was validated by SBTi in January 2023. As an additional voluntary commitment, the Company aims to compensate all residual emissions for scopes 1 & 2 from 2023 and gradually switch to using only carbon removals from 2030;
- beyond the mid-term plan, the Company's ambition is to pursue reducing emissions aligned with a 1.5°C trajectory towards 2050. In order to do so, it is evaluating the future application of the SBTi Net-Zero standard and removing residual emissions as an additional voluntary commitment;
- interim yearly targets are set in line with the Company's 2030 roadmap. They refer to a material sub-perimeter of its operations representing 92% of total reported emissions in 2023, on which the Company can have a more direct control and influence (see below). This target was set in absolute value at 581kt CO₂e for 2024. This is a 3% decrease vs. a perimeter extended to another two sites, and including the impact of new freight transport services offered by the Company that operates a fleet of five Beluga aircraft.

For performance monitoring purposes, the Company refers to Scope 1 & 2 market-based proxy – "market-based (location-based net of REO)", i.e. location based with purchased guarantees of origin deducted. The Company is working towards improving data collection and market-based methodology implementation. Meanwhile, this metric is used by the Company to measure its progress towards its 2030 target, in order to be able to take into account the contribution of its electricity sourcing on its industrial decarbonisation target. This refining of methodology is expected to trigger restatements in the coming years.

Energy:

The Company revised its Scope 1 and 2 decarbonisation strategy that now includes local production of renewable electricity (onsite – mostly solar – or through direct power purchase agreements) as an additional lever the Company will invest in. While electricity stationary sources energy consumed has been so far quasi exclusively purchased from the grid (see related metrics "– 1.2.17 ESG data board – Environmental performance"), the benefits from its upcoming own or local "off-grid" production of renewable electricity can only be captured in the purchase of grid electricity and other energies metric. As a result, the Company has updated its energy target as follows:

- reduce purchased grid electricity and other energies (gas and other stationary fuels) for stationary sources by 20% by 2030 compared to 2015 across the whole Company reporting scope.

In order to deliver its ambitions, the Company has developed a comprehensive action plan for both stationary (ground-fixed assets) and mobile sources (vehicles such as cars, trucks or aircraft). This takes into account both efficiency improvements and decarbonisation measures, complemented by an offset strategy for residual emissions.

1. Information on the Company's Activities

1.2 Non-Financial Information

This roadmap was further strengthened in 2023, and, together with proof points, can be synthesised as follows:

	Stationary sources c.60% of CO ₂ e emissions in 2023 (Scope 1&2) (e.g. electricity, heating, cooling)	Mobile sources c.40% of CO ₂ e emissions in 2023 (Scope 1, e.g. vessels, "Beluga" air transport operations, flight test)
Energy efficiency measures	<p>Substituting energy-intensive assets by energy-efficient ones and optimising energy consumptions. In order to meet the -20% energy purchased target by 2030, a portfolio of projects was identified, phased and implemented, including voltage management, low-energy lighting, improved building insulation, energy-efficient heating and cooling or optimised ventilation system, as well as enabling projects such as extending metering network, and enhancing energy monitoring solutions.</p> <ul style="list-style-type: none"> - A number of actions were implemented in 2023, including for instance a CHP dispatch optimisation project in Hamburg, leading to estimated annual savings of 6,500 MWh / 3,600 tCO₂e emissions, or the deployment of several LED lighting projects in offices and industrial perimeter, like Broughton leading to estimated annual savings of 6,300 MWh / 1,780 tCO₂e emissions. 	<p>Switching to lower emission vehicles where possible and avoiding emissions through better planning of flights and logistics.</p> <ul style="list-style-type: none"> - Since 2022, new Beluga jigs and tools have enabled each logistic flight to transport two A350 wings instead of one previously. - In October 2023, the Company commissioned shipowner Louis Dreyfus Armateurs to build, own and operate the entire fleet of chartered vessels that transport aircraft subassemblies between production facilities in Europe and the United States with three modern, lower-emission vessels, supported by wind-assisted propulsion. The new fleet, targeted to enter into service from 2026, is expected to reduce average annual transatlantic CO₂ emissions from 68,000 to 33,000 tonnes by 2030.
Transition to renewable or low carbon energy sources	<p>Ambition to secure at least 90% renewable or low-carbon electricity direct supply to all sites before 2030. This will be achieved with the implementation from 2023 through a combination of on-site solar electricity production (PV), locally sourced projects (physical power purchase agreements ("PPA")) and long term renewable supply contracts (sleeved PPAs), complemented by low carbon sources (eg. nuclear power).</p> <p>In addition, Renewable Energy Certificates / Guarantee of Origin ("GoO") are used as a temporary solution until PPAs and PV-related projects are deployed and to compensate for residual emissions post 2030 (up to 10% in 2030).</p> <ul style="list-style-type: none"> - In 2023, PPAs were contracted for instance in Spain – covering 40% of purchased electricity (~80 GWh) – and in China, well advanced in the UK and initiated in France and Germany. - In 2023, GoOs covered more than 40% of purchased electricity and more than 10% of purchased natural gas. 	<p>Using lower carbon fuels (e.g. SAF). The share of SAF used in the Company's own operations will progressively increase to at least 30% by 2030. It concerns test flights, delivery flights, logistic flights (Belugas) and employees air shuttle flights between some European sites. The Company also started using low carbon fuels such as hydrotreated vegetable oil (HVO) for its maritime logistics. It has set interim targets. The 2023 target of 10% for its commercial aircraft activities and its Helicopters Division was overachieved by 1 p.p.; 2024 target has been set at 15% for its commercial aircraft activities and 20% in Airbus Helicopters Division.</p> <ul style="list-style-type: none"> - Since 2019, SAF has been used in the operation of the Company's Beluga transport aircraft for the purpose of internal logistics. - In 2023, in total, an estimated 20,124 tons CO₂ were saved when compared to conventional kerosene.
Carbon offset strategy	<p>The Company aims to remove 100% of its residual yearly emissions by 2030, which will represent around 400kt CO₂e in 2030. It started with compensating all remaining emissions from 2023, with a gradual phase-in of carbon removal solutions aiming to cover 100% of yearly residual emissions by 2030. Both nature-based and technology-based removals are considered and deployed following the conclusions of the IPCC (e.g. Special Report on 1.5°C and Assessment Report 6). In order to secure long-term access to durable carbon removals, the Company also seeks to develop its own direct air capture technology, based on an existing in-house space technology. The Company intends to work in partnership with carbon sequestration companies to generate additional technology-based carbon removals.</p> <p>Since 2019, the Company has introduced a mechanism to fully compensate for its business travel emissions based on the concepts of additionality, real (permanent) reduction, prevention of double counting, prevention of overestimation and no additional harm.</p> <p><i>As a minimum, the carbon offsets purchased by the Company are certified by the Gold Standard or Verra or Verified Carbon Standard or Climate, Community and Biodiversity Standards and the supplier needs to show proof of how each one of the mentioned criteria was met. In addition, understanding that these carbon offsetting programmes may have gaps in their methodologies, additional proof is requested of how such gaps are managed by the provider. Moreover, societal aspects are considered, such as prevention of child labour, respect of human rights and relations with the communities surrounding the projects.</i></p> <p>The volume of offsets required in 2023 was around 725 ktCO₂e procured through offset producer South Pole in the form of a cluster of compensation and removal projects: afforestation (VCS), landfill gas and waste gas (GS-VER), forest conservation (VCS-CCBS).</p> <p>The Company plans to secure 2024-2030 volumes well in advance, with progressive transition towards 100% removals, as well as a mix of nature- and technology-based solutions.</p> <ul style="list-style-type: none"> - In 2022, to foster tech-based solutions development, the Company has partnered with 1PointFive, a US company, and has pre-purchased 100,000 tons of carbon removals per year over four years – or 400,000 tons in total – as part of an initial offtake. The partnership agreement sets out that the carbon captured in respect to the Company's agreement shall exclusively be geologically sequestered and not used for enhanced oil recovery (EOR) or synthetic fuel production. A portion of these volumes will be allocated to the Company's scope 1 & 2 offset strategy. In 2023, a portion of those 400,000 tons has been allocated to airline customers (easyJet, Air Canada and Lufthansa), demonstrating the Company's commitment to help its customers on their decarbonisation roadmap. 	

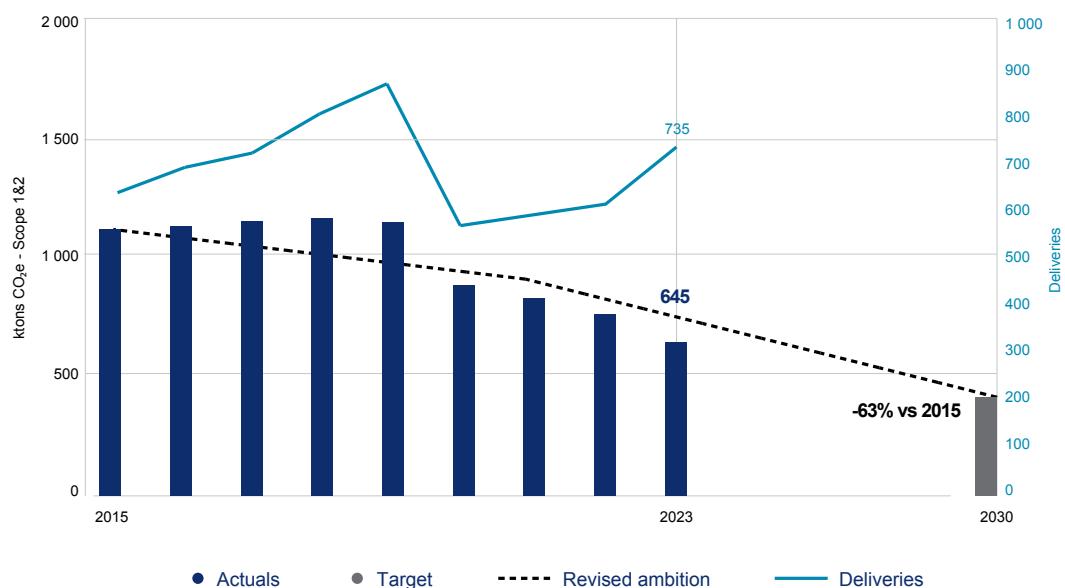
Resilience of industrial operations in the context of climate change

To evaluate physical risks linked to climate change for industrial operations (see Risk Management above), the Company is now conducting a more detailed assessment of the consequences on affected sites. The approach includes a preliminary vulnerability analysis with digital filtering to classify and prioritise risk areas, followed by field visits with the support of external experts. Four

types of hazard areas are analysed related to temperature (frost and cold spells, extreme heat, cooling/heating requirements), the related windward (winter storm, cyclonic, hail/lightning/tornadoes), water (river flooding, coastal flooding, extreme precipitation, drought episodes) and land/ground movements (landslide). This analysis also considers the speed of onset of such risks, which should enable the Company to better prioritise related mitigation plans.

Tracking progress and performance

In 2023, scope 1 & 2 GHG emissions have decreased by around 15% (-15% on TCO scope), exceeding the target, primarily due to three factors: a reduction of gas usage by switching from gas to electricity on certain heating systems and the optimisation of cogeneration in Germany, mild weather conditions during the year and the adjustment of the ramp-up.



TCO	Target 2023	2022	2023	YoY Change
CO ₂ e (ktons)	687	696	593	-14.8%

Verified by EY® & Associés. Limited assurance report issued by EY® & Associés is available on the Company's website.

The TCO scope is reviewed annually. It covered 92% of total emissions in 2023. Data were updated to reflect change in TCO scope accordingly.

Geographical scope: In 2023, 52 sites.

Scope of metrics: Scope 1 & 2 and notably excluding refrigerant leakage, electricity on site from CHP, emissions due to processes. Scope 2 is location based with purchased guarantees of origin deduced.

Additional performance metrics are disclosed in “– 1.2.17 ESG data board – Environmental performance”.

1. Information on the Company's Activities

1.2 Non-Financial Information

2. Product stewardship

		Commitments	2023 Progress / performance
CO₂e Scope 3 intensity Delivered aircraft efficiency (gCO ₂ /km.pax)	2035	Target -46% vs. 2015 SBTi-validated	-29.2% 63% achieved-to-target
	2050	Support sector's "net zero CO ₂ ambition"	-46%

The Company has committed to a mid-term reduction target for its Scope 3 category 11 (use of sold products) for commercial aircraft products, covering over 90% of its total emissions.

- **CO₂e:** reduce scope 3 (category 11 – use of sold product) for commercial aircraft by 46% in terms of CO₂ per passenger-kilometre. This target, alongside the Company's scope 1 & 2 target, was validated by SBTi in January 2023. It was set based on the carbon budget allocated to aviation by the International Energy Agency in its Sustainable Development Scenario (SDS).
- This is a physical intensity target, in line with the SBTi recommendations, and highlighting the importance of technology and aircraft carbon efficiency for the decarbonisation of the sector. The metric is based on the Company's corresponding scope 3 Use of Sold Product for commercial aircraft. In alignment with SBTi methodology, it now includes emissions from upstream fuel production and predicted average SAF usage over the aircraft life-time as per IEA SDS (ETP 2020) scenario. See “– 1.2.17 ESG Data Board – Environmental Performance” for detailed methodology.

The Company is committed to contributing to meeting the Paris Agreement targets and to taking a leading role in the decarbonisation of the aviation sector in cooperation with all stakeholders. Consequently, the Company is developing a multi-faceted climate-impact programme for commercial aircraft based on key decarbonisation levers identified. This includes new aircraft technology development, SAF, hydrogen, air traffic management (ATM) solutions, and carbon removal solutions.

Aviation industry targets

The efforts of the aviation sector to reduce its environmental footprint started decades ago, with significant achievements to report. Since the 1990s, the sector has improved significantly the fuel and CO₂ efficiency of subsequent generations of aircraft, thereby reducing CO₂ emissions per revenue passenger kilometre by more than 50% (according to ATAG) since the dawn of the jet age. In 2009, the aviation sector was the first to agree at sectoral level on ambitious CO₂ emission reduction goals through ATAG by committing to an aspirational goal of reducing net emissions from aviation by 50% by 2050 compared to 2005 levels. In September 2021, ATAG updated its ambition

and commitment with the 2021 edition of the “ATAG Waypoint 2050” report to reflect the industry’s increased ambition to achieve “net-zero carbon emissions” by 2050 and to contribute to the Paris Agreement goals. Along with the revised ambition, ATAG provided several scenarios with ranges of improvement for each mitigation option: technology and design improvements, operational and ATM enhancements, new energy carriers (Sustainable Aviation Fuels (SAF) and hydrogen), and market-based measures including ICAO’s Carbon Offsetting and Reduction Scheme (CORSIA).

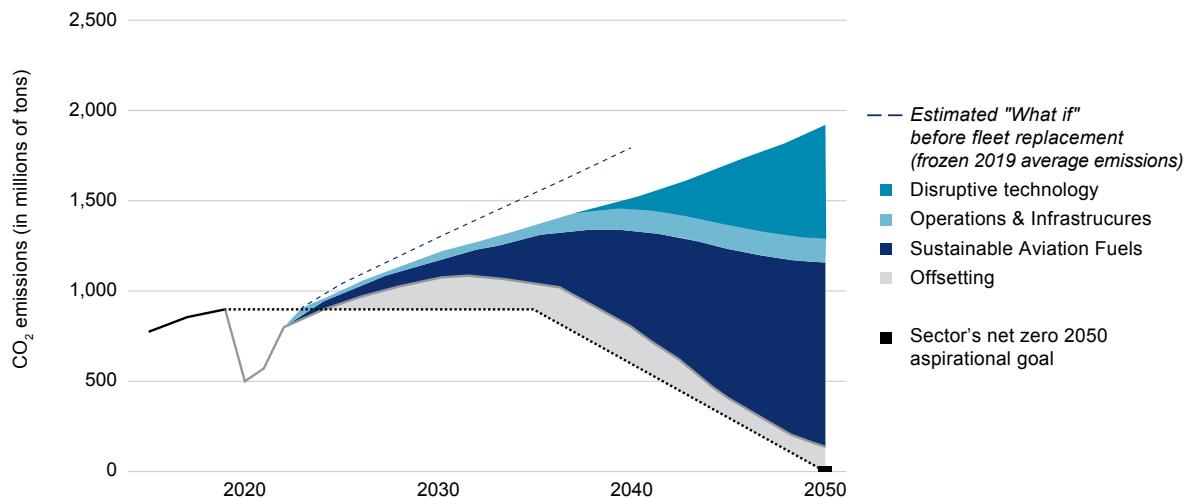
The industry’s unity and leadership around its 2050 “net-zero carbon emissions” commitment, played a role in supporting the definition of a corresponding long-term aspirational goal (LTAG) also at ICAO level. In October 2022, the aspirational objective of “net zero carbon emissions” in 2050 for international civil aviation operations was adopted by a vast majority of ICAO member states. This political commitment paves the way for the transformation of the aviation sector, ensuring a level playing field at international level and it will accelerate the development of mitigation measures such as fleet renewal, aircraft and engine technologies, alternative energy carriers such as SAF or green hydrogen, and the enhancements of the operational practices and air traffic management. The Company fully supports this international long-term aspirational goal.

In Europe, the EU Green Deal creates conditions and opportunities for the Company and the European aviation industry to accelerate the transition. The Company supports the aviation industry’s ambition to reach a “net-zero carbon aviation ecosystem” in Europe by 2050, and will contribute to the EU’s “2030 Climate Target Plan”.

In November 2023, the European Commission officially published a delegated act for the EU Taxonomy Regulation including a set of criteria for aviation. They recognise the decarbonisation potential brought by the latest generation of commercial aircraft through the replacement of the current fleet and the importance of an ambitious SAF ramp up, as well as the relevance of “zero direct tailpipe CO₂ emission” technologies, which are the cornerstones of the Company’s transition plan. (see “– 1.2.19 EU Taxonomy”).

The aviation industry's roadmap towards carbon neutral emissions by 2050

Source: the Company, based on ATAG Waypoint 2050 report (2021) - Scenario 3: "aspirational and aggressive technology perspectives"



1. Information on the Company's Activities

1.2 Non-Financial Information

The Company's roadmap to reducing emissions

In this context and as a core axis of its strategy, the Company aims to accelerate the development of lower emission technologies in order to market lower carbon aircraft including hydrogen-powered aircraft. Fostering ecosystem readiness including associated infrastructure and the dynamic deployment of SAF will be another priority, in order to achieve this ambition while minimising the recourse to offsetting, as presented below.

►► Strategic pathway 1

Renew current fleets with best-in-class aircraft

Around 70% of the global commercial aircraft fleet is still made up of previous generation aircraft, while **latest generation aircraft are up to 25% more efficient** than the previous generation. Renewing the fleet therefore offers immediate potential for aviation decarbonisation.

The Company consistently works to improve the efficiency of its aircraft:

- A350 and A330neo offer 25% reduction in fuel burn per seat and significantly reduced noise footprint *versus* the previous generation of aircraft;
- the A320neo family brings a 20% reduction in fuel burn per seat, and nearly half the noise footprint compared to the previous generation of aircraft;
- A220 offers 25% reduction in fuel burn per seat *versus* the previous generation of small single aisle aircraft, 50% reduction in noise footprint and 50% fewer NO_x emissions than the standards.

The Company is continuously improving its products through new aerostuctures designs and technologies, advanced materials, upgraded systems and more fuel-efficient engines aiming to achieve CO₂, NO_x and noise emissions reductions in operations.

► In 2023, the Company delivered exclusively latest generation commercial aircraft (2022: 99%).

► The A321XLR offers the opportunity to open longer range routes to the single aisle aircraft family, thereby leveraging the platform's greater CO₂ efficiency. It has continued its certification campaign in 2023 and in October, the aircraft finalised its route and passenger-proving campaign on time for a planned entry into service in 2024.

►► Strategic pathway 2

Developing and deploying SAF, all aircraft types compatible with up to 100% SAF by 2030.

In order to accelerate its action plan, the Company strengthened its governance on this matter by creating a dedicated project team, responsible for the end-to-end SAF roadmap strategy and deployment.

The Company recognises SAF as a major pillar of the aviation decarbonisation roadmap for the short, medium and long-term. SAF is a fuel derived from a range of "feedstocks" (origin of carbon molecules used) made from sustainable resources; the reduction of CO₂ emissions throughout its life cycle can exceed 80% when compared with conventional kerosene. Eight SAF production pathways are currently certified for blending with kerosene, including processes such as hydroprocessed esters and fatty acids (HEFA), alcohol-to-jet, Fischer Tropsch, or power-to-liquid. Some of them are derived from used fat, cooking oil and grease, municipal waste, agricultural and forestry waste and residues. More advanced technologies use hydrogen and carbon captured directly from the air as feedstock for SAF production.

In order to be considered a SAF, an aviation fuel needs to meet defined sustainability requirements; the Company supports the ones set out by ICAO/CORSIA and in particular aspects related to non-competition with food and water resources. It also actively supports current and future sustainability criteria *via* regionally or nationally recognised schemes including EU Renewable Energy Directive (RED II), Renewable Fuel Standard (RFS), Low Carbon Fuel Standard in the US, Renewable Transport Fuel Obligation in the UK and "Renewable Fuel Units" (HBES) in the Netherlands.

SAF levels of production are currently low compared to volumes that will be necessary in the coming years. According to IATA, in 2023, SAF volumes are estimated to have reached over 600 million litres (0.5Mton), representing about 0.2% of total aviation fuels, doubling the 300 million litres (0.25 Mton) produced in 2022 and six times more than the volume produced in 2021. Acceleration will be required to reach the first milestone in 2030 set by the sector during the ICAO Conference on Aviation Alternative Fuels in 2023 to reach 23 billion litres (5.2% of total fuel consumption) SAF produced, or through the 6% EU SAF mandate. The Company believes coordinated action of all stakeholders could foster a 10% SAF penetration at the global level by 2030.

Acknowledging that SAF scale up success will depend on consistent actions by all actors including engine makers, producers, airlines, airports, logistics providers, and policy makers amongst others, the Company is seeking to act both as technical solution developer and catalyst for the ecosystem, both at global and regional levels. The Company supports the ambitious rollout of SAF using all production pathways meeting the sustainability criteria described above, and developing visibility to foster demand meeting supply will be essential. Accordingly, the Company's action plan is as follows:

Deliver technical capability

Aircraft. The Company's aircraft portfolio is already capable of flying with a fuel blend of up to 50% SAF. Looking ahead, the Company's ambition is to have all its aircraft platforms (including military aircraft and helicopters), capable of being operated with up to 100% SAF before the end of the decade. The 50% limit is set today to ensure the blended SAF fits within the JET A/A-1 specification, and thus can be used on aircraft with no modification (*i.e.* drop in). Going beyond this limit implies either modifying the aircraft, and fuelling infrastructure, to adapt to what would be a new fuel grade, "non-drop in", or working on a purely synthetic fuel that would fit within the JET A/A-1 specification, "drop in" solution.

The Company is involved in two main research projects: VOLCAN (A319neo and A321neo with CFM engines) and ECLIF3 (A350 with Rolls Royce engines), conducted in partnership with important industry actors. Both projects aim at assessing the impact of 100% SAF (drop-in and non-drop in) on engine and fuel systems while measuring the positive impact on aircraft's emissions and fuel efficiency. Both projects are paving the way for going beyond current maximum blending levels for SAF (currently 50%). They will allow the Company to collect information and enable further research activities and technical work in order to reach the goal of gaining up to 100% SAF certification for commercial flights before the end of the decade.

SAF production. The Company contributed to the approval process of the eight pathways mentioned above for blending with kerosene and seeks to actively contribute to the approval of future new pathways by supporting industry-wide standardisation efforts at ASTM International, an organisation that sets international standards.

Foster SAF ecosystems readiness and partnerships

Price and global production capacity remain the main constraints for operators, preventing large-scale incorporation of these types of fuels. Matching SAF production and demand is essential to achieving the establishment of the SAF market.

Global. Actions need to be global and associated with regulatory frameworks and incentivisation schemes. It is necessary to create market emergence conditions with means such as:

- Reporting mechanisms to allow for a consistent tracking of the industry's progress on decarbonisation.
- The usage of book and claim to simplify the usage of SAF, minimising the logistical challenge as well as airlines demonstrating the attributes of SAF to their freight and corporate customers.

Those conditions are needed to give visibility and confidence to producers, and be capable of attracting investment. This is also what will give end users (airlines) access to enough volumes at a lower price, and maintain a level playing field for aviation.

Regional. SAF production will also depend on regional feedstock availability while local SAF production can significantly contribute to socio-economic regional development, including in developing nations.

Positive momentum is seen in the EU and in the US. A similar pace for creating a favourable ecosystem is needed worldwide. Creating favourable conditions for the SAF market to develop can be achieved if stakeholders gather together in cooperative platforms such as Commercial Aviation Alternative Fuels Initiative (CAAFI) in the US.

Early adopter. In addition, as an aircraft operator through its flight tests and internal logistics flying the Beluga, the Company strives to "prime the pump" by demonstrating market demand (see industrial operations). This also helps the Company experience the actual SAF market development challenges.

- Since 2008, the Company has acted as an important catalyst in the certification process, demonstration flights, partnerships and policy advocacy of SAF.
- According to IATA, since 2011, over 690,000 commercial flights have used SAF and more than 1 million flights with SAF are expected by 2025 (source: IATA, flynetzero, 2021).
- Besides ECLIF3 and VOLCAN projects, the Company has performed flight test campaigns with the A380 on one Rolls-Royce Trent 900 engine and with the H225 helicopter (with both Makila 2 engines).
- Flight tests using blended SAF were also performed on the A400M and C295 military aircraft. The Company, the Organisation for Joint Armament Cooperation (OCCAR) and the A400M customer nations are engaged in initial discussions to develop the roadmap towards the certification and operational use of 100% SAF in military aircraft.
- In addition, the Company and other industry partners have carried out in 2022 the world's first 100% SAF flight using an in-service military aircraft, an A330 MRTT on both Rolls-Royce Trent 772B engines.

➤ The Company estimates that products delivered in 2023 will see their life-time emissions reduced by around 15% thanks to the gradual introduction of SAF during their operational life (compared to a "no SAF" scenario). This considers a SAF penetration scenario aligned with the IEA SDS (ETP2020), and with the Company's scope 3 disclosure and SBTi-validated target.

➤ The Company is engaged in many initiatives and partnerships promoting the development of SAF production and use, participating for instance in the World Economic Forum, including its "First Movers Coalition" and "Clean Skies for Tomorrow" coalition, and in the Coalition for the Energies of the Future.

This also includes partnerships with producers such as the agreement signed in 2022 with Neste, in 2023 with Lanzajet, Masdar, aiming to accelerate the aviation sector's transition to SAF.

- In September 2023, the Company officialised its intent to join a consortium aiming at developing synthetic green hydrogen-based SAF production in Germany, alongside other companies (SASOL, DHL and HH2E).
- In April 2023, the Company signed a MoU with China National Aviation Fuel Group Corporation (CNAF) on development of the SAF ecosystem, including SAF purchasing, diversifying the supply chain, fostering airline uptake and standards development.
- In 2023, the Company also joined the consortium ALIGHT in Denmark, consisting of 17 dedicated partners in 10 different European countries and aiming to develop replicable and scalable models supporting aviation and airport operation decarbonisation, with a focus on SAF including fuel supply chain, usage of SAF, economics and sustainability criteria.
- As part of a partnership with Qantas announced in June 2022, the Company made its first investment to support a SAF producer in Australia (March 2023). JetZero is a new player that will be using the Alcohol to Jet technology to produce SAF in Australia.
- In a similar manner, the Company signed a partnership in September 2023 with DG Fuels in the US. DG Fuels will be using the Gasification Fischer Tropsch technology to produce SAF. This partnership will help DG Fuels accelerate its development towards the final investment decision for their first plant.

1. Information on the Company's Activities

1.2 Non-Financial Information

Supporting the development of consistent regulatory frameworks

In the context of the developing regulatory frameworks fostering SAF market growth, the Company supports policies that would incentivise SAF production and usage. In particular, the Company is supporting and sharing industry best practices, looking at production sharing industry best practices, looking at production levels assessment, life cycle analysis methodology and sustainability criteria and standards harmonisation. A clear, stable and consistent policy at global and local level as well as incentivisation or regulations are needed to promote long-term investments and technology development.

Global. Aviation is a global industry that requires a global framework of standards and regulations, also supporting a global level playing field.

- Systematic implementation of SAF policies in all states, supporting SAF development and deployment.
- Recognising CORSIA as a reference for sustainability standards, thus helping global sourcing of SAF.

The Company also takes a leading role in cross-industry initiatives with ICAO state members, ATAG, IATA, JetZero Council (UK), First Movers Coalition (a partnership launched by the World Economic Forum (WEF)).

Regional. In addition, the Company is monitoring the development of SAF-related regulations at national or regional levels, their consistency with global standards and regulatory frameworks.

- In November 2023, the ICAO Third Conference on Aviation Alternative Fuels ("CAAF3") reached agreement on an ICAO Global Framework for SAF, Low Carbon Aviation Fuel ("LCAF") and other Aviation Cleaner Energies.

One of the key elements of this Global Framework is the objective to reduce CO₂ emissions of international aviation by 5% by 2030 through the use of SAF and LCAF.

CAAF3 also resulted in other points of convergence that the Company welcomes:

- the implementation of a policy on SAF in every state;
 - CORSIA recognised for sustainability criteria;
 - the development of an accounting system to report and claim reduction of CO₂ emissions;
 - the exploration of a book and claim system;
 - support to developing and emerging countries to get access to financing for their SAF projects;
 - the qualification of new pathways by producers, manufacturers and the ASTM;
 - a reporting by each state and a global monitoring by ICAO of the progress made on SAF production and use.
- ICAO and the Company have signed a Declaration of Intent at CAAF3, with the aim of developing a project to explore the feasibility of SAF development and deployment in South America.
 - The US SAF Grand Challenge aims to scale up SAF production to at least three billion gallons per year by 2030.
 - The EU's current "ReFuelEU" regulation sets a 6% SAF mandate for 2030 growing to 70% by 2050 (including 35% of synthetic e-fuels).

►► Strategic pathway 3

Investing in technologies to reduce product emissions

Preparing technologies for a next generation Single-Aisle aircraft to be ready in the second half of the next decade

This will be enabled by the current research on disruptive technologies for airframe and engines.

Wings. The wings are often referred to as the second main lever to reduce aircraft emissions. Several technologies are being studied such as:

- The Company's transnational research & technology programme, "wing of tomorrow", has successfully delivered a first full-size wing prototype or "demonstrator" that will help mature next-generation wing technologies.
- Wing of tomorrow is particularly efficient thanks to the incorporation of lighter composite components and of a folding wing tip.
- The completion of the first of three fully composite wing demonstrators marks the integration of more than 100 different component and manufacturing technologies that include an all-new industrial assembly system, and which have helped validate key automation targets.

As key partners in the European Clean Sky 2 and Clean Aviation programmes, the Company is also researching new technologies aimed at increasing efficiency, such as a new semi-morphing wing, new dynamic winglets, or innovative flight controls on the Company's military C295 transport aircraft.

Engines. On the engine side, the Company is closely following innovations coming from the engine manufacturers, and supporting them to adapt and integrate their latest innovation to aircraft needs.

- In July 2023, the Company opened a new Wing Technology Development Centre (WTDC), in Filton. The facility will be used to build and test demonstrators for a range of programmes and research projects.

- The "eXtra performance wing project", launched in September 2021, improves wing aerodynamics and performance that is intended to be compatible with any future aircraft configuration and propulsion system to reduce CO₂ emissions.

In November 2023, the demonstrator flew for the first time with the exact systems needed for its flight test campaign with its new wings, in 2025.

- In 2023, Airbus Helicopters unveiled the PioneerLab, its new twin-engine technology demonstrator based on the H145 platform. It complements the Company's range of FlightLabs and focuses on testing technologies that reduce helicopter emissions, increase autonomy and integrate bio-based materials. Its other FlightLab called Disruptive Lab flew successfully for the first time in January 2023.

Hydrogen-powered commercial aircraft ambition by 2035

The Company believes hydrogen is one of the most promising technologies for reducing aviation's climate impact. If produced from low carbon electricity through electrolysis, it allows a significant reduction in overall emissions.

Aviation will be an end use application of hydrogen. The Company sees two primary uses for hydrogen:

- Hydrogen can be used to directly power the aircraft by being combusted through modified gas-turbine engines or converted into electric power via fuel cells. The combination of both would create an efficient hybrid electric propulsion chain powered entirely by hydrogen.
- Hydrogen can be used to create eFuels (power-to-liquid or power-biomass-to-liquid synthetic fuels in combination with carbon from biomass or enhanced carbon sink sources).

From hydrogen propulsion to hydrogen-based synthetic SAF, from pod configuration to blended-wing aircraft, the Company is evaluating, maturing and validating radical technological breakthroughs.

In 2020 the Company revealed three different hydrogen-powered "ZEROe" concept aircraft. They illustrate the research that the Company is investing in with the objective to bring a hydrogen-powered commercial aircraft to market in 2035.

Progress was made in key areas in 2023, including:

- The iron pod of a first fuel cell powered engine was tested in the EAS test house and reached 1.2MW. This is the power needed by one engine in the Company's six pod configuration concept.
- In May 2023, ArianeGroup, a joint venture between the Company and Safran, successfully completed a proof-of-concept of a hydrogen "conditioning system" adapted to power an aircraft turbine engine. The project known as HYPERION is an essential building block of the hydrogen technology roadmap to 2035.
- In June 2023, the Company launched HyPower, a demonstrator programme which will explore, on the ground and in flight, a new architecture for the generation of non propulsive energy through the use of hydrogen fuel cells. This energy represents around 5% of an aircraft's total energy used.
- In August 2023, the Company, BMW Group and Quantinuum developed a hybrid quantum-classical workflow to speed up future research using quantum computers to simulate quantum systems, focusing on the chemical reactions of catalysts in fuel cells.
- Blue Condor took off for the first time in November 2023. This demonstrator will study and assess the impact of non-CO₂ emissions induced by hydrogen combustion.

Foster hydrogen ecosystem readiness

The Company seeks to go beyond technology maturation by collaborating with the wider ecosystem, and focusing primarily on the evolution of market needs and how they can be answered with renewable and low-carbon hydrogen. It has engaged in many partnerships, as well as collaborations and alliances with airports, airlines and energy providers. Hydrogen can only become a substantial decarbonisation lever with the support of all stakeholders.

- In 2019, the Company signed a memorandum of understanding with airlines such as SAS Scandinavian Airlines and easyJet to jointly research a hydrogen-powered aircraft ecosystem and its infrastructure requirements.
- It has joined several major hydrogen alliances, such as the Hydrogen Council, Hydrogen Europe, and European Clean Hydrogen Alliance. It has launched in 2020 a joint-venture with ElringKlinger in order to benefit from the huge cross-industry experience of other industries, and accelerate its ambition.
- It also participates in The Fuel Cells and Hydrogen Joint Undertaking, European Clean Hydrogen Alliance, France Hydrogène, French *Conseil National de l'Hydrogène*, and the German Wasserstoffrat.
- The Company promotes the "H2 Hub at airport" concept in which partners will join forces to adapt the infrastructure to the use of hydrogen by aircraft, and more. In this context, it has signed partnerships with Delta, Wizz Air, Linde, Air Liquide, Changi Airport / Caas, Korean Air, Incheon Airport, Kawasaki Heavy Industries, Kansai Airport, Plug Power, Fortescue Future Industries, ANA, Air New Zealand, Christchurch International Airport, Hirlinga, Fabrum, Hamburg Airport, Vinci, Engie, AREC, group ADP, Bristol Airport, Hynamics, Hydrogen South West, SAVE SNAM and Milan Airport.



1. Information on the Company's Activities

1.2 Non-Financial Information

Electric flight

The Company's work in electric flight has laid the foundations for the future concept of lower carbon commercial aircraft. Since 2014, the Company has been exploring how recent technology advancements, from battery capacity and autonomy to electric propulsion, can help drive the development of new kinds of aerial vehicles with the potential for significantly reduced impact.

EcoPulse. The Company has partnered with Daher and Safran to develop a distributed hybrid-propulsion aircraft demonstrator with the support of France's CORAC and DGAC and for which it is providing battery technology and overseeing aerodynamic modelling. EcoPulse successfully flew for the first time with its electric engines in November 2023.

Urban air mobility ambition. The idea for a compact "flying taxi" first came from the Company's desire to take city commuting into the air in a sustainable way. The Company has learned a lot from the test campaigns with two demonstrators, CityAirbus and Vahana. Beyond the vehicle, the Company is working with partners, cities, and city inhabitants in order to create the ecosystem that is essential for this new operating environment to deliver a sustainable service to society.

Following the partnership between the Company and Renault Group to advance research on electrification and mature technologies associated with next-generation battery systems, another partnership was with STMicroelectronics, a global semiconductor leader serving customers across the spectrum of electronics applications. The agreement includes the cooperation on power electronics Research & Development to support more efficient and lighter power electronics, essential for future hybrid-powered aircraft and full-electric urban air vehicles.

In October 2023, Airbus Helicopters' demonstrator FlightLab successfully tested an electric flight control system in preparation of a new human machine interface (HMI) that will equip CityAirbus NextGen, Airbus' eVTOL prototype. This milestone represents an important step towards ushering in a new generation of electric powered urban air mobility aircraft.

►► Strategic pathway 4

Investing in smart air traffic management (ATM) solutions and optimised operations

Improving the efficiency of air transport operations and infrastructure could reduce emissions by up to 10% (source: ATAG).

The Company therefore supports initiatives aimed at reducing ATM inefficiencies such as the Single European Sky Air Traffic Management Research programme (SESAR), such as the HERON project aiming to reduce CO₂ emissions from air transport and offer mitigation through the development of activities including more efficient aircraft operations in taxi phase, trajectories optimisation via the general principle of Trajectory Based Operations ("TBO"), optimised approaches targeting and noise reduction. The current ATM environment based on static flight plans is evolving towards TBO in order to improve airport and ATM network performance. Major elements to feed an accurate and reliable 4D trajectory prediction can be provided by the aircraft itself and shared in real time.

The Company also focuses on the development of fuel saving procedures for airports and ground operations to minimise the use of engine power and auxiliary power units (APU) while the aircraft is on the ground.

It is also working on disruptive practices like formation flying. In November 2019, the Company launched the fello'fly project which aims to demonstrate the technical, operational and commercial viability of two aircraft flying closer together for long-haul flights. Through fello'fly, the follower aircraft will retrieve the energy lost by the wake of a leader aircraft by flying in the smooth updraft of the air it creates. This provides lift to the follower aircraft, allowing it to decrease engine thrust and therefore reduce fuel consumption in the range of 5-8% per trip. Further research into wake energy retrieval (WER) and deployment of Concept of Operations in the ATM environment is crucial to implementation in a multi-country environment.

The current ATM environment based on static flight plans is evolving towards Trajectory Based Operations (TBO) in order to improve airport and ATM Network performance. Major elements to feed an accurate and reliable 4D trajectory prediction can be provided by the aircraft itself and shared in real time. The results are projected to be reduced flight delays, fuel burn and CO₂ emissions via enabling Continuous Descent Operations, reducing holdings and undue vectoring.

Through its subsidiary Navblue, the Company provides services helping its customers to minimise fuel consumption with best operational practices, innovative services and training.

The Company organises face-to-face forums and webinars every year with airlines to exchange knowledge on how to improve ground and in-flight operational efficiency and using latest technological solutions. Namely, a "fuel efficiency forum" has been developed with representatives of the ecosystem including airlines, ATM, engine manufacturers, airports and suppliers.

In November 2022, the SESAR 3 Digital Sky Demonstrator project HERON, led by the Company, was kicked-off with European partners including six airlines, eight ANSPs and five airports. This 3-year project is expected to enable reduced flight delays, and therefore fuel burn and CO₂ emissions via enabling Continuous Descent Operations, reducing holdings and undue vectoring. Several months of application with more than 1000 flights collected are expected to demonstrate quick win ATM improvements.

In 2023, a European research project GEESE was granted funding from SESAR to continue the work of fello'fly, with the ambition to bring fello'fly into commercial service later this decade. Project aims to further refine the concept and its integration into airline operations by the end of the decade. Geese involves the collaboration of 16 partners and an advisory board of selected industry leaders.

►► Strategic pathway 5

Encouraging temporary CO₂ emission compensation schemes

Finally, CO₂ emission compensation will be instrumental to stabilising aviation emissions in the medium term until disruptive solutions reach market maturity. For that reason, the Company supports ICAO's CORSIA scheme as the only global market-based measure for international civil aviation.

The Company believes that direct air carbon capture and storage (DACC) is a high-potential technology that could turn out to be meaningful in carbon schemes applicable to aviation. As the aviation industry cannot capture CO₂ emissions released into the atmosphere at source, DACC is one of the most promising technologies to neutralise residual emissions. DACC is designed to capture CO₂ emissions directly from the atmosphere using high powered fans and store CO₂ in underground reservoirs.

➤ In 2022, the Company partnered with 1PointFive and pre-purchased 400,000 tons of carbon removals (see *Offset Strategy* above). In 2023, the groundbreaking ceremony took place on the 28 April 2023 in Texas, US.

It also invested in Carbon Engineering Ltd., a Canadian-based climate solutions company, operating the largest Direct Air Carbon Capture (DACC) Research & Development facility in the world.

➤ After the successful use of Direct Air Capture (DAC) technology designed by the Company and the European Space Agency to scrub carbon dioxide from the air aboard the International Space Station, the Company's innovation acceleration unit Airbus Scale began investigating how the technology could be scaled and applied on land to industries that consume or produce CO₂ in their production processes, such as capturing and converting CO₂ into fertilisers, fuels and carbon negative materials.

Non-CO₂ impacts

While non-CO₂ emissions of aviation have become an increasingly publicised topic in 2023, the topic is not new for the industry. The Company has been actively engaged in research to support the scientific community in better understanding the impact of non-CO₂ emissions on the climate as well as in evaluating and deploying technological mitigation solutions for almost 20 years. Aircraft engines produce direct emissions linked to the fuel combustion and indirect emissions formed in its wake. Those emissions, which have an impact on climate when flying in high altitudes, include carbon dioxide (CO₂), nitrogen oxides (NO_x), water vapour (H₂O), nVPM (non-volatile particulate matter of black-carbon or soot), sulphur oxides (SO_x) and condensation trails. Depending upon prevailing weather conditions, altitude and geographical location, non-CO₂ emissions can change the chemical composition of the atmosphere and the cloudiness, which in turn affect the climate. CO₂ emissions contribute to increased atmospheric CO₂ concentrations, which induce a low and positive radiative forcing, but with cumulative effects due to the long lifetime of this greenhouse gas in the atmosphere. Non-CO₂ emissions do not have the same cumulative effect as CO₂. Non-CO₂ forcers such as contrail-cirrus and NO_x are short-lived components that have stronger, but time-limited effects. Uncertainties are still high on the exact impact of non-CO₂ emissions of aviation. Lee *et al.* 2021 states that uncertainties around the contribution of non-CO₂ emissions on aviation's net effective radiative forcing (ERF) are ~8 times higher than those of CO₂.

Non-CO₂ emissions can have both positive (warming) and negative (cooling) radiative impacts. In particular, contrail-cirrus can have cooling or warming effects depending on several factors such as their location and time of generation, spatial coverage, lifetime, or optical properties (ice crystal size, shape, density), though the effect at night is exclusively warming.

The Company is actively working on a large portfolio of projects focused on increasing the understanding of non-CO₂ emissions generation, their evolution and their climate effects, but also to evaluate and develop solutions covering several promising mitigation options impacting three well-identified domains: through the use of new energies such as SAF or hydrogen, enhanced engine technology and flight operations (implementation of operational/ATM measures). These include:

- On SAF, the ECLIF3 and VOLCAN projects included a German Aerospace Center (DLR)'s Falcon aircraft, flying within 100m behind the Company's test aircraft fuelled with various types of

SAF (from 30% blend up to 100% SAF, with different aromatics and sulphur content), to capture and analyse in-flight data. The preliminary observations show a positive impact of SAF on aircraft emissions, and are expected to be published in peer-reviewed scientific literature in 2024.

- On hydrogen, the Company launched Blue Condor in 2022, a demonstrator taking a modified glider up to 33,000 feet to analyse hydrogen combustion's impact on contrail properties. The result of this analysis will provide critical information on aviation's non-CO₂ emissions, including contrails and NO_x, in advance of the ZEROe demonstrator flight testing.
- On operational measures, the Company launched in early July 2023, the CICONIA project in the context of the SESAR 3 Joint Undertaking. This project gathers 16 partners including major airlines and air navigation service providers. It will run for three years with the objectives of improving weather forecasting capabilities, improving climate impact assessment, defining a climate-optimised concept of operations and trialling system solutions at aircraft and air traffic control level. The project brings together experts and partners from climate science, meteorological institutions, airlines, manufacturers and air traffic control to focus on effective and operationally viable solutions to aviation's non-CO₂ emissions.

In addition, the Company actively contributes to several international working groups and external conferences on non-CO₂, including those aimed at defining the future European Monitoring Reporting and Verification (MRV) scheme.

Product resilience in the context of climate change

Aircraft products are sensitive to weather phenomena during their operation phase. The adaptation of aircraft design and operation to the changing climate is therefore an important activity to be anticipated, in particular given the long lead time associated with aircraft development and operation. EASA has recently launched an industry working group under the name European Network – Impact of Climate Change on Aviation (EN-ICCA) with the objective to define a work programme to ensure continuous progress in enhancing adaptive capacity, strengthening resilience and reducing vulnerability to climate change for the aviation domain, in which the Company is fully engaged.

In addition, more specifically with regards to its defence product portfolio, the Company is collaborating with the North Atlantic Treaty Organization ("NATO") and other defence industry players and organisations (in the so-called NATO Study Group 291) with the objective of developing recommendations on ensuring

1. Information on the Company's Activities

1.2 Non-Financial Information

allied capabilities adaptation in the context of climate change. This is supported by inputs from the NATO Climate and Defence Task Force lead by the Conference of National Armaments Directors (CNAD) the Company is also part of, together with the allied governments and other defence industry players. This collaboration aims at assessing, elaborating and deploying solutions to ensure technical capabilities still enable operational effectiveness in facing changing climatic conditions.

Products and services supporting climate monitoring and adaptation

Climate change-related disasters are set to become more intense and frequent. This will require immediate action from rescue teams for whom the Company's products play an important role. For instance, the Company's helicopters are used by public authorities around the world in missions linked to disaster risk management, including medical evacuation, search and rescue or firefighting operations. In 2022, around 20% of delivered helicopters were equipped for such missions.

The Company's military aircraft platforms can play a crucial role in the protection of populations from natural disasters, such as for example during the aftermath of the fires at La Palma in Spain in July 2023, when an A400M urgently transported personnel and vehicles of the Spanish Military Emergency Unit. In December 2023, a new version of the A400M Roll-on/Roll-off firefighting prototype kit was successfully tested. It is improving dropping efficiency and reducing discharge time by over 30% compared to last year, while combined with rapid deployment and easy installation on the A400M aircraft.

The Company's fully solar-powered Unmanned Air System (UAS), Aalto Zephyr, is able to fly for an extremely long time – 64 days nonstop is the current record with plans to fly for months at a time. Combining the persistence of a geostationary satellite with the manoeuvrability of a traditional aircraft, Aalto Zephyr can provide communications services to remote areas or be used for land, coastal or border protection, wildfire monitoring, crop monitoring, land administration or environmental monitoring.

The Company's space products also play an important role in the understanding of climate phenomenon and monitoring of their evolution. Today, 20 of the Company's satellites are involved in climate change monitoring and an additional 20 are in development. As climate adaptation entails preparing for natural disasters, this critical geospatial data enables the Company to deliver data that helps governments and humanitarian agencies predict and manage disasters. Earth-observation satellites allow the monitoring of deforestation, rising sea levels and greenhouse gas emissions in the atmosphere. The Company is involved in all major environment-monitoring satellite programmes in Europe (Copernicus, Living Planet) and plays a key role in all 12 of the Copernicus missions, the EU's Earth Observation Programme. For instance, Sentinel-6 is part of the EU's Copernicus programme and was built by the Company as prime contractor. It maps the ocean's surface, measuring global sea level rises and ocean circulation. Sentinel-6 data helps governments and institutions to establish effective protection for coastal regions, and helps scientists improve weather forecasts and hurricane predictions.

The CryoSat-2 is an environmental research satellite that provides scientists with data about the polar ice caps and tracks changes in the thickness of the ice. It was constructed by the Company (EADS Astrium). Polar-orbiting Earth observation satellites can perform short-term weather forecasting and long-term climate monitoring, such as detecting storm movements and developments, cloud systems, snow cover, and ice mapping. There are currently two MetOp-SG polar-orbiting satellites (A and B) being developed and built under the industrial lead of the Company, scheduled to be launched in 2025. Furthermore, GRACE Follow-On (GRACE-FO), a twin satellite developed and built by the Company, monitors changes in underground water storage, the amount of water in large lakes and rivers, soil moisture, ice sheets and glaciers, and sea levels.

In 2023, the Company has progressed on the development and testing of new technologies that will be featured on biomass, the first ever satellite that will report how much CO₂ is captured by the world's forests. The spacecraft will deliver accurate maps of tropical, temperate and boreal forest biomass and changes in the biomass stock that are not obtainable by ground measurement techniques. In arid areas of the planet, it will see through to the underlying bedrock, enabling mapping of the rock structure and search for subterranean reservoirs of water. The satellite is currently in Toulouse for final testing ahead of its expected launch in 2024.

Upcoming missions also include EarthCARE, monitoring the impact of clouds and tiny atmospheric particles (aerosols) on atmospheric radiation; Merlin, studying greenhouse gases and global warming; and Microcarb, measuring CO₂ levels.

The Company's satellite-based services Farmstar, co-developed with Arvalis Institut du Végétal with the support of Terre-Inovia, help support a more sustainable agriculture. It provides a complete range of advice for wheat, barley, rapeseed and rapeseed companion plants at intra-field scale, all aligned with the crop cycle. This minimises farming impact on the environment by using only what the plant really needs. 700,000 hectares are currently monitored in France, for 14,000 farmers.

The Company's Pléiades Neo constellation delivers precision insights to help farmers cultivate their fields more sustainably in the context of a changing climate. Pléiades Neo's Red Edge band makes it possible to accurately predict and pinpoint subtle stress situations in crops long before the problem can be detected with conventional vegetation indices or even the human eye. This information will allow farmers to assess the root cause of the problem and take remedial action before the ailment spreads or crops are lost, enabling more effective climate adaptation.

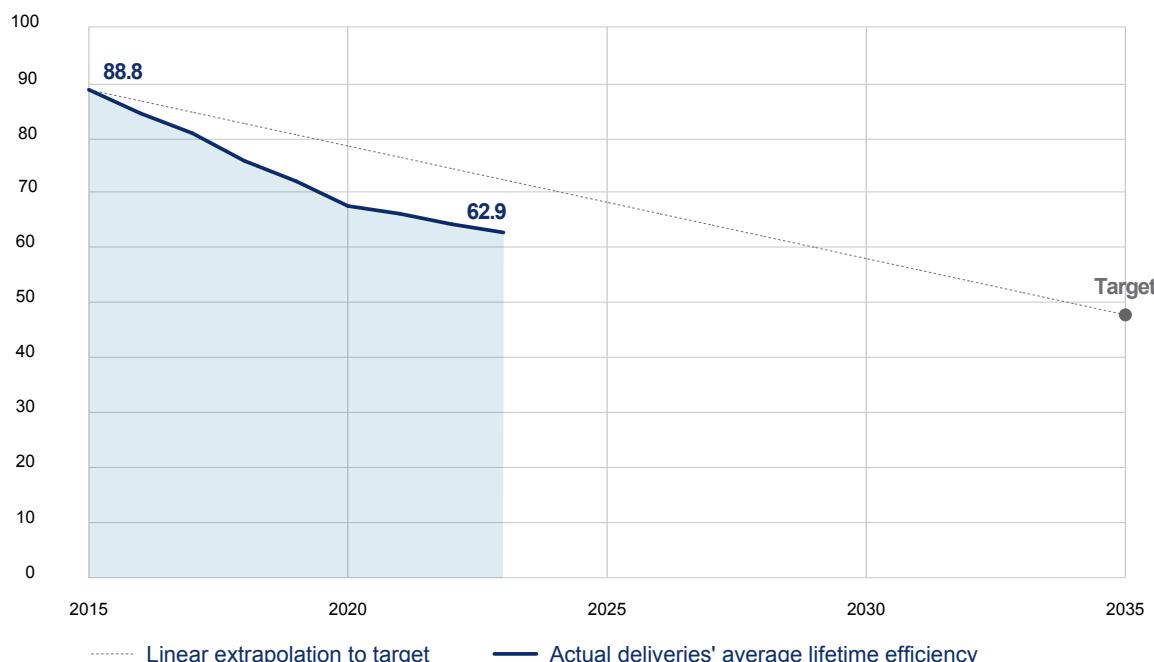
The Starling digital platform, developed by the Company with the non-profit Earthworm Foundation, uses a combination of forest cover change analytics and satellite imagery to support agro-forestry businesses, public institutions, local authorities, NGOs, academics and research. Starling can show 20 years of historical data and trends and currently covers more than 5.8 million km². Since 2016, Starling has generated more than 2 million alerts and utilised more than 180,000 images.

Investing in the future

The Company is investing in and accelerating its efforts on five complementary strategic pathways to reduce its environmental footprint, in support of the overall sector ambition, as highlighted above. Overall, a major portion of the Company capital expenditures (CapEx), research & technology (R&T), and research & development (R&D) expenses is linked to its commercial aircraft activities and the realisation of these five decarbonisation pathways. In 2023, the total R&D spend of the Company amounted to €3.3 billion (2022: €3.1 billion).

Progress and performance

In 2023, the Company delivered 735 commercial aircraft. Of these 735, the emissions of three A330-200 aircraft destined to A330 MRTT production are excluded from the commercial aircraft perimeter and included in the military aircraft perimeter as part of the "other products" category. Based on an average life-time in service of around 22 years (average life-times specific to each aircraft type were used in the calculation), and SAF uptake assumptions as per IEA-SDS scenario (ETP2020), the total CO₂ emissions for these products over their anticipated life-time is estimated at around 464MtCO₂e, which translates to an average efficiency of 62.9gCO₂e per passenger-kilometre. In 2022, the Company delivered 663 aircraft with resulting estimated life-time emissions of around 425MtCO₂e and average efficiency of 64.4gCO₂e per passenger-kilometre.



The Company estimates that products delivered in 2023 will see their life-time emissions reduced by around 15% thanks to the gradual introduction of SAF during their operational life. For all reported Scope 3 figures and performance metrics, see “– 1.2.17 ESG Data Board”.

Efficiency metric (SBTi-validated target) – Since 2015, commercial aircraft scope 3 efficiency measured through this metric has improved by 29.2%, largely supported by significant investments into new aircraft technology and designs, as well as by projected SAF uptake impact to a lower extent. Given the variable time horizons of each of the five decarbonisation

pathways presented above, it is expected that the increase of SAF used by airlines in the coming decades will have a decisive impact for achieving this -46% target by 2035. In order to be able to check how actual global penetration of SAF is consistent with its target related assumptions, the Company is developing the means to monitor actual availability of SAF and the resulting impact on aircraft emissions. This will take the form of a tool that aggregates public commercial data and processes it with a combination of artificial intelligence and rule-based calculations. The model is currently being tested, and expected to enable the first reliable results in 2024.

1. Information on the Company's Activities

1.2 Non-Financial Information

3. Supply chain engagement

	Target	2023 Performance
CDP Engagement Suppliers responding to CDP questionnaire	Maintain at least 75% of sourcing volume (based on year-1 turnover)	80.1% +5.1p.p vs. target

While the greatest contribution from the Company's supply chain to decarbonisation will be the capacity of its suppliers to accompany the development and delivery of technical solutions, getting its whole supply chain operations engaged in the transition towards a low carbon economy also remains a priority.

Scope 3 Purchased goods and services. GHG emissions arising from the goods and services the Company purchases (Scope 3 – Purchased goods and services) based on its 2022 spend amounted to 10,325 KtCO₂e (2023 data will be available later in 2024). This evaluation was performed based on a methodology developed by the International Aerospace Environmental Group (IAEG). This methodology is expected to be continuously refined in the coming years. See methodology details in “– 1.2.17 ESG Data Board / Environmental performance”. While this method includes a certain degree of uncertainty – considered high by the IAEG on a certain number of emissions factors used – it provides a broad view of the sources of GHG emissions in the Company's supply chain and enables comparison of the Company's various scopes throughout its value chain.

CDP (formerly Carbon Disclosure Project). In addition, the Company considers a CDP score as a relevant indicator for assessing the maturity of its suppliers to address climate change, and requests its main suppliers to respond to the CDP Supply Chain programme on an annual basis. In 2023, it continued engaging with suppliers representing 83.2% of the Company's total sourcing volume, following which suppliers representing 80.1% of the Company's sourcing volume have completed the CDP questionnaire. The scores for the year 2023 were not available at time of publication.

4. Employee engagement

Contribution of Company culture and employee engagement to climate objectives

Success can only be collective and the engagement of each and every employee is necessary. Environmental targets and objectives, including the ones related to climate (scope 1&2), are internally promoted under the label *high5+*. Periodic communication campaigns are led using different communication channels, such as posters and the intranet. In addition, climate-related objectives are part of the Company Top Company Objectives (“**TCOs**”). In the process of being cascaded to functions and teams, TCOs trigger discussions where teams reflect on how and to what extent they can contribute and set meaningful objectives. Furthermore, a dedicated section in the Company's intranet provides information about the Company's commitment towards climate, and related action plans are available for employees to expand their awareness. On the training platform, e-learning in relation to climate, such as “climate crisis”, “climate science”, or “climate change economics”, are freely available to employees while one environment-related e-learning has been included since 2022 in the Company yearly training plan, applicable to all employees to develop their awareness and also help them understand how their work can impact the environment. From October 2022 to September 2023, some 29,437 employees were trained in environmental awareness. In addition, 7,556 employees followed the “climate fresh” training.

The Company established a global sustainability ambassadors network in 2021 which has continued to flourish, onboarding 811 ambassadors from across 18 functions and 20 countries. Ambassadors help to foster sustainability culture and awareness, engage their local teams in various initiatives, and support the adoption and integration of sustainability objectives into the business, including climate and communities. During the year, ambassadors engaged in seven sustainability action events on topics such as materiality assessment, SBTi awareness, giving feedback on the Company's sustainability communications approach, and sustainability culture change. The Company's annual Sustainability Townhall was an opportunity to highlight and recognise the engagement of the Ambassadors through the Company's first Sustainability Ambassador awards. 80 nominations were received across four categories, highlighting best practice in Governance – national and functional approaches, business integration, and awareness and engagement.

Incentivised remuneration

In order to better embed this ambition into the Company's performance management, CO₂ performance targets have been included in variable remuneration schemes since 2021 (See “– 1.2.1 The Company's approach to sustainability / Governance”). Such short-term incentivisation enables to accelerate the transformation of the Company and cultural shift. The Executive Committee agreed in 2022 to include a reduction target in absolute value at 687kt CO₂e for 2023 (or -0.9% vs. 2022), for CO₂ Scopes 1 & 2 (TCO scope, see above), part of the Top Company Objectives. The 2023 target was overachieved with an actual performance of 593kt CO₂e or -15%. This target was set in absolute value at 581kt CO₂e for 2024 (or -3% on the 2024 extended TCO scope). In addition, when relevant, the transposition of TCOs into individual or team objectives may impact the variable remuneration of concerned employees, such as engineers working on decarbonisation-related projects, or employees working on the Company's industrial decarbonisation roadmap.

Competence management and employability

The Company's transition plan largely relies on technology and innovation. Anticipating, developing and securing required competencies will be decisive, both for the Company to be able to deliver on its commitment and for employees' skills to be adapted to a changing world. Due to the significant impact of lower-carbon aviation and eco-design (product) on its business, the Company estimates that at least 50% of engineering profiles will have to be upskilled by 2030. “Clean and Sustainable Aerospace” is identified as one critical skill group in the Company's competence strategy. Specifically, identified skills requiring priority action are: hybrid propulsion, electrical high voltage, hydrogen, cryogenics – directly related to decarbonisation innovation – as well as supply chain environmental impact analysis or eco-design.

Today the Company experiences a tension between the industry needs and the offer from both the employment market and H2 learning market. Also the aeronautic field's attractivity is a key success factor to recruitment plans. To cover this situation a H2 talent ecosystem must be developed through partnerships with universities, schools and research laboratories.

Dedicated learning paths are also being developed and deployed under the leadership of academies in the Company functions. In addition, when needed, targeted external recruitments will enable the Company to align its workforce skills with its business challenge.

5. Engaging the ecosystem

Cooperating with the scientific community and universities

Climate change is a critical challenge for humanity, and the Company believes innovation and technology can make substantial contributions to the solution. Achieving this common goal will require all forces from the scientific community to be joined. Hence the Company participates in a number of research programmes worldwide; it is committed to sharing acquired knowledge that could help accelerate the progress of science. For instance, the Company is collaborating with the DLR in Germany, Manchester Metropolitan University in the UK, with the ONERA or the Montpellier Business School in France, the Denmark Technical University in Denmark, the Massachusetts Institute of Technology (MIT) in the US, the Tsinghua University in China or the European Joint Research Centre. The Company also created the CEDAR “Chair for Eco-Design of Aircraft” together with ISAE-SUPAERO (French aerospace engineering school) in 2013. This five-year chair aimed to define disruptive concepts in air transport by introducing, from the start of the design, innovative technologies. In 2019, the partnership was renewed and adopted the main learnings of previous years all while integrating a more comprehensive environmental engineering approach. The CEDAR Chair is composed of international scholarships, interdisciplinary programme of student projects derived from concrete industrial cases in the field of “Future Aircraft Design”, and environmental engineering certificate with focus on the issues of sustainable development, offering an approach to design aircraft over the entire product life cycle, addresses eco-mobility and the economics of air transport. It also provides a research component that focuses on technological developments that will improve the implementation of air transport solutions, making it possible to reduce the global ecological footprint.

Engaging with policy makers

Leveraging on its unique understanding of aerospace industry specificities, the Company is engaged in a constant dialogue with policy makers, directly or through trade associations. Such engagements are performed in compliance with the Ethical business conduct principles described in section “– 1.2.14 Business Integrity”, the Company’s Code of Conduct and the Company’s Responsible Lobbying Charter.

In 2023, as a member of the industry association International Coordinating Council of Aerospace Industries Associations (ICCAIA) through the ASD, the Company actively participated in the International Civil Aviation Organisation’s (ICAO) work to define guidance, standards and recommended practices aimed at minimising emissions from aircraft and engines, as well as defining policies with regards to local air quality, climate change, and noise. Specifically, in 2022 the Company has been an active member supporting the adoption of a climate “Long Term Ambitious Goal” to the ICAO 41st assembly. At European level, the Company has engaged with the EU Commission on climate change policies discussions such as the “ReFuel EU” initiative as part of the “Fit for 55” regulatory package. At the national level, the Company has engaged with France, Spain, UK and Germany

in order to exchange on federal policies on climate change. In particular in its home countries France, Germany and the United Kingdom, the Company has cooperated with the CORAC (Conseil pour la Recherche Aéronautique Civile), LUFO (German Research Programme “Luftfahrtforschungsprogramm”) and ATI (UK Aerospace Technology Institute) respectively on research for technology, fuels and non-CO₂ emissions. As well, in 2023 the Company has directly discussed with the EU Commission supporting the development of a carbon removal framework with high environmental integrity in Europe. The Company’s positions on climate-related topics are consistent with the principles and axis of the transformation described in its transition plan, where it considers that emerging regulatory frameworks could be a decisive enabler.

Other initiatives

The Company is also engaged in a number of initiatives: where impactful and connected to its know-how, the Company engages in various projects with local communities or partners, and develops projects beyond its immediate core business that could generate meaningful CO₂ savings.

Scope 3 commuting – In 2022, in partnership with Toulouse Métropole, Tisséo (the local transport authority) and Sopra-Steria, a smartphone application called Ecomode was developed to incentivise the shift to collective commuting (e.g. public transport and car sharing) or low-carbon individual mobility modes (e.g. bicycles). This has been deployed amongst employees in Toulouse and is of potential benefit to the citizens of all 37 municipalities of the Toulouse Métropole. Such an initiative benefits both the Company and the whole local community. At site level, cycling to work is encouraged by improved infrastructure, cycling paths made safer in collaboration with local authorities, and periodic “cycle to work” events organised. Car parks are being equipped with charging devices to encourage the use of electric cars, and Company car policy has evolved in order to incentivise the selection of low-carbon vehicles by collaborators.

Climate adaptation, supporting local communities – Through its Community Impact Policy – including corporate activities and its non-profit arm the Airbus Foundation – the Company is committed to support vulnerable communities through disaster response at a time when climate-related catastrophes are getting more intense and frequent. The Company works in collaboration with local knowledgeable associations, as well as with partners that have a global reach. Support can take the form of impact investments or provision of access to Company’s products and services, for example, providing satellite imagery for partners to properly assess a disaster’s scope and adapt their response plans. The Airbus Foundation chartered helicopter hours to respond to the wildfires in Chile, and provided satellite imagery to the International Union for Conservation of Nature (“IUCN”) as part of a 3-year reforestation project. The Company also saw a rise in requests to support projects linked specifically to water access in vulnerable communities which are impacted by climate change and changing weather patterns. The Company and the Airbus Foundation respectively partnered with organisations in the Philippines and Kenya on projects which have collectively created access to clean water for 20,000 community members. A 3-year agreement was also signed to equip two indigenous communities in Australia with water access through infrastructure, maintenance plans and training, with the project due to commence in 2024. (See Chapter “– 1.2.16 Community Impact” for more information).

1. Information on the Company's Activities

1.2 Non-Financial Information

1.2.3 Pollution

I. Introduction

Linked to the industrial nature of its operations, the Company strives to reduce any potential impact of its activities on the natural environment in compliance with applicable standards, laws and regulations. As covered in this section, pollution includes air pollution (beyond GHG, see “– 1.2.2 Climate change”), soil pollution, water pollution (surface and groundwater) and noise pollution caused by the Company’s activities and value chain. Pollution linked to the emission of volatile organic compounds (VOCs) is a primary focus of the Company, as it may arise from aircraft painting and cleaning activities. Light pollution has been deemed to be non-material to the Company’s value chain. Pollution may impact the Company primarily through the potential consequences of business disruption arising from constraints on activities in the Company’s value chain in case of any local pollution peaks, for instance. Potential unmanaged pollution risks could also disrupt the Company’s ability to operate, e.g. deliver its products to customers or imply depolluting costs.

Overall, the Company’s compliance with applicable standards, laws and regulations is part of the operating licences granted by local authorities. In this regard, the Company is subject

to multiple regulatory provisions, including those of the EU Industrial Emissions Directive (IED). The IED notably applies to the management of the Company’s industrial activities in France, Germany and Spain. This Directive requests operators of certain installations to establish the state of soil and surface and groundwater contamination at the start of operations, apply for a permit that includes conditions to prevent pollution through application of the best available techniques, and take necessary action upon definitive cessation to return the site to its initial status. Beyond this Directive, the law on soil management is covered under several national texts which may differ from one country to another, as well as in the permits issued for the Company’s industrial activities. Specific regulations cover the topic of chemical substances, with the main regulations covering the Company’s activities and products being Registration, Evaluation, Authorisation and restriction of Chemicals (REACH); Restriction of Hazardous Substances (RoHS); Persistent Organic Pollutants (POP); and Biocidal Products.

Pollution	GRI	SASB	SDGs	Others
	305 – Emissions		9-12-13-17	
Highest governance body(ies) involved	Board of Directors / ECSC Executive Committee / Environment Committee			
Related corporate policies	Environmental Policy, Code of Conduct			
Management system Relevant certifications	EMS – Environmental Management System ISO 14001 – 87% of workforce covered			
KPIs Air emissions:	2030 Target	2015 Baseline	2022	2023 vs. 2022
VOC (tons)	0% increase	1,480	1,098	+0.4% -25%
Other key metrics		2022	2023	2023 vs. 2022
NO _x (tons)		212	179	-15.5%
SO _x (tons)		17	17	+1.0%
KPI assumptions	2023 VOC emissions data is estimated. 2023 actuals will be consolidated in April 2024.			
Additional resources	Environmental Policy Statement , Sustainability on Airbus.com			

II. Governance

The Airbus Environmental Policy and overall governance, as described in “– 1.2.2 Climate Change” apply to this topic.

III. Risk Management

Environmental risk and opportunities are managed following the Company’s ERM system, see section “– 1.2.2 Climate Change”. Substance-related risks are included in the Company’s top risks, as reported in “Risk Factors”.

In addition, the Company’s ISO14001 certified EMS notably applies the standard recommendations for pollution control audits, training, risk assessment and identification, implementation of risk prevention procedures (emergency plans, simulation exercises). For example, sites shall conduct an analysis of environmental aspects and impacts at least every three years, as well as each time a material change in operations occurs, also in connection with the Company’s ERM process. While the EMS sets requirements, actual deployment, concrete means and measures are managed at site level and adapted to the nature of a site’s industrial activities and to applicable regulations. For instance, in Toulouse and linked to flight test activities, concerned employees systematically follow dedicated training sessions, including on instructions for fuel handling or on procedures to follow in case of an incident. Also, each year, more than five spill-related emergency situations (e.g. a kerosene leak or a fire-fighting water spill) are conducted to test defined emergency plans. At least one emergency situation is performed in coordination with local authorities.

IV. Implementation / activities

Air emissions

Air emissions – primarily referring to VOC emissions related to surface treatment – are mostly impacted by the number of aircraft deliveries. Regulated substance substitution may also lead to the use of new chemicals of less concern with VOC emissions which need to be monitored. Overall, in 2022, emitted VOCs increased 7.5% year-on-year, reflecting the increase in aircraft production rate compared to 2021.

Chemical substances

Many chemicals used in the global aerospace industry to achieve high levels of product quality and meet stringent technical performance, airworthiness and reliability requirements are subject to strict regulations. These regulations impact key processes and products, such as surface treatments, paints and fire protection.

The Company remains committed to replacing such substances in its products and processes. To help achieve this, it has put in place a portfolio of activities and projects, working with suppliers to identify, develop, qualify and deploy new technologies and solutions that avoid the use of substances classified as posing a risk to human health or the environment, while still satisfying airworthiness, certification and performance requirements.

The Company also engages with suppliers to promote the adoption of a similar approach through regular communication and, more widely, by working together with the aerospace industry to promote worldwide harmonisation of regulations and ways of working, taking into account the sector’s safety and lifecycle specificities.

Using information obtained from its own design and suppliers, the Company tracks, records, assesses and declares regulated chemicals and materials. Since 2011, the Company has analysed the impact of over 1,100 regulated substances, and qualified and deployed substitutes for over 100 substances in 300 products.

The Company invests substantial time and resources in research and development for technologies that use alternatives to regulated substances. When it can be demonstrated that these technologies meet the strict safety and reliability criteria required for aviation, the Company seeks to implement them in its aircraft design and manufacturing. For example, the Company is, in cooperation with its suppliers, developing, qualifying and progressively deploying on all its new aircraft, chromate-free corrosion protection and paint systems for aluminium structures. Another example is the halon replacement project that researches alternatives to halon, a highly regulated ozone depleting substances family, used in the fire extinguishing systems in engines and cargo areas. Several fire extinguishing technical solutions are now being tested on aircraft in flight conditions, with an objective to roll them out into production from 2027.

Noise

Noise around the Company’s sites can also be an important topic for neighbouring communities. The Company is actively engaged with local authorities to minimise its impact by, for instance, adapting operating times. In Toulouse, the Company has launched the Median initiative, regrouping actors in charge of flight activities around the airport to find the most effective solution to reduce noise levels. It is also actively seeking to reduce the noise at the source, by developing products and technologies striving to minimise such impact, while certification authorities have also set stringent noise-related criteria.

1. Information on the Company's Activities

1.2 Non-Financial Information

1.2.4 Materials and circularity

I. Introduction

The Company recognises the challenges associated with depleting natural resources. This section covers its approach towards optimising the use of materials end-to-end – including product life cycle, eco-design, circularity, and end-of-life considerations – with a focus on waste when it comes to its own industrial operations. The Company identified three materials for which this approach is especially meaningful as they are essential to aircraft manufacturing: aluminium, titanium, and carbon fibre-reinforced plastics (“**CFRP**”).

While aerospace represents a small fraction of the global volumes for most materials – e.g. the Company’s aluminium consumption is estimated to be about 0.1% of the global market – it is among the main users for some highly specialised materials such as titanium or CFRP. The use of these materials, and the impacts associated with their production or end-of-life, are justified by their contribution to the efficiency of the end product, as they enable lighter structures and more efficient design. As more than 90% of a typical aircraft’s life cycle impact comes from its operational use phase, using lighter materials (which are sometimes more impactful in their production processes) is particularly effective in regards to achieving significant reductions in energy consumption and emissions overall. Product weight

optimisation is largely linked to product performance in terms of range and fuel consumption, and therefore has a benefit for customers. Optimising the use of such high-value materials is directly linked to the Company’s competitiveness, while securing their supply, as they become scarcer, is necessary to ensure business continuity.

Additionally, these materials can pose unique challenges in terms of supply, application and recycling. Addressing this topic requires an engagement and coordination with the end-to-end value chain, from the extraction stages to the eventual disposal or recycling. Of note, the human rights aspects that may be linked to the sourcing of materials, including conflict minerals, as well as the potential environmental impact linked to their extraction and processing are covered in sections “– 1.2.10 Human rights” and “– 1.2.15 Responsible Supply Chain”. A number of related regulations affect the Company globally, regionally and locally, such as the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal, or the EU Waste Framework Directive.

All considerations for optimising material use shall also, under no circumstance, be detrimental to product safety and shall meet all technical requirements from stringent certification standards.

Materials and circularity	GRI	SASB	SDGs	Others		
	301 – Materials 306 – Waste	Hazardous Waste Management		9-12-13-17		
Highest governance body(ies) involved	Board of Directors / ECSC Executive Committee / Environment Committee					
Related corporate policies	Environmental Policy, Code of Conduct, Human Rights Policy					
Management system Relevant certifications	EMS – Environmental Management System ISO 14001 – 87% of workforce covered					
KPIs	2030 Target	2015 Baseline	2022	2023	2023 vs. 2022	2023 vs. Baseline
Waste produced excluding exceptional waste (tons)	-20%	107,513 with no landfill or incineration without energy recovery	74,443	77,208	+3.7%	-28.2%
Other key metrics (More metrics and assumptions, see “– 1.2.17 ESG Data Board”)			2022	2023	2023 vs. 2022	
% Material recovery rate			61%	60%	-1p.p.	
% Energy recovery rate			18%	19%	+1p.p.	
Additional resources	Environmental Policy Statement ¶ , Sustainability on Airbus.com ¶ , Tarmac Aerosave ¶					

II. Governance

The Airbus Environmental Policy and overall governance, as described in “– 1.2.2 Climate Change” apply to this topic. At the operational level, a multi-functional team leads this activity. Additionally, this was complemented at the end of 2021 for the Company’s commercial aircraft activities by a specific cross programme forum that reviews, prioritises, and budgets waste or inventory-related initiatives.

III. Risk management

Environmental risk and opportunities are managed through the Company’s ERM system. See “– 1.2.2 Climate Change”.

IV. Implementation / Activities

The Company's products make efficient use of these materials by being designed to operate for several decades with high utilisation rates, being highly serviceable and repairable, and ultimately allowing for around 90% of their constituents by mass to be recovered, including recycling. The Company promotes the development of a circular economy model, and is proactive in seeking ways to recover, reuse and recycle materials beyond their initial life. Overall, in order to minimise the impact of its activities, the Company's strategy relies on the approach: avoid; reduce, reuse-recycle-repair, supported by a number of enablers such as measuring, Life Cycle Analysis ("LCA") and eco-design, or digitalisation.

Metallic waste accounts for more than 30% of the Company's waste (excluding exceptional waste). Considering the risk of resource depletion *versus* growing demand, the Company has kicked off in 2022 and progressed in 2023 a dedicated transformation project related to the circularity of critical raw materials, especially non-ferrous metals, with a focus on the most material perimeter, its commercial aircraft activity.

Avoid – Material Use Optimisation

Weight reduction through material use optimisation has always been a priority in aerospace, as this is directly linked to aircraft performance. Lately, the development of new technologies such as additive layer manufacturing (ALM or "3D printing"), including for metallic components, enabled the redesign of parts, resulting in significant improvements by limiting material consumption to what structure and resistance require. For example, 3D printing technologies such as direct energy deposition (DED) can reduce the titanium raw material consumption by up to 70%. More optimised design and manufacturing processes for metallic and composite components can improve the buy-to-fly ratios, as well as reduce weight, material consumption, energy consumption and production costs. For instance, forming technology has led to an aluminium material reduction of 80% for some parts compared to machining from a plate.

Reduce

Industrial waste

Waste from industrial activities represents about three quarters of the total waste generated by the Company's sites, the remaining portion being waste generated in offices and canteens. The Company also focuses on the waste generated by its sites throughout the manufacturing process and has set an objective of reducing these overall waste amounts by 20% by 2030 from a 2015 baseline, including 0% landfilling and 0% incineration without energy recovery. The Company industrial waste is mainly composed of metallic waste, general waste, chemical waste and packaging waste.

A dedicated multi-functional team with skills from across the organisation such as engineering, information management, procurement, industrial operations and facility management is actively working on a waste reduction roadmap. Over the past years and including in 2023, the Company has focused on metering and on data robustness and accuracy for measuring waste, with a focus on standardising the practices towards waste collectors and in line with regulatory requirements for greater traceability. The objective is to enhance data monitoring, reporting and forecasting capabilities in order to steer efforts through sites on waste management. This includes

a harmonisation of definitions, processes and assumptions. Priority has been given to commercial aircraft activities due to the industrial ramp-up.

In 2023, non-exceptional waste increased by 3.7%, largely explained by the commercial aircraft production ramp up. The proportion of the non-exceptional waste landfilled or incinerated without energy recovery amounted to an estimate of 21%.

Hazardous waste

In the Company's European operations, the main sources of hazardous waste are contaminated packaging and chemical waste, especially waste from surface treatment activities, oil, fuel and various chemicals. While chemical waste reduction remains a priority, this is a topic also driven by regulation, the evolution of which may impact the roadmap's ambition for reducing waste as well as its timing (see Chemical Substances section in "– 1.2.3 Pollution").

Increase the lifespan of components

A large part of the Company's aircraft products components are designed to last for the aircraft service lifetime, which exceeds 20 years on average. Some components, called life-limited parts ("LLPs"), have a lifetime which is limited by design for safety related reasons and need to be replaced at specific intervals based on the aircraft age and usage.

Repairability – reuse – second life

With regards to LLPs, easy replacement and availability of parts over the whole programme lifetime are a priority. The Company's products are designed to be repaired when damaged by a number of maintenance, repair and overhaul (MROs) companies worldwide and spare parts providers. The Company's after-sale activities include the sale of spare parts and the provision of maintenance, repair and overhaul services. LLPs can be overhauled to serve other operators, routes or missions. In particular, passenger-to-freighter conversions are frequently considered to extend the lifetime of aircraft.

Recycling

Waste generated by the Company's industrial processes often includes high-value materials, so optimising their circularity responds to both environmental and economic objectives. The Company sends over half of its waste to be recycled. It is currently working on specific initiatives to further increase this rate, such as specific loop creation for titanium in order to reintegrate chips or end-of-life parts into raw material manufacturing processes.

In addition, the Company sources material volumes of recycled materials that are used for the manufacturing of aircraft. As an order of magnitude, in 2023 around 40% of aluminium products delivered to the Company (main structural material in an aircraft) came from recycled material.

Finally, the EU-funded PAMELA project, for Process for Advanced Management of End of Life of Aircraft, demonstrated in 2007 the possibility of recycling up to 85% of plane components. More recently, according to TARMAC Aerosave, a joint-venture in which the Company is a shareholder, now more than 90% of an aircraft's weight can be recovered at end-of-life (including material and energy recovery) through a selective dismantling process. For example, TARMAC Aerosave, provides such reverse manufacturing services, including dismantling, sorting,

1. Information on the Company's Activities

1.2 Non-Financial Information

packaging for reuse or sending to relevant waste collectors while managing parts traceability. In 2023, the Company, Tarmac Aerosave and the City of Chengdu established a joint venture for the first aircraft "lifecycle" services centre in China. The new facility will cover a range of activities from aircraft parking and storage, to maintenance, upgrades, conversions, dismantling and recycling services for various aircraft types. Overall, TARMAC has provided dismantling, recycling and disposal services in respect of over 300 decommissioned aircraft since 2007.

Lifecycle thinking and conscious design

The Company invests in lifecycle assessments (LCA) for environmental impact accounting associated with a specific product, in accordance with the requirements specified in the ISO14040 standard. LCA studies have been finalised for all commercial aircraft products delivered in 2023.

In addition, the Company is deploying frameworks enabling environmentally-conscious design choices to reduce the footprint of projects and optimise aspects such as product end-of-life management and critical raw materials usage. For instance, environmental assessments are being used to assist the research & technology decision-making processes related to commercial aircraft activities. The Defence and Space Division also uses LCA as part of the development of the Sentinel satellites that are built for the European Space Agency.

Digitalisation, traceability and criticality mapping

The Company leverages digitalisation as an enabler to optimise and reduce its environmental footprint. For example, all waste data is now collected and managed on a single Company-wide platform in order to provide a holistic view of the waste, enabling more efficient decision making at Company and site level.

As recommended by the EU Critical Raw Material ("CRM") framework, the Company has created and is maintaining a dedicated internal methodology to assess criticality of raw materials on the axis of supply risk, environmental and ethical impacts. Based on this, a regularly updated watchlist of the most critical raw materials for the Company has been defined to influence design choices. The mapping of Critical Raw Materials and Strategic Raw Materials in the Company's commercial activity products is currently ongoing, based on available data.

Competence management

Circularity is a part of the Company's sustainability and environment competency strategy. Accordingly, related training modules have been integrated in the Company's training catalogue, such as "Circular economy – sustainable materials management", "What is circular economy", "Implementing circular economy processes", "Circular design and manufacturing in practise", "From linear to circular thinking".

1.2.5 Water

I. Introduction

The Company's water usage is mostly linked to non-industrial uses, including sanitary, heating, ventilation and air conditioning, canteens and fire extinguishing. Around one third of the water withdrawn is used for industrial uses such as climate control of industrial facilities (e.g. clean rooms for satellite assembly; paintshops), surface treatment, machining and non-destructive testing. This section covers both withdrawal and discharge.

Procuring the required water does not currently represent a material cost for the Company as overall withdrawn volumes are relatively limited, especially for its industrial operations. However, securing water availability to operate the industrial processes requiring water is critical for the Company and its supply chain to ensure business continuity. As such, water aspects are included in the Company's LCA approach.

The links between water use, climate and biodiversity are significant, with climate change and ecosystem degradation having the potential to exacerbate water stress and consequently affect water availability. The Company analyses current and projected local water stress levels to understand where the Company's activities have the greatest impact on water resources and prioritise actions in these areas (e.g. south of Spain, northern China). This analysis is based inter alia on the World Resources Institute's Aqueduct Water Risk Atlas 4.0 tool, using the "baseline" data as well as the 2030 scenarios.

Due diligence aspects with regards to the potential environmental impacts including on water resources in the Company supply chain are described in section "- 1.2.15 Responsible Supply Chain".

Water discharge quality is managed by each site directly to ensure compliance with applicable local regulatory requirements.

Water	GRI	SASB	SDGs	Others		
	303 – Water and Effluents		9-12-13-17			
Highest governance body(ies) involved	Board of Directors / ECSC Executive Committee / Environment Committee					
Related corporate policies	Environmental Policy, Code of Conduct					
Management system Relevant certifications	EMS – Environmental Management System ISO 14001 – 87% of workforce covered					
KPIs	Target 2030	Baseline 2015	2022	2023	2023 vs. 2022	2023 vs. Baseline
Water:						
Water purchased (m^3)	-50%	3,366,404	2,922,431	2,772,185	-5.1%	-17.7%
Water withdrawal (m^3)	0% increase	4,317,843	3,687,717	3,535,867	-4.1%	-18.1%
Other key metrics (More metrics available in “– 1.2.17 ESG Data Board”)			2022	2023	2023 vs. 2022	
% of water withdrawal from all areas with high or extremely high water stress ⁽¹⁾			37%	37%	Op.p.	
Metrics assumptions	<p>⁽¹⁾ Areas identified with high or extremely high water stress as defined by the Aqueduct Water Risk Atlas, “baseline” (Aqueduct version 3.0 for the 2022 and previous data and Aqueduct version 4.0 -updated in August 2023- for the 2023 data).</p> <p>Note: 2015 and 2022 data have been restated in order to re-integrate volumes previously accidentally omitted from two sites located in Germany and one site located in Canada.</p>					
Additional resources	Environmental Policy Statement , Sustainability on Airbus.com					

II. Governance

The Airbus Environmental Policy and overall governance, as described in “– 1.2.2 Climate change” apply to this topic.

III. Risk Management

Environmental risk and opportunities are managed following the Company's ERM system, as described in the section “– 1.2.2 Climate Change”. This covers among other risks related to water accessibility in areas of high and extremely high water stress. In addition, water has been identified as relevant to climate change physical risks: work is ongoing to update the above-mentioned risks in line with TCFD.

IV. Implementation/Activities

In 2023, the Company refined its estimates of its own water usage; overall water usage mostly relates to non-industrial uses (around 60% of water withdrawal), while the rest is used in production-related uses (about one third) and fire protection (less than 10%).

In order to better monitor its approach with regards to water management, the Company has set the following 2030 targets (vs. 2015 baseline): -50% reduction in purchased water and 0% increase in water withdrawal.

The Company is currently working on a revision of these water targets with a site per site context-based approach and a reinforced focus on sites located in high and extremely high water stress areas, also considering 2030 projections. When finalised, this should result in the discontinuation of the purchased water related target and a more relevant target for water withdrawal.

While all concerned sites are working towards these targets with the implementation of advanced water management practices, a focus is put on areas with current or future high water stress levels. For example, local water stress levels are used as a criterion for prioritising the funding of projects and for launching pilot projects (e.g. proof of concept launched in Illescas, Spain on digitised and automated water consumption real-time monitoring).

In 2023, the Company conducted studies in 14 sites representing 68% of the Airbus 2023 total withdrawal in order to assess the water management maturity level of these sites and identify relevant opportunities to further reduce withdrawals. Other sites have conducted maturity self-assessments based on the same methodology.

1. Information on the Company's Activities

1.2 Non-Financial Information

The strategy is based on the following eight pillars:

Key pillars	Description and rationale	Examples of projects
Measure / metre	Measuring as a prerequisite to identify water flows and manage consumption.	Installation of smart water metres with automated and digital data transfer, high frequency and increased granularity (e.g. commercial aircraft sites and Airbus Defence and Space Division sites in Europe).
Monitor	Track consumption, ensure control of deviations and detection of abnormalities.	Smart metering on site/building/asset level, connection to digital platforms, creation of KPIs and regular reports, alert systems.
Avoid squandering	Identify and fix leakages, reconsider processes.	Leakage detection campaigns; improved parameters of Super Plastic Forming press cooling system to avoid unnecessary use of water in Toulouse (France).
Reduce	Increase efficiency; equipment retrofit.	Adoption of cooling system with reduced water consumption at Illescas site (Spain); air conditioning, boilers and sanitary equipment retrofit at Puerto Real site (Spain); replacement of water chiller with air-cooled systems in Portsmouth (UK); new press cooling system in Bremen (Germany); improved efficiency of air conditioning systems through water treatment system and automatic adaptation of airflow in Stade (Germany); improvement of cooling towers cycles in Toulouse (France); reduction of irrigation at Miami (US), Tianjin (China) and Blagnac (France) sites.
Reuse	Create closed loops; use the same volume several times.	Reuse of treated industrial wastewater in Nordenham (Germany) in industrial processes; water reuse for Non-Destructive Testing in Illescas (Spain); reuse of treated wastewater for irrigation in Beijing (China).
Replace	Use rainwater.	Rainwater harvesting at Toulouse (France), Broughton (UK) and Illescas (Spain) sites.
New building design	Ensure high water efficiency standards from the design phase.	Certified building standards, e.g. LEED (Silver certification, Mobile site, US).
Communication	Inform and engage employees.	Employee awareness campaigns (e.g. World Water Day communication on internal portal, onsite awareness-raising animations on water in Blagnac and Toulouse sites).

In 2023, water withdrawal decreased by about 4% compared to 2022. When compared to 2015 baseline, water withdrawal reduced by 18.1%; similarly, purchased water dropped by 17.7%. These savings resulted from a number of operational

improvements and technical projects in line with the eight pillars described above, and including reinforced operational control, control of irrigation practices and leakage repair.

1.2.6 Biodiversity

I. Introduction

The Company recognises the considerable pressure the planet is facing as a result of loss of biodiversity. The latest [2019 report of the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services](#) ("IPBES") demonstrates that the health of ecosystems is deteriorating rapidly and the 2021 IPBES-IPCC co-sponsored workshop shows the clear interdependencies between climate action and biodiversity protection. In this context, the Company intends to improve its understanding of the impacts its activities and biodiversity may have on each other alongside the interdependencies of this subject with the Company's ongoing climate actions.

Moreover, the Company aims to contribute to updated and new goals and objectives for biodiversity. These include the ones for 2030 and 2050 agreed at the 15th Conference of the Parties of the UN Convention on Biological Diversity in December 2022, in Montreal, which notably calls on businesses to assess and disclose biodiversity dependencies, impacts and risks, and reduce negative impacts.

II. Governance

The Airbus Environmental Policy and overall governance, as described in "– 1.2.2 Climate Change" apply to this topic.

III. Risk Management

Environmental risk and opportunities are managed following the Company's ERM system, as described in the section "– 1.2.2 Climate Change".

IV. Implementation/Activities

In order to progress its understanding of the impact of its activities on biodiversity, the Company has identified the IPBES report as a relevant framework to follow. The Company launched in 2022 and further progressed in 2023 a project to compile an inventory of potential impacts across the five drivers of biodiversity loss: changing use of sea and lands, direct exploitation of organisms, climate change, pollution and invasive non-native species. Meanwhile, the Company presumes that the most material biodiversity loss impact is linked to the impact of the operation of its commercial aircraft on climate change and, as such, efforts are prioritised alongside the existing climate-related initiatives. See "– 1.2.2 Climate Change". In addition, a number of actions have been started in relation to the other drivers such as creating some baseline to support the management of eventual impacts related to "Changing use of land" (see below).

Pollution: see "– 1.2.3 Pollution".

Changing Use of Land

Overall, the ground footprint of the aviation industry, as a global means of transportation, is limited to local sites; mostly airports and related activities. As for the Company, its operations are located at a number of industrial sites. The Company seeks to engage with local conservation partners as part of site development and planning. Where impacts cannot be avoided or reduced, the Company works with these local partners on conservation and remediation projects to preserve flora and fauna that are impacted by the Company's industrial activities. This is done in line with applicable legal requirements. In France, for instance, before, during and after construction works, the Company strives to apply the Avoid, Reduce, Compensate mitigation hierarchy, as well as establish a budget for compensation measures that goes beyond the duration of the project (for maintenance for example). This requires identifying areas rich in biodiversity (in

particular protected species), identifying the potential impacts on biodiversity, and carrying out, if required, the necessary biodiversity inventories and the applicable deadlines in the timeline of each project.

Restoring Biodiversity

The Company's space products, and more especially Earth-observation satellites, play an instrumental role in the understanding of biodiversity evolution. See “– 1.2.2 Climate Change – Transition plan – Products and services supporting climate monitoring and adaptation”. In addition, through its corporate community impact programme (including the Airbus Foundation), the Company has supported a number of biodiversity projects that aim to help preserve wildlife and natural ecosystems. See “– 1.2.16 Community Impact”.

Build our business on the foundation of safety and quality

1.2.7 Aviation and product safety

I. Introduction

The Company believes that everyone in the aerospace industry has a role to play to further enhance the safety of the air transport system. Flying today is safer than ever before, and collective efforts continue to ensure that it will be even safer by anticipating and responding to risks, threats and challenges. While the foundations of the air transport system are built on regulatory compliance, the safety culture at the Company goes beyond compliance with certification and continued airworthiness

requirements to also focus on safety enhancement activities in products and services. This also extends to the products and services of the Company's Defence and Space Division that offer communication, collaboration and intelligence knowledge solutions to assist government authorities, emergency service providers and healthcare providers.

Aviation / Product Safety	GRI	SASB	SDGs	Others
	416 – Customer Health and Safety	Product Safety	12	
Highest governance body(ies) involved	Product Safety Board (PSB), involving several Executive Committee members Board of Directors			
Related corporate policies	Airbus Product Safety Company Policy (A67)			
Management system Relevant certifications	SMS Products Operations	Corporate Safety Management System EASA regulation (Parts 21/145/147/M/OR), EU 996/2010, EU 376/2014, ECSS-Q ST-40-C and Def-Stan 00-56 EN9100, EN9001, EN9110, AQAP 2110, AQAP 2210 and AQAP 231		
KPIs		Target	Horizon	2022 2023
% SMS officers nominated		100%	permanent	100% 100%
% SMS officers trained		100%	permanent	100% 100%
Other key metrics				2022 2023
Fatal accident rate Industry wide ⁽¹⁾				0.05 (Gen4) 0.04 (Gen4)
Metrics assumptions	⁽¹⁾ 10 year moving average fatal accident rate (per million flights) per aircraft generation.			
Additional resources	Code of Conduct ¶ , Product Safety on Airbus.com ¶ , Safety in Operations on Airbus.com ¶ , Safety investigation on Airbus.com ¶ , Health Onboard ¶ , Accident Statistics website ¶			

1. Information on the Company's Activities

1.2 Non-Financial Information

II. Governance

A dedicated safety organisation within the Company acts as an independent voice of safety. The Chief Product Safety Officer for the commercial aircraft activities of the Company reports directly to the CEO and is the Chairman of the Product Safety Board (PSB). Several Executive Committee members and senior executives are part of the PSB. This ensures proactive safety decision-making is based on multidisciplinary assessments at the highest decision level of the Company. The PSB makes decisions regarding technical aspects, safety governance and strategy. Regular reviews with the Board of Directors are also performed.

The Company's Safety Management System

Consistent with ICAO Annex 19, the Company's Corporate Safety Management System ("SMS") is based on the four ICAO pillars: safety policy and objectives, safety risk management, safety assurance, and safety promotion. The Company's Corporate SMS principles also integrate the end-to-end approach to safety with the Company's suppliers and operators. This is facilitated by an appointed corporate SMS Officer and SMS Officers per function with support from a network of nominated SMS representatives throughout the Company.

The Company's Safety Strategy

To support the Company vision for safety – "we constantly strive to enhance safety together in our quest to reach zero accidents" – the Company's product safety strategy is to:

- implement programmes to continuously enhance the safety culture to ensure each employee has a personal and collective engagement consistent with the Company's safety values;
- provide means so that any employee can report safety concerns;
- ensure product safety is a priority in decision making, and
- share lessons learnt and best practices with internal and external stakeholders, and take appropriate actions including actions based on identified top safety threats or opportunities.

Regulatory Compliance

Regulatory compliance

Product certifications are provided by the competent aviation authorities including the main civil aviation authorities and specific military authorities. Within each Division, and according to their respective functions, the Company works to ensure compliance through design and certification of products under EASA Part 21 Design Organisation Approvals (DOA); ECSS-Q-ST-40-C (for space products) and Def-Stan 00-56 (for defence products); manufacturing under Production Organisation Approvals (POA); monitoring of in-service safety through approved EASA Part-M Continuing Airworthiness Management Organisations (CAMO); aircraft maintenance and retrofit operations conducted in line with civil and military EASA Part 145 regulations; and training provided to flight crews, cabin crews and maintenance crews through EASA Part 147 Approved Training Organisations (ATO).

The certified organisations within the Company where specific approvals are granted by the aviation authorities, are audited and monitored by these authorities to ensure compliance with regulatory requirements. Additional audits are conducted by third parties as part of the quality certifications appropriate to each Division, including EN9100, EN9001, EN9110, AQAP 2110, AQAP 2210 and AQAP 2310.

Commitment to Just and Fair Culture

This commitment ensures that the appropriate reporting channels are available and known to all employees to report product safety and quality-related matters in an atmosphere of trust and empowerment. It is documented and endorsed with the signature of the CEO, Executive Committee members and top management.

III. Risk Management

Applying proactive risk management principles has contributed to significant improvements to the safety of flight in recent decades. This risk management approach drives the Company's corporate safety process, which has been in place for more than 15 years. It supports the principles of the Company's safety enhancement culture, going beyond compliance with certification and airworthiness duties.

IV. Implementation/Activities

Consistent with its end-to-end approach and as part of its safety strategy, the Company has several collaborative initiatives that contribute to reinforcing resilience capabilities in the air transport system and enhancing the safety level of its products with all key actors.

For example, the Company is working with its supply chain to extend its safety enhancement principles to its suppliers. This includes specific SMS forums and initiatives with its suppliers, which reinforce the collaborative approach for optimising responses to in-service feedback and reports. To ensure the safety and quality of parts used in aircraft and spacecraft manufacturing guarantees that the final product will meet safety and quality standards, the Company cascades related requirements to all its direct suppliers through contractual terms and the Supplier Code of Conduct. These go beyond ISO EN9100 quality standards, with the requirement for suppliers to continuously train their employees on quality assurance and ensure they are appropriately skilled. The Company leads an annual audit campaign to verify all quality requirements are met, including performance and compliance. Priorities are defined based on risk ranking criteria that consider parts criticality, operational maturity and production capacity.

Sharing safety information is a key contributor to increasing the level of safety. There have been 27 flight safety conferences with the Company's customers since the first was held in 1994. Another means of sharing information is through "Safety first", the Company's safety magazine contributing to the enhancement of safety for aircraft operations by increasing knowledge and communication on safety-related topics. It reaches over 1,500 aviation professionals daily via the website safetyfirst.airbus.com and the Safety-first app. D10X (short for Air Transport Safety, Destination 10X Together) is another collaborative initiative with airlines. The aim of D10X is to propose and share pragmatic solutions together with operators of Company's aircraft for the key safety issues identified within this network.

In addition to these external safety promotion initiatives, the Company invests in internal safety promotion with the objective of continuously reinforcing the safety culture of all employees. This is supported by different means including communication campaigns, training, safety awareness sessions, and development of safety promotion centres.

SMS officers are nominated and trained in all key business functions to ensure implementation, and operation of the SMS within the Company, including safety promotion. The above-mentioned commitment to a just and fair reporting culture is another example of an initiative that promotes the Company's safety culture. These elements are integrated in the Company's SMS action plan.

The Company also continues to innovate to benefit from technological evolutions to further enhance both operations and safety. All these initiatives lead to continuous improvement of the safety record. This is illustrated in statistics (below) showing that the latest fourth-generation jets are the safest. All of the Company's fly-by-wire family aircraft (including A320, A330/A340, A380, A350, A220 fleets) are the latest fourth-generation aircraft.

Ten-year moving average fatal accident rate (per million flights) per aircraft generation

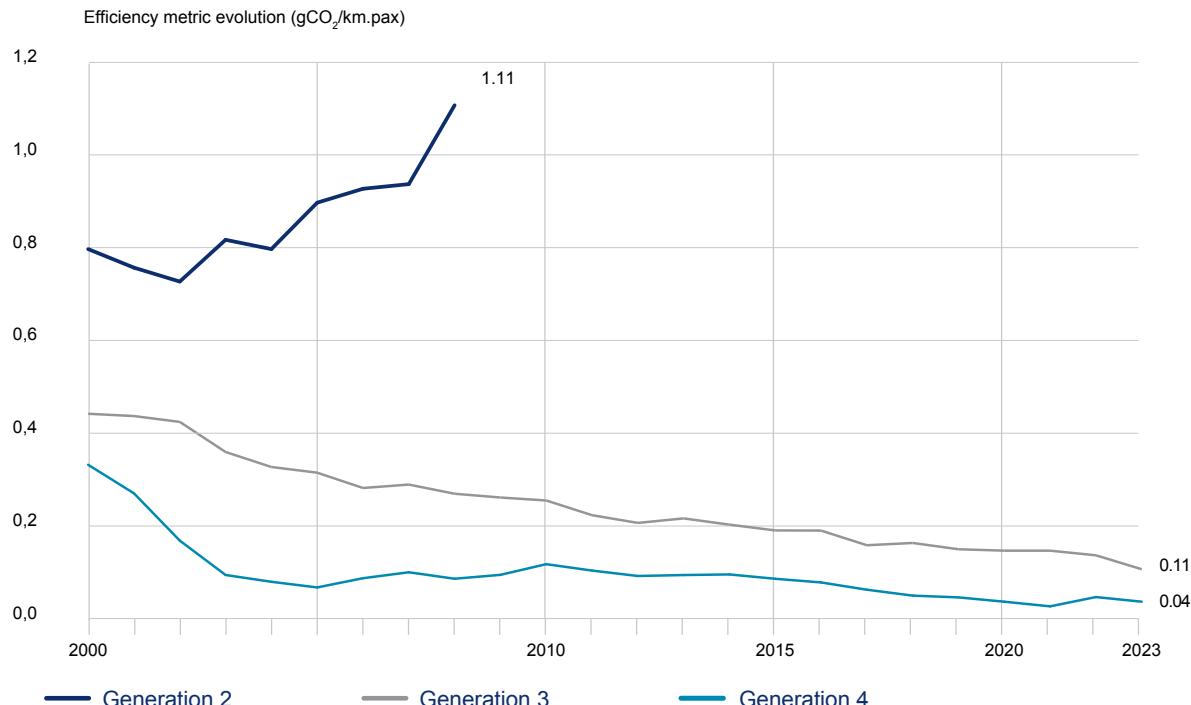


Fig. ten-year moving average fatal accident rate (per million flights) per aircraft generation.

Source of data: official accident reports, ICAO, Cirium, and Company databases. Flight cycle data provided by Cirium.

1.2.8 Cyber security

I. Introduction

Cyber security risks have the potential to impact all business operations, employees, plus products and services if incorrectly managed – either in confidentiality, availability or integrity. As such, the Company undertakes a continual process of cyber security risk identification and remediation, supplemented with significant cyber security capabilities for the anticipation, prevention, detection and response to cyber threats and events. Cyber security risk management is a core element of modern organisations, thus the Company has developed state-of-the-

art cyber capabilities for the defence, detection and response to emerging cyber threats. The cyber security paradigm adopts a compliance, regulatory and risk-based approach embedded across four asset bodies: IM, industrial, products and services, and people and workplace domains. Developing cyber security as a business function, with the relevant capabilities and stakeholders, ensures an evolutionary approach for continued protection against emerging threats and to support the business in securely enabling its digital transformation.

1. Information on the Company's Activities

1.2 Non-Financial Information

Cyber security	GRI	SASB	SDGs	Others
Highest governance body(ies) involved	Corporate Security Council; Digital Security Team (Cyber Security Validation Body)	Data Security	9, 12	
Related corporate policies and directives	Airbus Company Security Policy Security Requirements for Company Information & Data Classification and Protection, Security Requirements for Information Systems Management, Security Requirements for Affiliates, Security Requirements for Industrial Automation and Control Systems, Requirements for Product Security, Requirements on Information Security for Suppliers, Specific Requirements on Information Security for IT Service Providers			
Management system	Manage Airbus Company Security – aligned to ISO27001 standard, Monitor, Identify & Report Company Asset vulnerabilities, Assess & Treat Company Asset Security Risk			
Key metrics		2022	2023	
Number of data breaches reported to data authorities		0	1	
Percentage involving confidential information		N/A	100%	
Number of mandatory cyber security awareness e-learnings (01 October – 30 September)		80,480	81,476	

II. Governance

The Company has undertaken a cyber security transformation since 2019 with the establishment of a federated model of digital security encompassing accountable leaders in respective organisational structures such as IT, engineering and operations. A dedicated team for security governance was established, reporting to the Company Chief Security Officer, responsible for the definition and audit of cyber security directives and methods aligned to major industry standards such as ISO27001 or IEC62443. The Company Chief Information Security Officer reports to the Chief Security Officer, who in turn has a direct reporting line to the CEO. Such an approach ensures localised accountability and reactivity to cyber risks with centralised governance, reporting, technical standards, and processes. Cyber security governance encompasses both Divisions and global operations plus affiliates. The Company Board of Directors are regularly updated on cyber security topics, with two dedicated sessions in 2023 and receipt of quarterly "Executive Reports" that cover all major achievements, challenges and trends. The three CEOs of the Company and its Divisions are briefed on security topics every two months.

Corporate Security Council. The Company has established a Corporate Security Council, chaired by the Chief Security Officer, for the coordination of security governance and to ensure consolidated security risk reporting from each of the four asset clusters: IT, industrial, product and services, and people and workplace.

Security governance directives are published and audited to ensure the Company business follows the same standards for data protection and systems security. Key cyber security directives include the ones listed in the table above.

III. Risk Management

Confidentiality, integrity and availability are known to define cyber security objectives when thinking about systems risks. Corporate Security is accountable for security risk management and is in charge of defining cyber security risks taxonomy and managing the lifecycle in ERM, including strategy, organisation, roadmap and initiatives at company-wide level. In terms of cyber

security, risk management is the aggregation of continual risk reporting, cyber security validation processes embedded within security by design principles for projects, applications and infrastructures – in addition to the implementation of digital security controls aligned to the Company's enterprise security architecture standards. A fully industrialised framework and toolkit has been deployed to ensure the standardised prescription, deployment and assessment of these controls across the Company.

Risk mitigation measures follow the principle of people, process, and technology controls to reduce the likelihood and/or impact of cyber incidents. The Company incorporates mandatory cyber security training and awareness for all employees with additional engagements for employees in higher risk categories or where additional regulatory stipulations apply. Security processes are fixed through security governance directives, business management processes (e.g. MC.AS.01 Vulnerability Management and MC.AS.02 Risk Management), and operating models. Technical security controls are implemented and measured in accordance with ISO27001 and other industry standard information security management standards. The Company implements a number of key technical security controls in the reduction of cyber incident likelihood including the rollout of endpoint protection and data loss prevention tools, the implementation of multi-factor authentication, and the adoption of enterprise security architecture approaches. To reduce impact from cyber events, it operates in-house security operations centres covering both commercial and national activities; plus a Computer Emergency Response (CERT) team analysing cyber security threat intelligence and rapidly investigating and containing cyber security incidents.

Cyber security risk management is under regular internal and external audit, confirming processes and implementation to both the Company's and industry standards. Technical audits are also conducted regularly on applications, systems and infrastructures in the form of cyber security penetration testing. Technical red-team (offensive) cyber exercises are conducted at least once per year for the evaluation of detection and response planning. These are in addition to annual cyber security crisis simulations for evaluation of business continuity and reactivity.

IV. Implementation/Activities

Building upon the enhancements of 2022, a number of key initiatives were undertaken in 2023 to improve the cyber security position, reduce associated risks and decrease the likelihood of successful cyber attacks, including:

- deployment of the Company's cyber security strategy for capability development, protection improvements and risk reduction from cyber attack by end of 2025;
- creation of MIRIS company (Mutual of Insurance and Reinsurance for Information Systems) by the Company and 10 other large European companies, in order to provide cyber insurance coverage and a technical hub for sharing amongst its members;
- industrialisation and adoption of Company-wide cyber security controls framework to standardise the technical approach to security by design;
- maintaining compliance with existing and evolving cyber security regulations, and anticipating future national, international, and sector-specific cyber security laws; for instance, through the implementation of a Data Compliance Centre to ensure the Company's compliance towards internal and external regulations and policies;
- conducting an in-house full red-team cyber exercise for continual process improvement and controls maturity around data exfiltration scenarios;
- within the framework of the Company's Cyber Community of Practice, a programme of internal events was launched focusing on technical sharing to support the development of people. Examples of such events include an annual conference to share technical topics and organisational news with the

cyber security community, and a physical/virtual hybrid hands-on technical training day for Red, Blue and Purple-team skills development;

- certified Airbus cyber security diplomas launched in France in 2022, in order to reinforce and future-proof existing cyber security competency, in addition to building an appropriate pipeline for future skills and needs. The Company-delivered Bachelor's and Master's degrees are validated by the French National Registry of Professional Certifications, and correspond to 660 hours and 870 hours of courses respectively. In 2023, 22 students were registered in the Bachelor's programme and 17 students in the Master's;
- as part of the Top Company Objectives, employees are highly recommended to complete each year a training on cyber security issues.

Such activities have continued to reduce the overall cyber security risk, specifically around the increasing threat from ransomware.

V. Outlook

There are no signs globally that the threats of cyber attack will decrease; therefore, the Company maintains an advanced cyber security posture and anticipates future threats. Specific focus is placed on:

- ensuring continued compliance to international, national, and industry specific cyber security regulations;
- company resilience; ensuring prevention and recovery from cyber skirmishes, and destructive ransomware attacks;
- extended enterprise and supply chain cyber security collaborations.

1.2.9 Health and safety

I. Introduction

It is with great sadness that the Company reports the work-related deaths of three employees in two separate accidents in 2023. One employee, in China, suffered a fall from a working platform while visiting a supplier's site. The others were flight service pilots for GFD, a subsidiary of the Company. They were in a Learjet aircraft that was involved in an accident at Hohn Air Base in Germany. The Company expresses sincere regret and condolences to the employees' families, friends and colleagues. Actions have been taken to address the lessons learned.

These accidents reinforce the Company's determination to continue the drive towards zero-harm, and ensuring that its work activities do not adversely affect the safety and health of people remains a top priority. The Company continues to improve its health and safety risk management systems and is working to extend the coverage of its ISO 45001 certification. Areas of significant concern identified by formal risk assessment processes are escalated to the Company's Enterprise Risk Management (ERM) system.

1. Information on the Company's Activities

1.2 Non-Financial Information

Health and safety	GRI	SASB	SDGs	Others
	403 Occupational Health and Safety		8, 12	Vigilance Plan
Highest governance body(ies) involved	Board of Directors; Ethics, Compliance and Sustainability Committee; Company Occupational Health and Safety Governance Board			
Related corporate policies	Occupational Health and Safety Policy A41, Airbus Code of Conduct			
Key metrics (More in “– 6.1.17 ESG data board”)			2022	2023
Lost-Time Injury Frequency Rate ⁽¹⁾			2.23	2.21
Lost-Time Injury Frequency Rate – commercial aircraft business ⁽¹⁾			2.25	2.31
Lost Time Injury Severity Rate – FISH perimeter ⁽²⁾⁽³⁾			0.117	0.122
Number of Near-miss reports – commercial aircraft business ⁽⁴⁾			28,925	37,836
Number of health and safety specific training hours delivered ⁽⁵⁾			286,815	304,420
Number of industrial safety training hours delivered ⁽⁵⁾			17,301	55,266
Number of employees who received health and safety training ⁽⁵⁾			90,490	112,652
Number of employees having attended “EH&S Certificate” modules 1 & 2 ⁽⁵⁾			2,214	1,763
Number of employees having attended “EH&S Certificate” modules 3 & 4 ⁽⁵⁾				97
Helpline + Occupational Health consultations for mental health issues, irrespective of cause ⁽⁶⁾				12,007
Estimate of core entities certified to ISO 45001 or similar standard			~one third	~one third
Estimate of % workforce covered by ISO 45001 or similar certified system			~25%	~25%
Remuneration	A proportion of variable pay for executives and “Level IV” leaders is tied to the achievement of the Company Lost Time Injury Frequency rate target. Lost Time Injury Frequency rate performance also impacts success share payout made to employees.			
Metrics comments	<p>⁽¹⁾ For the Lost-Time Injury (LTI) Frequency Rate scope, please see footnotes in paragraph IV. – Health & Safety Performance – Graph 1. below. For the LTI Frequency Rate – commercial aircraft business scope, see same section.</p> <p>⁽²⁾ Work related deaths are treated individually and are not included in the Severity Rate</p> <p>⁽³⁾ 2022 Severity Rate figure of 0.046 amended to 0.117 following a change of calculation methodology related to the allocation of lost time days to a reporting period and so enabling comparison with the 2023 figure.</p> <p>⁽⁴⁾ Near-Miss reports may include safety observations in some domains.</p> <p>⁽⁵⁾ The reporting period for training related metrics is from 1 October to 30 September. Some training may be repeated but not every year, causing fluctuations in annual training hours.</p> <p>⁽⁶⁾ The mental health consultations scope is Company’s commercial aircraft activities, Airbus Helicopters and Airbus Defence and Space in France, Germany, Spain and United Kingdom, excluding affiliates, including calls by employees’ family members.</p>			
Additional resources	People Safety on Airbus.com  , Code of Conduct – incl. Health and Safety commitment 			

II. Governance

The Company has updated and re-issued its Company-wide health and safety policy, which takes into account ISO 45001 and was jointly authorised by the Chief Executive Officer and the Chief Human Resources Officer (“**CHRO**”). This policy reaffirms the commitment to the protection of people, particularly vulnerable populations, as well as the business. It clearly states the Company’s Zero-Harm aspiration and the role of leaders in the journey to a culture in which everyone takes appropriate responsibility for their own safety and that of others. This conspicuous dedication underpins the Company-wide work to improve health and safety performance.

The Company Occupational Health and Safety (“**OHS**”) Governance Board has also continued to stimulate improvements. Chaired by the CHRO, the Governance Board met twice in 2023. Topics supported by the Governance Board included the health and safety policy, the ambitions for employee wellbeing support, the management of supplier health and safety risks, and the goal of extending the Company’s coverage of health and safety management systems certified to ISO 45001. A number of management documents have been issued or revised in support

of the policy and the ISO 45001 ambition. These include the “Operational Environment, Health and Safety (EHS) Function Organisation Manual”, the “Incident Management” method, and the “Supplier and Contractor Health and Safety Management” method.

The Function Organisation Manual describes the structure of resources in the function, the governance of occupational health and safety management and the interface with other functions of the Company. To support the globally collaborative approach for a harmonised management system, Regional Heads of Environment, Health and Safety have been appointed in 2023 in North America and in the Asia Pacific region, complementing the EHS Focal Points nominated for Africa, Middle East and India.

Whilst ISO 45001 certification coverage has slightly increased, approximately one third of the Company’s entities in home countries and one quarter of its employees are currently covered by a certified health and safety management system. Work progresses steadily to increase this scope because certification helps to mitigate physical, reputational and financial risks.

An ISO 45001 certification project in Airbus SAS and Airbus Operations SAS has been validated by the OHS Governance Board and is in progress, as a precursor to wider engagement of commercial aircraft activity entities. In parallel Airbus Helicopters is working towards divisional certification, and Airbus Defence and Space is consolidating existing national entity certificates into a divisional approach. Naturally, business units not yet part of the scope for ISO 45001 certification are still required to have management systems, appropriate to their scale and the nature of risks they may face.

An additional governance body has been formalised in 2023, in the form of a Company Incident Review Panel. It meets monthly to review the quality, completeness and accuracy of incident reports. Business areas have local incident reviews, however the decisions of the Company Panel take precedence. This ensures consistency of application of the harmonised definitions and other requirements of the Company method for incident management.

III. Risk Management

Occupational health and safety hazards are identified and evaluated through the systematic application of the Company methods for "Health and Safety Risk Management" and "Incident Management". Hazards that are considered to present a high potential impact are managed using the Company's ERM system. These priority risks form part of the Company Vigilance Plan, with associated mitigation and prevention actions that are subjected to regular executive level scrutiny. The method for health and safety risk management applies the "hierarchy of control", prioritising measures based on elimination, substitution and engineering, above administrative controls and personal protective equipment.

This approach also covers the ongoing consideration of new and emerging risks, such as those associated with robotics and wearable technology. No new risks were escalated in 2023, so the health and safety risks that are currently being managed by the ERM system remain the same ones reported in 2022, although the level of risk has been reduced. Current priority risks are mental health and wellbeing, hazardous substances and materials, working environment, and on-site contractors' health and safety management. Prevention measures and mitigation plans around these risks are further detailed in the following section.

IV. Implementation / activities

The ethos of "Zero-Harm" is to enable an environment that is safe and healthy for all, which in turn promotes employee wellbeing and a conscientious risk aware culture. In 2023, activity to support this ethos focused on the following topics:

Substances and materials. The Company has systems and processes in place to mitigate any potential risk from hazardous substances and materials when technically-suitable alternatives are not available. The Company's management system contains various risk-control elements, including documented methods and the surveillance programmes that record and analyse the application of the conditions that are required by relevant authorisations. In late 2022 a five-year project called REACH-IT was completed in the Company's commercial aircraft activities, together with similar initiatives in the Divisions, on compliance with the environment, health and safety conditions described in the chromates authorisations granted under the EU's

REACH (Registration, Evaluation, Authorisation and Restriction of Chemicals) regulation. The routines to ensure long-term adherence to the Company standard for management of chromates were launched and successfully run in 2023. The routines will continue in run-mode throughout the authorisation periods.

Work environment concerns include slip, trip and fall risks, which are a leading cause of accidents, as well as other key topics such as work at height. Prevention activity continues to focus on the lessons learned from the root causes of Lost Time Injury and the reporting and resolution of Near Misses. This could even include consequential management if individuals wilfully and repeatedly broke the rules. Over the past year, this risk control activity meant that work at height in the Company's production facilities is no longer felt to be the most severe concern.

The management of on-site suppliers has been further improved by a dedicated multifunctional project focused on clarifying the method for "Supplier and Contractor Health and Safety Management". This has resulted in a revised version of the method. In addition, procurement processes include detailed health and safety requirements as part of the supplier sustainability due diligence process, which uses the support of an external service provider (see "- 1.2.15 Responsible Supply Chain – IV. Supply Chain Vigilance Plan").

Mental health and wellbeing are important considerations in industry and society at large, particularly in the context of challenging personal and environmental factors. The Company has defined a management strategy and mitigation plan, which includes a network of Wellbeing Focal Points and relevant training. Recognising that the root causes of psychological problems tend to be multifactorial, the Company sees an ethical and economic value in providing employees and their families with wellbeing support and services. External helplines for employees and their loved ones provide opportunities to anonymously express concerns about personal or professional aspects of their life. The Company conducts psycho-social risk assessments, either *ad hoc* or as part of a planned programme, depending on the local regulatory position. Mental health consultations are offered to employees, on site or remotely. Additionally, health and wellbeing support material is available on the Company's intranet pages. Initiatives such as wellbeing seminars and mental health days have helped raise awareness and open discussion around these sensitive topics. The role of Wellbeing Ambassador has also been created and a network of such ambassadors set up. Finally, the Company successfully completed a pilot of psychosocial risk assessment in 2023, using the myWE app, in the Secure Land Communications business unit.

Ergonomics and manual handling are considered a significant risk throughout the aerospace industry. The Company has implemented a wide range of initiatives to mitigate the risks, including:

- producing detailed Manual Handling Guidelines;
- an awareness module dedicated to manual handling and posture;
- providing a catalogue of biomechanical best-practices, including technical solutions and training;
- work analysis to evaluate the maximum healthy duration of tasks and postures;
- an awareness video that promotes ergonomically-friendly ways of working;

1. Information on the Company's Activities

1.2 Non-Financial Information

- strengthening collective muscular reinforcement practices and physiotherapist coaching for high risk tasks;
- evaluating wearable technologies to help monitor musculoskeletal stress, providing data for analysis and risk control.

Reinforcing **Governance** also led to important activities in 2023, including for instance, a new monthly performance report and a Health, Safety and Environment Summit to facilitate communication and collaboration in the Asia Pacific region. Regulatory update briefings were provided for leaders, including dedicated sessions in France and the UK. Airbus Defence and Space sites in the home countries were recertified to ISO 45001 and a new certification was gained by Airborne Solutions. During 2023, the Company also laid the foundations of a corporate health and safety compliance assurance capability. Sitting at arm's length from the operational health and safety functions, the corporate compliance assurance team provides independent assurance and reinforces the second line of defence, thereby fostering continual improvement. The team aims to support operational teams, as the first line of defence, and complement the work carried out by corporate audit, as the third line of defence. Additionally, the team supports the Company affiliates governance by evaluating self-assessments and conducting fit-checks of key health and safety management system elements. These fit-checks are part of the Company's "Internal Controls Self Assessment" (ICSA) framework, or similar in the Divisions, which is part of the ERM process. In 2023, the work of the corporate health and safety compliance assurance team focused on:

- developing its internal control framework and defining three "key controls" to monitor;
- conducting two internal health and safety audits;
- preparing a three-year internal audit programme;
- conducting four health and safety "fit-checks" of affiliates;
- planning five "fit-checks" to be conducted 2024.

The **management of specific risks, awareness raising and the continued growth of safety culture** in the various business areas included activities such as:

- a "Team Talk" and "Safety in a Box" resources to enable managers' health and safety discussions with employees were created by the People Safety at Work (PS@W) team;
- cross-fertilisation with experts from other locations joining site health and safety tours (PS@W "Go-Look at Site");
- recovery action reviews held in areas that had safety performance concerns;
- workstation safety orientation boards were deployed in the Asia Pacific region;
- cyclist safety initiatives such as a "Dark Season" campaign, and videos on visibility and "Fork-Lift Trucks vs. Cyclists".

In addition, initiatives called PS@W, "We Care" and "Safe Together" continue to support behavioural change for accident reduction in commercial aircraft activity sites, Airbus Defence and Space, and Airbus Helicopters respectively. Work has started

on the transition of PS@W into a run-mode activity within the Operational Environment, Health and Safety Function.

Learning and competencies. In order to reinforce health and safety competences at all leadership levels, a new occupational health and safety management competence requirement has been created, namely, "Ensure a safe and healthy environment – the ability to understand and meet their health and safety responsibilities, whilst driving a safety mindset and risk aware culture within the scope of their role". This competence requirement is consistent with the leadership EHS training programme. Building on the existing two modules, this programme has been completed with two new modules, deployed in 2023. These new modules focus on EHS management systems, culture building and innovation. This programme includes both theoretical elements and their concrete application in the workplace. Attendees who successfully complete this programme are awarded an externally validated certificate in health and safety management competence.

New courses have also been deployed for risk assessment, and occupational health and safety induction. The latter addresses responsibilities and induction contents for new employees and others on Company sites. Courses in development include a refresher module for those who have previously completed the Leadership EHS modules 1 and 2. The Executive EHS Masterclass continues to be delivered as necessary. Health and safety was part of the Company's mandatory learning curriculum in 2023, and several courses are included in the list for 2024.

The Company is enhancing its reporting by including the number of industrial safety training hours, as shown in the associated Health & Safety Metrics table. Industrial safety training is that which is related to the safe operation of industrial means such as fork lift trucks and elevating platforms. During the period from October 2022 to September 2023, a total of 304,420 hours of safety specific training was delivered to 112,652 employees. If 55,266 hours of industrial safety training is included, the total increases to 359,686 hours.

Health and Safety Performance

Performance is monitored using normalised indicators derived from data sets that are produced by applying harmonised definitions. This data equivalency enables the Company to compare performance over time, and between business units. These harmonised definitions exclude some categories of accidents that are reported to the local authorities in some jurisdictions but not in others. Psychological concerns may be treated as "injury" in some countries and so they, and commuting accidents, are legally reportable in some states but not in others, consequently they are excluded from the Company Lost Time Injury Frequency Rate. These Company specific indicators are shown in the "Health & Safety Metrics 2023" table, below, together with the 2022 like-for-like figures.

The Company rolling 12 months employee lost time injury frequency rate

Graph 1. Company-wide Lost Time Injury Frequency Rate (FR1).

The principal performance indicator used by the Company, including its Divisions is the Lost Time Injury Frequency Rate (FR1). The FR1 calculation produces a figure for the number of injuries per one million (1,000,000) worked hours. The scope of the Company FR1 covers:

- all sites in France, Germany, UK and Spain for the Company's commercial aircraft activity, Airbus Helicopters, Airbus Defence and Space, Airbus Atlantic and Airbus Aerostructures;
- the Company's commercial aircraft Final Assembly Lines (FAL's) in Mobile, US and in Tianjin, China;
- Airbus Defence and Space site in Poland;
- the consolidated data from the Airbus Helicopters sites in USA, Romania, Mexico, Canada, Brazil, Japan, Australia, Ireland, Italy, Poland and China;
- the consolidated data from the Airbus Atlantic sites in Canada, Morocco, Portugal and Tunisia.

The Company's commercial aircraft business FR1 perimeter covers:

- all commercial aircraft sites in France, Germany, Spain and UK;
- the commercial aircraft Final Assembly Lines (FAL's) in Mobile, US and in Tianjin, China.

To enable accurate monitoring, appropriate investigations are conducted of all environment, health and safety related incidents. The Company captures root causes and other pertinent information in a management platform called FISH (Federated Information for Environment, Safety and Health). Local management teams and safety committees determine and track mitigation actions. The Company Incident Review Panel monitors data quality and adherence to the definitions found in the Company method for incident management. Top level oversight is provided by the Company Occupational Health and Safety Governance Board. Currently the Company estimates that about 80% of its workforce is covered by the FISH management footprint, which includes active workforce employees, apprentices and temporary employees, while the FR1 scope reaches close to 86% when adding complementary information sources.

The 2023 annual frequency rate was 2.21 Company-wide, and 2.31 for the Company's commercial aircraft perimeter, versus 2.23 and 2.25 respectively for 2022. On this basis the Company decreased its overall FR1 by 0.90%, whilst the commercial aircraft perimeter FR1 increased its FR1 by 2.67% 2023, vs. a target of -15%. The frequency rates are widely communicated. They are referred to in the CEO's monthly reviews, and are subsequently cascaded through the Company by other leaders' reviews. Frequency rate performance is also periodically shared with relevant committees and work councils.

Safety performance in 2023 was not as expected, degrading very slightly over the course of the year. A higher number of slip, trip and fall accidents, closely followed by accidents in which people struck against an object, contributed to this deterioration. While this can partly be explained by the increase of production rates together with a higher number of new employees, the Company's management does not consider this increase in accidents acceptable and believe it underlines the importance of leadership, safety culture and high standards of risk identification and mitigation.

A severity rate indicator was defined in 2022, which is limited to the scope of FISH (see above). This indicator measures impact of incidents by obtaining the number of injury-related lost days per 1,000 worked hours, which can provide an alternative mapping of risk areas. Lost days are recorded against the month in which they occurred, thereby spreading the impact of severe injuries across the months that are affected. In 2023, the severity rate amounted to 0.122 (compared to 0.117 in 2022). The data scope for severity rate is those lost time injuries reported in FISH. Some 37,836 near misses were recorded in FISH in the Company's commercial aircraft business perimeter in 2023. The Company actively encourages the reporting of near misses in order to better identify root causes and the mitigation actions to support accident prevention.

1. Information on the Company's Activities

1.2 Non-Financial Information

V. Outlook

Eradicating accident root causes will be a focus of 2024, with the objective of continually improving the safety of the Company's workers and regaining a positive performance trend.

In addition, the Company is working to further improve the scope and depth of its data capture and reporting capabilities, enabling it to further mature health and safety management and ensuring alignment with evolving reporting requirements. This includes defining new metrics and increasing the footprint of the FISH platform.

Commitment to ISO 45001 management system certification will remain a priority throughout 2024, together with building corporate EHS Compliance Assurance capacity. A health care plan is being developed to address new and emerging risks and the Company is exploring digital support tools, including a wellbeing app to enable proactive health management for employees throughout their career. Altogether, these actions aim to further drive effective, consistent and efficient EHS risk mitigation action, in support of the Company's Zero-Harm ambition.

Respect human rights and foster inclusion

1.2.10 Human rights

I. Introduction

A commitment to respect human rights

As a signatory to the United Nations Global Compact since 2003, the Company is committed to upholding international human rights standards and principles, including the International Bill of Human Rights, the International Labour Organization's ("ILO") Declaration on Fundamental Principles and Rights at Work and its Core Labour Standards. In doing so, the Company aims to implement policies and processes that respect applicable law in the countries in which the Company operates and take into account the UN Guiding Principles for Business and Human Rights ("UNGPs"), and the Organisation for Economic Co-operation and Development's ("OECD") Guidelines for Multinational Enterprises.

"Respect for human rights" was prioritised by the Company as one of the four sustainability commitments agreed by the

Executive Committee and the ECSC at Board level during 2020. In addition, in reflection of the importance it places on this topic, the Company again endorsed including "respect human rights" as part of its 2024 Top Company Objectives in the "in all we do, we" section which aims to anchor good governance practices and values into the business.

The Company's actions to progress its ambition to "embed and advance respect for human rights throughout its business, operations and supply chain" continue to follow recommendations identified through a human rights impact and gap analysis conducted by a specialist external human rights consultancy in 2019. This analysis considered current and upcoming regulatory requirements and international best practice as well as international principles and standards, including the UNGPs. Details of these actions follow.

Human Rights	GRI	SASB	SDGs	Others	Others	
Highest governance body(ies) involved	408 Child Labour 409 Forced or Compulsory Labour		4,5,8,16	Vigilance Plan		
KPIs		Target	Target year	2022	2023	2023 vs. 2022
% of investigations completed or in progress ⁽¹⁾	100%	Permanent	100%	100%	-	
% of sites having undertaken a social assessment ⁽²⁾	100%	2026	29%	51%	+22pp	
% of findings closed within 18-months ⁽³⁾	100%	Permanent	100% ⁽⁶⁾	100% ⁽⁶⁾	-	
Other key metrics				2022	2023	2023 vs. 2022
Number of participants to human rights trainings – cumulative, reporting period: 1 Oct-30 Sep ⁽⁴⁾				6,955	96,714	+89,759
Number of alerts of human rights concern from within the Company's supply chain ⁽⁵⁾				28	59	+31
KPI and metrics assumptions:						
(1) Following reports of concerns linked to forced and child labour and other labour rights.						
(2) % of the Company's sites with over 100 employees, cumulative since 2020, undergoing a social assessment including human and labour rights (with 2020 sites scope as reference).						
(3) Following social assessments including human and labour rights, carried out on the Company's sites.						
(4) Cumulative number of participants who have completed e-learning modules on human rights and modern slavery since 2018.						
(5) Covering forced and child labour and other <i>labour</i> rights identified through the Supplier Compliance Review, media screening, NGO reports or employees.						
(6) % of site findings closed within 18 months. Findings related to corporate management systems will be closed following the upcoming release of the Company' Sustainability Due Diligence and Human Rights Directive.						
Additional resources	Code of Conduct , Supplier Code of Conduct , Modern Slavery Statement , Human Rights on Airbus.com , OECD Guidelines for Multinational Enterprises , Due Diligence Guidance for Responsible Business Conduct , ILO Declaration on Fundamental Principles and Rights at Work , Airbus Human Rights Policy Statement					

II. Governance

The Chief Sustainability Officer and Communications has top level accountability for human rights at Executive Committee level. As per its formalised governance on human rights, progress is monitored in the ECSC and actions are defined and progress tracked through the Human Rights Steering Committee. Accordingly, in 2023, the Company held a number of such meetings and presentations. A Human Rights Core Team, made up of multi-divisional and multi-functional representatives from throughout the Company, drives the main actions of the Human Rights roadmap. Due to the transverse nature of human rights topics, various functions are responsible for managing compliance with the relevant commitments outlined within the Company Human Rights Policy (see "Human Rights Policy" section below) and develop measures to support implementation, including assignment of roles and responsibilities within their own organisation and provision of resources to conduct risk-based due diligence.

Other networks within the Company that support implementation and compliance include for example, the Ethics & Compliance network, the Privacy network, the Sustainability Ambassador network and the Inclusion and Diversity network.

Human Rights Policy

The Company Human Rights Policy covers all employees worldwide including controlled affiliates and contractors whilst on Company sites or at work under the responsibility of the Company. Currently available in five languages, it was developed taking into account best practice frameworks and feedback from external stakeholders including representatives from civil society, academia and human rights organisations.

As well as a commitment to respecting human rights through the implementation of due diligence and compliance with applicable law, its baseline commitments build on international standards and principles including the UNGPs, the OECD Guidance for Multinational Enterprises on Responsible Business Conduct and the ILO.

These policy commitments are being embedded throughout the Company through a sustainability due diligence and human rights directive which defines and establishes a set of business requirements. These business requirements will be integrated into the Company Business Management System during 2024 and be supported by methods, processes and guidance. Internal capacity building, including training and awareness raising will also support adherence. This work will continue to be a focus during 2024.

1. Information on the Company's Activities

1.2 Non-Financial Information

III. Risk Management

Salient human rights issues

The Company is committed to identifying and addressing its salient issues through ongoing monitoring of internal and external risks, including within its supply chain, and engagement with key internal and external stakeholders. Taking into account that salient issues may change over time due to internal and external influences, the Company is committed to reviewing them on a regular basis. This includes an annual review to identify any new issues that may need prioritisation, a comprehensive more in depth review conducted every three years and *ad hoc* assessments as required.

In 2022/2023, the Company undertook a full review of its salient human rights issues. The methodology used is based on the UNGPs and includes an assessment of its impacts in terms of severity (scope, scale, irremediability), likelihood, relationship and level of influence to inform prioritisation. The results of this analysis are reviewed by both internal and external stakeholders (including human rights NGOs, academics and researchers, industry groups), prior to final validation at EC level.

All risks related to the salient issues are recorded through the ERM system, and governance follows a similar process as the one existing for the Company's Top Company Risks. For example, sponsorship of each risk is at EC level with nominated salient issue owners who have responsibility to develop and implement action plans as well as setting measures of effectiveness. Reporting of the progress of actions to the EC is conducted at least once per year including during the ERM presentation of Top Company Risks as well as through relevant Steering Committees and other Risk & Opportunity Boards at functional and divisional level.

The actions taken during 2023 to mitigate the risks identified through its saliency analysis (with impacted rightsholders in parenthesis) include:

- **Impacts related to products and services (passengers and citizens):** Overseen by the EC, the Company continued to review the integration of human rights due diligence through existing processes and tools with a view to mitigating the risk of misuse of its defence products. For further details of actions related to this salient human rights issue, please see the Due Diligence section below. In addition, the Company started to review how to integrate human rights considerations into the development of new defence technology (including AI / autonomous systems) and work will continue on this topic during 2024.
- **Risk of forced labour (supply chain workers):** Key activities to mitigate the risk of forced labour on the Company's sites through onsite contractors included a forced labour gap analysis of the Company's sites focused on high risk countries for forced labour based on publicly available indices. The objective of the analysis was to understand any gaps related to policies and processes and to define and strengthen roles and responsibilities related to procuring, onboarding and monitoring of onsite contractors focused on high risk activities such as cleaning, security and catering. In addition, meetings with peers, suppliers, the Responsible Business Alliance, NGOs and the Company's employees were held in Southeast Asia aimed at understanding how the expectations and commitments outlined in the Company's policies and processes, including the Company Human Rights Policy and Supplier Code of Conduct, are being applied in practice.

A set of recommended actions based on the results of the findings are currently being reviewed and work on mitigating risks will continue during 2024.

- **Impacts related to the sourcing of raw materials (supply chain workers):** During 2023, the Company deepened its understanding of potential human rights impacts related to its sourcing of raw materials, which are also of particular relevance in its transition to decarbonisation. The identified areas of potential risks due to the raw materials required in the development and manufacture of new and existing technology include, for example, worker exploitation, forced labour, child rights, health and safety and environmental pollution. Work will continue on this topic during 2024.

- **Impacts related to diverse and inclusive workplaces (own workforce):** During 2023, actions to progress this salient issue included a continued focus on the "25 by 25" gender diversity ambition to increase female representation at executive levels of the Company, creating a robust pipeline including specific leadership programmes for women, such as MyWay where the Company maintained the numbers of cohorts at the same level as the previous year (100 delegates) and to support inclusive leadership. In 2023, the Company also ensured a 50/50 split of women/men attending other leadership development programmes. In addition, several actions were implemented to mitigate the risk criticality of harassment on the Company's sites. Notably, in 2023, the company produced a global framework document on how to prevent, detect and remediate harassment in the workplace, complemented by a guidebook to equip all employees with practical information on what to do if they are concerned about or impacted by harassment in the workplace. Additional actions included the development of training, real life case studies and team talks etc. to support awareness and capacity building. The Company also increased resources for internal investigations resulting in improved triage, prioritisation and response time for alerts. For further information, see "- 1.2.11 Inclusion and Diversity". Actions will continue during 2024.

Human rights due diligence

During 2023, the Company continued to strengthen its risk-based human rights due diligence taking into account the OECD Due Diligence Guidance for Responsible Business Conduct. This due diligence is intended to support identification, mitigation and/or prevention and remediation of human rights risks across the Company's supply chain and own operations as well as risks in relation to the Company's products and services. Key activities conducted during 2023 include:

Due diligence related to the Company's own operations. The Company continued to develop and progress actions related to due diligence in order to identify and address risks related to human rights within its own operations. This included the continued roll out of onsite social assessments focused on human and labour rights, conducted by a third party social assurance provider consistent with the assessments carried out in the Company's supply chain, on the Company's own sites, including its controlled affiliates.

The Company has set a target to ensure that 100% of its sites with over 100 employees are assessed for human and labour rights risks by the end of 2026. Since 2020, 51% of the Company's sites with 100+ employees have been assessed.

During 2023, 22 onsite social assessments (from a target of 18) were conducted in countries including: Spain, Germany, México, Malaysia, Romania, the UK, Brazil, Singapore, Poland, India, France and Canada. The sites were selected based on an analysis of country risk using publicly available indices (including child labour, forced labour and labour rights), the type of activity (prioritising production facilities) and the number of employees. In addition, any alerts relating to human rights coming from other sources, including the ICSA process. Relevant legislation was also taken into account.

During the assessments, 34 findings were identified across 13 sites, including findings involving onsite contractors. Findings included, for example, excessive working hours, insufficient detail regarding working hours within employment contracts, inadequate overtime payments and insufficient rest days. Actions to close the findings and provide appropriate remediation are ongoing. The Company aims to close all site findings without undue delay and within a maximum of 18-months.

In addition, the Company also identified a number of indicators of forced labour on two of its sites in Southeast Asia involving certain onsite service providers in the areas of cleaning, catering and security. Since identification, the Company has been working with the respective suppliers to remediate the findings, which included payment of recruitment fees, retention of identification documents and excessive working hours. The Company continues to monitor sites in its higher risk countries in particular for indicators of forced labour (see "Salient human rights issues" section above).

Supply chain due diligence. The Company continued to develop and progress actions related to due diligence, including related to human rights, within its supply chain. For full details, see "- 1.2.15 Responsible supply chain".

Product and service due diligence (focused on defence sales). Overseen by the Company's Executive Committee, the Company continued to review how to integrate human rights due diligence for defence sales through existing processes and tools with a view to mitigating the risk of misuse of its defence products. Actions during 2023 include:

- Recognising that human rights considerations already exist in the stringent export compliance process, the Company continued its assessment of the integration of human rights due diligence, upstream of the export control process, to assess the level of risk of potential misuse. This takes into account country risk (based on publicly available indices) and intended product use and will support a decision to progress to the export control stage.
- The completion of a pilot phase to test the practical application of the approach through a number of hypothetical sales campaigns.
- A revision to the standard conditions of sale for the Company's Defence and Space and Helicopters divisions to act in accordance with national and international human rights regulations applicable in their respective countries including in this regard and in any case, the Arms Trade Treaty and the Geneva Convention.
- The development of a process to support integration once fully approved.

Further actions will continue during 2024 including the training of relevant sales and export control teams on the application of human rights due diligence. Plans to review the integration of the provision of parts and services will follow.

Grievance and remediation

During 2023, the Company continued to promote its SpeakUp and ListenUp culture related to human rights concerns, including reinforcement of the use of its OpenLine reporting system within its revised Supplier Code of Conduct (see "- 1.2.15 Responsible Supply Chain"). For details regarding the Company's OpenLine, see "- 1.2.14 Business Integrity".

If an alert is received via its OpenLine reporting system, the Company commits to acknowledge receipt of the report as soon as possible. The Company has a global network of internal investigators, tasked with investigating allegations, including those relating to human rights such as forced or child labour, or labour rights and working conditions. If an allegation of human rights breach received from within the Company or through its supply chain or other third-party business relationships is found to be substantiated, remedy would be sought through a variety of mechanisms.

IV. Implementation / Activities

Awareness raising and training

In 2023, the Company continued to raise awareness of human rights, including how to identify risks and what to do if people have concerns. Actions on training follow:

- The Company made two eLearning modules on human rights (introduction to human rights and introduction to modern slavery, both available in four languages) part of the compulsory training for all employees of the Company during 2023, leading to an increase in participants vs. previous years. During the period 1 October 2022 to 30 September 2023, 89,759 participants completed this training (107,446 in total since its launch in 2018). These two e-learning courses will be part of the Company newcomer onboarding training from January 2024 onwards.
- The Company also continued to include a dedicated human rights eLearning module in the compulsory training for its executive population including the heads of its subsidiaries and controlled affiliates. Whilst going deeper into external and internal requirements and due diligence practices, the eLearning module has been designed to enable managers to contribute to respecting human rights, including in their area of responsibility. From 1 October 2022 to 30 September 2023, 3,917 participants completed the training (4,406 since its launch in 2022). From January 2024 the training will also be available in a format compatible with smartphones and tablets for easier access, as well as being available to all employees of the Company.
- Furthermore, during 2023 the Company continued the roll out of its in-depth virtual small group interactive training aimed at buyers and supply chain quality managers focused on human rights and in particular, aligned to the Company's salient issues, identifying forced labour. 150 people attended the training over ten sessions with more sessions planned during 2024.

1. Information on the Company's Activities

1.2 Non-Financial Information

- The Company's commitment to human rights has also been built into the "Introduction to Sustainability" eLearning which will be part of the highly recommended training for all employees in 2024.
- Additional topic-based training relating to human rights is also available to all employees of the Company, including inclusion and diversity topics such as unconscious bias and harassment.

Example of actions on communication follow and will continue throughout 2024:

- During 2023 the Company published a number of articles on human rights internally via its Hub Portal and Airbus TV. This communication was aimed at demystifying human rights as well as focusing on topics such as forced labour and wellbeing, and included interviews as well as opportunities to provide comments and feedback.
- The Company also held a dedicated "valuing people weblive", available to all employees of the Company and recorded for a wider reach, focused on respect for human rights and fostering inclusion.
- In addition, "demystifying human rights due diligence" was one of the key sessions at the Company's Sustainability Townhall event which was attended by over 700 people (in person and virtually) featuring a talk on forced labour by Andrew Wallis OBE, CEO and Founder of Modern Slavery Charity, Unseen.

Stakeholder engagement and collaboration

During 2023, the Company continued its membership of the Global Business Initiative on Business and Human Rights (GBI), a specialist peer learning group focused on advancing respect for human rights throughout the world.

The Company is also a member of a number of industry trade associations which during 2023 held focused discussions on progressing human rights within the aerospace and defence industry. These include ASD (the Aerospace and Defence Industries Association of Europe), GIFAS (French Aerospace Industries Association), BDSV (German Industry Association for Security and Defence), ADS (UK Industry Association for Aerospace, Defence, Security and Space) and TechUK (the UK's technology trade association).

The Company also engaged with a number of external stakeholders on human rights in order to advance the topic through external collaboration. These included academics, civil society organisations and peers. In addition, an update of the Human Rights Roadmap was also presented to key internal stakeholder groups including the SE-WC comprising social partners from across the Company's European sites.

Regulatory compliance

During 2023, in accordance with the UK Modern Slavery Act and the Australian Commonwealth Modern Slavery Act, the Company published a Modern Slavery Statement outlining the

actions it had undertaken to mitigate modern slavery risks in its global business, operations or supply chain. This Statement was published on the UK Government and Australian Government websites as well as the Company's website. In addition, the Company completed the UK Ministry of Defence (MoD) Modern Slavery Assessment Tool. The Company also published a Human Rights Policy Statement as part of the new German Supply Chain Due Diligence Act.

V. Outlook

During 2024, the Company will continue its focus on embedding and advancing its commitment to respect human rights throughout its business, operations and supply chain. Specific ongoing actions include:

- progressing actions identified as part of the Company's human rights roadmap;
- progressing response plans related to its identified salient human rights issues;
- progressing social assessments focused on human and labour rights throughout the Company's sites;
- progressing sustainability assessments of identified high risk suppliers;
- capacity building with key teams including development of training, communication and awareness raising;
- ensuring alignment of actions with current and upcoming legislation.

Neither the Company (including its subsidiaries) nor its joint ventures develop, produce, or distribute any "controversial weapons" as listed within Annex I of the Commission Delegated Regulation (EU) 2022/1288 supplementing EU Regulation 2019/2088 (Sustainable Finance Disclosure Regulation ("**SFDR**")) for Principal Adverse Impact indicator 14. This includes biological weapons or chemical weapons (in accordance with the Biological Weapons Convention and the Chemical Weapons Convention), cluster munition (Oslo Convention) and anti-personnel mines (Ottawa Treaty). Consequently, the Company does not have any exposure to the Principal Adverse Impact indicator 14 under the SFDR criteria.

The Company participates in two joint ventures that contribute to France's nuclear deterrence (ArianeGroup and MBDA), including the production and support of missile systems. These activities are compliant with the Treaty on the Non-Proliferation of Nuclear Weapons. The Company's reported revenues do not include any revenues relating to these activities (accounted for using the equity-method) as it does not have exclusive control of the joint ventures.

1.2.11 Inclusion and Diversity

1

I. Introduction

– “Respect human rights and foster inclusion” is one of the four sustainability commitments. This priority reflects the focus the Company puts on inclusion & diversity (“I&D”) and is illustrated by the 154 nations that its employees represent. An I&D position statement outlines the Company’s commitments to creating a safe and inclusive culture, including zero tolerance to discrimination and harassment, while the Company’s Code of Conduct and Supplier Code of Conduct express the expectations towards both employees and suppliers in this respect.

– In accordance with ILO Convention C111 (discrimination – employee and occupation), the Company is committed to creating an inclusive working environment, upholding equal opportunities and is intolerant of any form of discrimination against employees, partners, customers, stakeholders and anyone else with whom it has any contact or on whom it can have an impact. The Company is committed to all aspects of employment being based on merit and actively seeks to foster inclusive leadership. This includes hiring policies and practices, earnings, employment conditions, access to training, development and promotion and termination of employment.

Inclusion & diversity	GRI		SDGs	Others	
Highest governance body(ies) involved	405 Diversity and Equal Opportunity, 406 Non-discrimination		4, 5, 8, 16	Vigilance Plan	
KPIs	Target	Target horizon	2022	2023	2023 vs. 2022
% of external hires to be female (active workforce)	33%	2023	27%	26%	-1p.p
% women in Board of Directors	33%	2023	33%	33%	+0p.p
% women in senior management – Executives	20%	2023	16%	20%	+4p.p
Number of men in senior management – Executives			821	746	
Number of women in senior management – Executives			157	183	
Other key metrics (More in “– 1.2.17 ESG Data Board”)			2022	2023	2023 vs. 2022
% women in active workforce			20%	20%	+0p.p
% women in Executive Committee			25%	25%	+0p.p
% women in “Level IV” managers			17%	18%	+1p.p
Additional resources	Code of Conduct – incl. non-discrimination commitment ¶ , Inclusion and diversity on Airbus.com ¶ , Airbus International Framework Agreement – incl. Equal Opportunities commitment ¶ , UN Women's Empowerment Principles – CEO statement, AD CEO statement ¶ , LGBT+ Charter with L'Autre Cercle Association for an inclusive work environment ¶ , France Gender Pay Gap Statement 2022 ¶ , UK Gender Pay Gap Report ¶ , Airbus UK I&D Agreement ¶ , Women in Aviation and Aerospace Charter ¶ , Women in Defence Charter ¶ , Partnerships supporting people with disabilities: Atouts pour tous ¶ , Handisup ¶ , Handi Proconseil ¶				

1. Information on the Company's Activities

1.2 Non-Financial Information

In line with the Company's values, a comprehensive I&D strategy drives the Company's approach to embedding I&D focusing on intergenerational, ethnic, social and cultural diversity as well as gender equality, LGBTQ+, neurodiversity and disability-friendly policies and hiring practices. The I&D strategy aims to ensure that the Company:

- creates a safe environment and inclusive culture where collaboration, empowerment, continuous learning and accountability are promoted and valued. The Company has zero tolerance for harassment or discrimination of any kind;
- attracts, recruits, develops and retains a large and diverse pool of talents. This talent is a reflection of the Company's customer and supplier base as well as the communities around;
- develops a thriving work environment supported by its values system, leadership model as well as a Code of Conduct understood and lived by all;
- is committed to have a positive long-term sustainable impact not only in the aviation sector but also in the communities the Company works in by being signatories to the Sustainable Development Goals (SDG).

II. Governance

The I&D team is part of the "DEVELOP Centre of Expertise" within the Human Resources function and represents the Company with regional I&D focal points supporting the implementation of the I&D strategy globally.

An I&D Advisory Board, chaired by the Chief Human Resource Officer with representatives from the Executive Committee and other divisional and regional executives, meets quarterly and provides top level oversight and input into the I&D strategy, as well as reviews risks or issues raised, providing support on new initiatives, processes or changes to policy and makes appropriate recommendations to the Executive Committee.

In addition, local I&D Steering Committees, championed by "Level IV" leaders and executives in the regions, provide additional support to embed and advance the I&D strategy locally and provide valuable input to the I&D team and advisory board. The Steering Committees are supported by a network of diversity business champions embedded in the business, who advocate for an inclusive working environment.

III. Risk Management

Any identified risks related to I&D are recorded in the Company's ERM and appropriate action plans agreed. Progress is reviewed quarterly. In addition, any alerts related to I&D raised via the Company's SpeakUp culture, including its OpenLine reporting system, are investigated in accordance with the Company's investigation process.

IV. Implementation / activities

Gender diversity

The Company supports various national and international initiatives such as International Women's Day, and since 2018 the Company has committed to the UN Women's Empowerment Principles aimed at empowering women to participate fully in economic life. The Company has also led the "Women in Aviation and Aerospace Charter" and has been instrumental in the development of the "Women in Defence Charter" which demonstrates the commitment of a growing number of organisations across the industry to build a more balanced and fairer industry for women.

In order to actively follow the four sustainability commitments, dedicated training courses on I&D related matters are permanently available to all employees and promoted within the learning catalogue. With a special focus on leaders, the Company launched a "Management Basics & Leadership Foundations Programme" in 2020 to ensure that inclusive leadership becomes the norm at all levels. In 2023, the MyWay Women leadership programme, dedicated to women leaders of tomorrow, registered 100 women, maintaining the numbers as the previous year. To date, this programme has trained over 320 women, including the current cohort. The Company's leadership development programme participation is balanced in terms of gender representation.

Further dedicated role model sessions called Women@Airbus, digital recruitment events to encourage more women to apply to the Company, have been carried out online with over 500 women participating. During 2023, the Company disclosed its gender pay gap as required by both French and UK legislation, and continues to put measures in place to ensure gender pay parity worldwide.

Gender diversity in senior management – executives

The Company strives to accelerate female representation in leadership roles. Accordingly, it has set targets for gender diversity in Executives management positions, associated with a dedicated action plan. It includes slots in dedicated leadership programmes, aimed at development of leaders selected from across various geographies and functions. In 2023, performance stood at 20% against a 20% target, which is a 4p.p. increase year-on-year. The company is committed to pursuing efforts, focusing on leadership programmes, mentorship, sponsorship, targeted recruitment and strengthening promotions pipeline to enhance female representation on executives positions.

Other diversity dimensions

The Company is also accelerating change through its employee-led Employee Resource Group "Balance for Business" network, which has around 10,000 volunteer members worldwide. Initiatives run through this network include roadshows promoting employee-led initiatives such as peer-to-peer mentoring, confidence building and encouraging employees to challenge stereotypes and build their careers. The network also supports some outreach initiatives.

Other employee-led networks such as WIN Together, the Airbus Africa Network, Full Spectrum (Racial diversity and inclusion), SOMOS (LatinX America), Pride@Airbus (LGBTQ+), Generation-A (Millennials), Seniors Talent and (Dis)Ability ambassadors networks are key to raising awareness of I&D, promoting inclusion, equal rights and increasing visibility. Initiatives include mentoring, leadership development of under-represented groups as well as conferences and discussions open to all employees.

The annual Ability Weeks campaign aims to raise awareness on disability across the Company worldwide. This includes a series of workshops and awareness sessions on topics such as: digital accessibility, workplace adaptation and mental health care. During the 2023's campaign, more than 3,380 employees participated in live workshops, and over 30 events were organised worldwide. These events are also an opportunity for the Company to share some of the initiatives set up internally, such as Airbus Humanity Lab showcasing prosthetic blades made from recycled carbon from a production line.

Highlighting that being unique is valued and that difference is welcome, the Company ran an awareness campaign during 2023 to promote awareness of the importance of removing stigma associated with disabilities.

During 2023, the Company continued to engage in various social diversity programmes in partnership with a number of different associations to promote quality education and mentorship for young people from underprivileged areas. For example, the Company participated in the French government's initiative "La France, une chance. Les entreprises s'engagent!" to encourage companies to help everyone find their place in society by taking actions such as recruiting from underprivileged areas, promoting education learning and committing to responsible purchasing (inclusive supply chain). To this end, a forum dedicated to inclusive supply chains in particular for the disability dimension was organised. In the United States, "Flight Path 9", an apprenticeship programme, supports induction of young talent from underrepresented communities in production. The Company's social diversity programmes and community impact strategy (see "- 1.2.16 Community Impact") are closely connected, with a focus on equity and inclusion.

V. Outlook

- In 2024, the Company will pursue its I&D ambition, aiming at embedding I&D in everything it does. Priorities for 2024 include continuing the Company's focus on gender parity, while simultaneously strengthening focus on other aspects of the I&D strategy such as disability, nationality and cognitive diversity. Upcoming actions on I&D include:
- eliminating systemic barriers during talent recruitment, development and management;
- further maintain focus on reaching targets for external recruitment of women;
- extending leadership development programmes to include a focus on I&D and in particular on gender diversity;
- increasing awareness and training on inclusive leadership and collaboration at individual and team level;
- leveraging and reinforcing business ownership and accountability through the Company's network of diversity champions;
- continued support to encourage STEM studies for young women in schools and universities through mentorship, tutorship, directly or through the associations sponsored by the Company.

1.2.12 Social Dialogue

I. Introduction

In 2023, the Company continued its numerous discussions, consultations and negotiations with its social partners, sometimes on a daily basis in order to discuss Company transformation projects, the evolution of Company agreements, measures to support production ramp-up, or cope with the evolution of the economic environment.

These various transformations were carried out in line with the common principles and standards of the ILO convention, the OECD Guidelines for Multinational Enterprises and the principles laid down by the UN Global Compact.

Employee relations are underpinned by the Company commitments made in the Company's Code of Conduct and the Airbus International Framework Agreement, signed in 2005.

Social dialogue	GRI	SASB	SDGs	Others
Highest governance body(ies) involved	402 Labor/Management Relations Executive Committee		8, 16, 17	
Related corporate reference documents	Airbus Code of Conduct, International Framework Agreement, SE-WC agreement (updated 2018)			
Company's commitments to take into account external standards / frameworks	ILO's Declaration on Fundamental Principles and Rights at Work and its Core Labour Standards, OECD Guidelines for Multinational Enterprises			
Key metrics		2022	2023	
Number of meetings with SE-WC (agreement says 4 per year)		7	5	
% workforce covered by collective bargaining agreements		ca. 80%	ca. 80%	
Additional resources	Code of Conduct, Airbus International Framework Agreement, ILO's Declaration on Fundamental Principles and Rights, OECD Guidelines for Multinational Enterprises, the Global Deal Initiative			

II. Governance

In the International Framework Agreement ("IFA"), the Company reaffirms it strives to respect the regulation regarding fundamental human rights, equal opportunities, free choice of employment, as well as prohibition of child labour and respect and ensuring the conditions for social dialogue.

The Company intends, via its agreements, to respect the disposition of the following ILO conventions: numbers 111 (discrimination – employee and occupation), 100 (equal remuneration), 135 (workers' representatives), 29 (forced labour), 105 (abolition of forced labour), 182 (child labour), 138 (minimum age), 87 (freedom of association and protection of the right to organise) and 98 (right to organise and collective bargaining).

1. Information on the Company's Activities

1.2 Non-Financial Information

This includes respecting the rights of employees to exercise lawful rights of free association, including joining or not joining any association of their choice within the appropriate national or local legal framework, without fear of reprisal, intimidation, interference or harassment. Where employees are represented by a legally recognised union, the Company is committed to establishing constructive dialogue with their freely chosen representatives, with whom the Company is committed to bargaining in good faith.

The head of each business is responsible for ensuring compliance with these principles. The provisions of the IFA define the Company's standards to be applied wherever the Company operates provided they are not in contravention of local law, insofar as more favourable conditions do not exist already. Dedicated processes ensure that the provisions of this agreement are not breached wherever the Company operates.

The Company has a long tradition of making employee relations and social dialogue a priority and, therefore, their continuous evolution and improvement are embedded in the Company's Human Resources strategy, supporting the Company's business challenges and the sustainability roadmap. It includes discussions about the identification and mitigation of risks inherent to the Company's activities and those of its suppliers with regards to human rights, environment and health & safety. In cases of restructuring, the Company strives to limit as much as possible the negative impacts on its workforce and considers employment as a priority. As an illustration, the last restructuring plan implying significant workforce reduction was completed in 2021: the COVID-19 adaptation plan resulted in the signature of various collective agreements by the main unions and provided for a range of social measures including trainings, internal mobilities, working time adaptations, voluntary departure schemes, early retirement and the opportunity to pursue personal or professional opportunities outside of the Company, such as business creation as well as dedicated partial unemployment schemes.

Regular social dialogue is ensured at global, European and local levels, in line with ILO requirements and local legislation, in addition to Company agreements such as the Company's European SE-WC agreement, updated in 2018. Sites outside Europe are also covered by the Company's IFA, framing the social dialogue and social culture taking into consideration the local labour legislation, culture and practices of respective countries.

In line with the Company's global social dialogue strategy, discussions with social partners take place at local or European level as well as at global level thanks to the Airbus Global Forum ("AGF"), reflecting the Company's engagement for a responsible social dialogue. AGF seat allocation for employee representatives is based upon Company's headcount distribution across the globe and conditional to existing legal employee representation as per applicable regulations and practices in the relevant countries.

In addition, the Company is an active member of the Global Deal for Decent Work and Inclusive Growth initiative ("Global Deal") that was developed in cooperation with the ILO and OECD. The Global Deal is a multi-stakeholder partnership

between governments, business and employers' organisations, trade unions, civil society and other organisations that seeks to make economic growth work for all against a backdrop of rapid changes in the world of work. Furthermore, the Company has regular discussions with some national and international trade union federations.

III. Risk Management

Employee relations are part of the Company's risk management process and related risks are reviewed internally on a quarterly basis. During 2023, employee relations teams continued to focus on ensuring legal compliance regarding national labour laws and investing in training the Company's HR professionals about labour law. The Company's approach to risk management is also reinforced by the OpenLine reporting system, which allows employees to report concerns anonymously (where legally permitted). See "– 1.2.14 Business Integrity".

IV. Implementation / activities

During 2023, the Company continued activities aimed at strengthening collaborative and partnership approaches with unions in various countries. The main focus has been on preserving global social dialogue, supporting major employee representatives elections, addressing Company transformation projects as well as informing and consulting about employment, working conditions and sustainability.

Preserving a global social dialogue

In Europe, five European committees have taken place at Company level in 2023, including discussions about the Company's strategy and operations, as well as the Divisions' activities and sustainability. At the Airbus Helicopters Division, four European committees took place. The main topics discussed were the follow up of the Division's performance and strategy, the industrial strategy, the supply chain, key programmes' situation and more globally the Division's transformation, focusing in particular on digitalisation, leadership and its environmental roadmap. At the Airbus Defence and Space Division, five European committees took place. The main topics were the Division's strategy and performance with a focus on sustainable transformation, including the new Target Operating Model (see hereafter), which went live on the 1st of January 2024.

During 2023, the social dialogue continued in the regions based on local exchanges between the management team and employee representatives. For example, in the context of fostering social dialogue in APAC, countries such as South Korea and Thailand have established welfare committees dedicated to the advancement of mutual interests of both labour and management through collaborative efforts. Taiwan on the other hand has appointed employee representatives to facilitate social dialogue between labour and management. Meanwhile in Malaysia, an equally valuable though less formal approach was taken, providing opportunities for dialogue and engagement between employees and management. These diverse mechanisms, whether formal or informal, play a vital role in nurturing a constructive atmosphere for meaningful discussions.

Training sessions about social dialogue have taken place for the HR community, explaining why social dialogue is important for the Company and how it is structured, while also including updates about employment law.

Supporting employee representative elections

The Company continued to support the organisation of employee representative elections. In France, employee representative elections took place in 2023. Simplification of the voting process, a communication campaign and training of managers on the importance of social dialogue have all contributed to an increased participation rate (77.85% vs. 72.09% in 2019). Also in Spain, employee representative elections took place. Employees have participated in the election of those who will represent them in the negotiations of the Collective Bargaining Agreement for the next four years (2024-2027).

Supporting Company transformation

Numerous discussions with the Company's social partners have taken place to support the new Target Operating Model at Airbus Defence and Space (ATOM), resulting in three new Business Lines with end-to-end responsibility: AirPower, Space Systems, Connected Intelligence and the newly created COO organisation.

Also discussions have taken place at European and national level to explain the new governance and roles of the management team at Company level and in the commercial aircraft business.

In Spain, the discussions about the consolidation of the industrial activities and the maintenance of workload in the Centro Bahía de Cádiz (CBC) work centre were continued and concluded successfully on 1st of July 2023. The agreement is planned to be implemented during 2024 and 2025.

Supporting employees

In 2023, the Company carried out constructive dialogue with its social partners to negotiate salary increase policies where relevant with its employee representatives committees or in the frame of collective bargaining negotiations.

Furthermore, the Company continued to prepare for the future of employment and working conditions together with social partners:

In Spain, the Company continued with the social dialogue in order to carry out the commitments included in the VI CBA, (Spanish Collective Bargaining Agreement). An extraordinary salary review was also negotiated in 2023 as well as an "Equality Plan" in order to achieve equal treatment and opportunities for both women and men and to eliminate any kind of discrimination.

In France, the Company continued the major transformation project called Reload which started in 2021, aiming at simplifying, modernising and harmonising Company agreements related to compensation, benefits, grading, working time duration, health, safety and working conditions to make them more readable for its employees and adapted to the Company's challenges. Agreements about employee saving plans, gender equal opportunity, employment and career development were concluded in 2023.

In Germany, social dialogue mainly focussed on supporting the ramp-up activities, the harmonisation of remuneration for middle managers and the renewal of collective agreements regarding workforce flexibility.

In the UK, the ballot on pay negotiations, including two different employee groups, was successful.

V. Outlook

In 2024, the Company aims to continue its dialogue with social partners, sharing its strategy, its organisational changes and preparing for its evolving ways of working, as was done in 2023. Other key areas will be the continued ramp-up of its activities and the transformation projects which will be essential to the Company's future success. Furthermore, it aims to further drive international social dialogue between the Company's top leaders and its employee representatives from the Company's home countries and regions through the organisation of the 4th Airbus Global Forum.

1.2.13 People

I. Introduction

The Company's employees draw on each other's expertise and experience and put all their passion and determination to pioneering sustainable aerospace. Human Resources is at the heart of the Company. The current priorities of the Company's HR function within its People Strategy are:

- engaging, inclusive and high performing leadership;
- skilled workforce and an agile learning organisation;
- inclusive workplace and simplified ways of working;

Workforce

As of 31 December 2023, the Company's active workforce amounted to 147,893 employees (compared to 134,267 employees in 2022), 96.1% of which consisted of full-time employees. These statistics take into account consolidation effects and perimeter changes throughout 2023. Depending on country and hierarchy level, the average contractual working time is between 35 and 40 hours per week.

2022 and 2023 confirmed the strong aerospace industry recovery, enabling the Company to accomplish its recruitment plan with a particular focus on new skills, diversity and generational renewal. As part of this, the Company has expanded its programme to welcome university graduates from all around the world, the Airbus Global Graduate Programme.

The Company's workforce is 88.6% based in Europe, across more than 100 sites. Concerning the nationality of its employees, 34.6% are from France, 31.1% from Germany, 6.9% from the UK and 10.5% from Spain. The evolution of the Company's global presence is seen in the increase of the workforce located outside the Company's home countries (20,815 vs. 18,374 in 2022) and the increase of nationals from outside the Company's home country nationals (17.0% vs. 16.2% in 2022), coming from 150 other countries (vs. 143 in 2022).

1. Information on the Company's Activities

1.2 Non-Financial Information

Workforce by business segment, geographical area. The breakdown of the Company's employees by business segment and geographical area, including the percentage of part-time employees, is available in “– 1.2.17 ESG Data Board”.

People	GRI	SASB	SDGs	Others
	401 Employment 404 Training and Education			4, 5, 8, 12
Highest governance body(ies) involved	Executive Committee			
Related corporate policies	Human Resources Airbus Company Policy			
Key metrics (More in “– 1.2.17 ESG Data Board”)	2022	2023		
Total number of employees ⁽¹⁾	134,267	147,893		
Number of Classroom Training ⁽²⁾	116,363	163,194		
Number of Digital Training ⁽²⁾	1,645,816	2,052,149		
Total training hours ⁽²⁾	1,786,274	2,177,325		
Average training hours per employee ⁽²⁾	15	17		
<i>⁽¹⁾ The Company's headcount reporting includes all consolidated companies worldwide. Figures are based on the active workforce, i.e. the number of permanent and short-term employees, irrespective of their individual working times, and having worked in the last 30 days. The headcount is calculated according to the consolidation quota of the respective companies. The scope for HR structure reporting covers 100% of the Company's total active workforce from consolidated companies.</i>				
<i>⁽²⁾ Reporting period: from 1 Oct to 30 Sep.</i>				
Additional resources	Code of Conduct ¶ , Airbus Global Workforce Forecast Book ¶ , Working at Airbus ¶ , Airbus International Framework Agreement ¶ , European Commission – Pact for Skills ¶ , Employer awards 2023: Universum ¶ , Glassdoor ¶ , Top Employer Institute ¶ , Forbes ¶			

II. Governance

The Company's workforce is managed by the Human Resources (HR) function, guided by a set of HR policies and a strong social dialogue. HR policies are discussed and agreed with social partners through continuous and regular meetings at global and local levels. The overarching HR policy is applicable to all employees and provides them with the description of the core values, mission, vision and top level initiatives for HR management, in accordance with Company's Mid-Term Strategic Plan, and external requirements and is also aligned with the Company's commitment to the International Framework Agreement (IFA).

The Chief Human Resource Officer is a member of the Executive Committee. HR teams work together across Divisions and geographical boundaries to support regional activities and adapt to business needs.

III. Risk Management

Any identified risks related to the workforce and its skills and development are recorded in the Company's ERM and appropriate action plans agreed. In addition, every two years the Company measures the perception of its employees on where the Company stands in terms of Company culture and engagement through the “My Working Environment” survey. The latest campaign was in 2023, with a survey period from 30 May to 23 June. Just like the last two surveys (2019 and 2021), this year's participation is above 60% which provides representative data for analysis. Employees' feedback provides valuable input to define an action plan on Company level, leveraging the Company's cultural strengths to build on and directly address the concrete pain points to be improved. The Company culture and engagement are regularly measured to keep track of the progress and adjust actions.

IV. Implementation/Activities

Strategic workforce planning

The Company's strategic workforce planning, a multi-year workforce outlook, is performed annually within the various business functions in order to manage workforce related risks and opportunities in the context of the execution of the business strategy. Two steps enable the Company's strategic workforce planning, namely, a quantitative 2-5 year outlook based on workload scenarios, and qualitative business discussions performed as part of the resource review.

The qualitative part of the strategic workforce planning generates a set of actions related to the business strategy, competence strategy, demographic changes, employment strategy, knowledge management and global footprint. In addition to the management of workforce risks and opportunities, the strategic workforce planning results support discussions with social partners and external workforce suppliers. A specific focus is currently put on strategic competencies such as hydrogen, propulsion, model-based system engineering, robotics/automation, artificial intelligence and cyber security.

People development, performance management and competence assessment

The continuous development of all employees is essential to deliver business success. The Company strives to provide an environment that offers stimulating professional opportunities and the means for continuous growth and development in line with its strategy.

An annual process derives a short, mid- and long-term Competence Strategy that is aligned with the Company's business strategy by:

- anticipating the supply and demand of competencies;

- identifying, securing and developing key competencies;
- creating added-value through synergies, networking and best practices.

Investments in training and learning are prioritised in relation to this competence strategy. In addition, emerging competence needs required in the long-term, such as cryogenics, hydrogen storage, quantum computing, quantum sensing and autonomy/autonomous systems are analysed in order to identify specific measures that need to be taken. For example, the Company partners with academic institutions to ensure the supply of emerging competencies of the future. In that respect, the Company currently collaborates with more than 200 universities, including 15 strategic partners. In addition, the Company is participating in external forums on competence evolution, such as the World Economic Forum, European Commission and other regional forums (see "Training and Mobility" below).

The Competence Assessment is a means to identify potential gaps in the expected skills and knowledge of employees linked to their current position, and can be used to identify the employee's development needs. The Competence Assessment can be performed whenever necessary though it must be completed at least once every two years, and is highly recommended to occur within the first month as a result of career mobility or a significant change to an existing job.

There are several "moments that matter" throughout the calendar year via the annual "People Tempo" which outlines the various key HR processes linked with the employee's experience of Performance and Development. In this respect, conversations between managers and employees form a continuous and ongoing dialogue to enable regular and frequent engagement on the topics of performance and development throughout the year whilst ensuring an agile approach towards adapting in relation to business priorities as these evolve throughout the year. In order to ensure that quality time is dedicated to focus on the employees' development, the Company has, as part of its annual talent management cycle, implemented a systematic "Development Talk" for all employees (with their line managers). This is an exchange between the manager and the employee that can take place as often as needed (though at least once a year) with the intention of discussing the individual development plan of the employee and to align professional career aspirations with the Company's organisational requirements. Managers are encouraged to hold these discussions during quarter one in order to align the development activities for the year with the employee's individual performance goals and collective (team-based) performance objectives. Furthermore, a mid-year review is held to align on progress and identify opportunities for further development throughout the year.

The Company provides employees with a portfolio of self-awareness solutions and feedback tools (such as 360 feedback from team members, stakeholders or peers) that can be used to support the employee in their professional development. At any time throughout the year, employees can use the human capital management software deployed at the Company to "request feedback" from their singular stakeholders in relation to their performance and development. Furthermore, the Company provides a platform whereby employees can launch a "360 feedback" survey to understand feedback from stakeholders (at the same level, below or above them in the hierarchy) in the framework of the Company's values and leadership model (which is used to assess the performance and development of employees).

The actions that will be taken to support their development are formalised by the employee in their Development Plan' which is then validated by the manager. These actions usually consist of a mixture of learning experiences – projects, missions or career mobility –, social learning – peer-to-peer development, coaching and mentoring –, and formal training – courses, certifications and diplomas.

Then, at the turn of the year, managers conduct a formal assessment of the employee's performance contribution and complement this with an appraisal discussion with each member of their team to discuss feedback on performance, opportunities for development and career growth.

Training and mobility

Again in 2023, to support the skills foundations and Top Company Objectives, the Company has defined and assigned compulsory learning plans directly to its employees, covering ethics & compliance, export control, health and safety, product safety, cyber security, internal controls, inclusion and diversity, quality and sustainability awareness. This approach allows the Company to ensure employees are well informed, trained and aware about those key topics related to major Company priorities. In 2023, 115,992 employees completed this compulsory learning plan.

From October 2022 to September 2023, the Company provided about 2.2 million training hours to employees. In addition to the physical classroom and digital training, more than 75,000 employees benefited from other leadership development and transformation solutions proposed by the Airbus Leadership University. The Leadership University continues to strengthen the Company's approach to leadership, offering opportunities for all managers to drive their development, while accelerating the culture evolution and human transformation of the Company. It offers a range of leadership programmes which focus on developing self-awareness, leadership mindset, purposeful leadership and people leadership capabilities. One such programme that is currently offered is "Management Basics & Leadership Foundations (MBLF)" which is a refresher training available to all managers, allowing them to revisit and explore the most essential elements of managing and leading people in challenging times. As one of the main objectives is to drive collaboration and engagement in the context of a properly managed performance cycle, the aim is to increase team efficiency and effectiveness. Between 1 October 2022 and 30 September 2023, over 1,200 managers completed a leadership programme training. The solutions provided by the Leadership University equip the company's managers to better apprehend their daily challenges and develop strategic thinking.

In addition to learning solutions and opportunities for professional development, the Company has well established career and development paths – as an alternative to management career paths linked with the Airbus Leadership Model – that are focused on expertise in their domain. These opportunities enable employees to develop specific skills and competences – notably in the streams of project and programme manager, architect, integrator or expert career paths.

The Company is also involved in many regional and European initiatives to address the up-skilling and reskilling challenge, such as Clean Aviation, DACSO (*Diagnostic Aéronautique Compétences Sud Ouest*) / DECSO (*Diagnostic Espace Compétences Sud Ouest*), and Hydrogen Europe. The Company is working together with aerospace and defence industrial

1. Information on the Company's Activities

1.2 Non-Financial Information

companies, public authorities, and education and training providers, to build common upskilling and reskilling programmes and explore ways of working together in skills partnerships.

Mobility of employees within the Company provides overall benefit and value. Mobility helps employees develop new skills and competences and serves the business by bringing new ideas and broader perspectives to teams, while ensuring the Company has the right skills in the right place to secure the future. In 2023, more than 10,700 employees changed jobs through internal mobility. In 2023, the Company decided to reinforce the importance of mobility as a tool for employee engagement and development, that's why from 2024, all jobs (except critical ones where an external acquisition is needed) will be available only for Company's employees for a minimum of one month, before going external.

Remuneration

The Company's overall remuneration policy is in line with local practices and provides employees with a competitive overall compensation package. It is also an enabler to attract new talents and retain talented employees contributing to the Company's business success.

The Company compensates employees in line with applicable laws, in accordance with the terms of applicable collective bargaining agreements and relative to the industry and local labour market. In addition, the Company is currently reviewing the practical implementation of a commitment to a living wage for its employees in line with relevant benchmarks and methodologies.

The Company's remuneration practices integrate national regulation requirements and internationally recognised conventions such as the ones established by the ILO standards, including regulating working hours, resting hours, maximum consecutive days of work and annual leave. All hours worked beyond the normal work week and approved by management are handled as per applicable legislation, regulations and agreements (e.g. compensatory time-off, paid overtime, time saving account, etc).

For employees below manager level, collective labour agreements are applied in the Company's home countries (France, Germany, UK and Spain). This includes wage levels and increases, supplementary grants and gratifications (e.g. end of year gratification). Starting at manager level, compensation of employees can contain a variable part. The percentage of such variable pay in total compensation increases at higher hierarchical levels.

Support for health care, unemployment insurance, national and Company pension systems as well as social security contributions are implemented, at least in compliance with national regulations.

Some benefits or specific worldwide schemes are implemented such as sharing the financial and operational success of the Company with the employees (international success sharing scheme deployed for around 130,000 employees in 2023) or developing the Company share ownership culture (Employee Share Ownership Plan).

Employee Share Ownership Plan ("ESOP")

The ESOP allows employees to participate in the success of the Company and to become shareholders of the Company every year. This plan is an investment opportunity to acquire a certain number of Company' shares, which is open to the employees in more than 40 countries. Introduced in 2011, the ESOP scheme is a "share matching plan" in which the Company matches the number of shares bought by the employee according to set criteria. An eligible employee in the frame of ESOP 2023 is part of an entity which is at least 50% owned by the Company, and has been an employee between 31 December 2022 and 15 March 2023. In 2023, more than 75,000 eligible employees seized the opportunity to subscribe and 2.2 million shares were distributed to employees through the plan ESOP 2023.

Other benefits

Employees throughout the world benefit from several measures empowering their work-life balance, such as remote or hybrid working flexibility when it is compatible with their job position, as well as flexible hours or part-time arrangements in place in several countries. Family-friendly measures continue to grow, with 64% of staff covered by maternity and paternity benefits beyond the statutory minimum, in terms of duration of leave and/or salary compensation during the leave. In addition, over 78% of the staff has access to either on-site kindergarten or company-sponsored childcare services (for example in Spain, France, Germany, India and Canada).

V. Outlook

In 2024, the strategic people priorities are expected to remain similar as in 2023:

Engaging, inclusive and high performing leadership. Through its global network of Leadership University campuses, the Company will continue to invest significantly in strengthening the capabilities of its leaders centred around developing adaptive, performance-oriented, technology-focused and purpose-driven management and leadership. In addition, the Company will continue to bolster its leadership talent pool through strategic hiring.

Skilled workforce and an agile learning organisation. The Company's recruitment strategy will primarily focus on addressing critical skill gaps within European countries, while also supporting business growth in Asia and North America. Internal workforce development efforts will remain a key area of focus, aiming to foster continuous growth and address critical skill gaps through investments in emerging skill development. The Company is committed to evolving into an agile learning organisation by integrating formal, social and on-the-job learning experiences.

Inclusive workplace and simplified ways of working. Embracing the strength found in diverse perspectives, backgrounds, and experiences, the Company is dedicated to fostering an environment where every individual feels empowered and valued – see “– 1.2.11 Inclusion and Diversity”. The Company, through the “BetterWorkplace” programme, will continue to work toward giving every employee the workplace they need, the tools they deserve and a culture they can celebrate.

Exemplify business integrity

1

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 2023, Ethics & Compliance continued to be a top priority for the Company. In its list of priorities for the year, the Company treats integrity and compliance as vital for its business.

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 Control 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.

In 2023 the Company closed the Deferred Prosecution Agreements in the United States, the United Kingdom and France, as well as of the Consent Agreement in the United States – See "Notes to the IFRS Consolidated Financial Statements – Note 38: Litigation and Claims"

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	2022	2023
Number of employees per appointed Ethics & Compliance Representatives	360	338
Number of employees per appointed Export Control Point of Contact	236	242
% of employees who completed the E&C training objective (<i>Reporting period: from 1 Jan to 31 Dec</i>)	96%	96%
Number of E&C e-learning sessions taken by employees (<i>Reporting period: from 1 Oct to 30 Sep</i>)	290,178	525,280
<i>Of which</i> Export Control e-learning sessions delivered to employees (<i>Reporting period: from 1 Oct to 30 Sep</i>)	149,426	367,187
Number of privacy e-learning sessions delivered to employees (<i>Reporting period: from 1 Oct to 30 Sep</i>)	3,181	9,255
Additional resources	Airbus Ethics & Compliance webpage, including CEO statement , Airbus Values , Airbus' commitment on the protection of Personal Data , OpenLine , Compliance at Airbus	

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 Ethics Compliance & Sustainability Committee ("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 2023, with a total of 445 ECRs at the end of 2023 (compared to 373 at the end of 2022). Although the ECR network members are not compliance experts, they play an important role in promoting

1. Information on the Company's Activities

1.2 Non-Financial Information

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 both 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 2023, the network was established and active within the business (all divisions, functions and regions), with a total of 604 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 Company's privacy programme. 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.

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 EU, UK, US and all the countries where or with whom it operates, 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 any regulations including but not limited to the International Traffic in Arms Regulations ("ITAR"), Export Administration Regulations (EAR), European Union and national military and dual-use regulations.

Operating worldwide, the Company must comply with several sets of sanctions laws and regulations implemented by transnational / national / regional authorities. The Company seeks

to comply with all such laws and regulations. As such regulations are constantly evolving, the Company has regularly enhanced its dedicated policies and processes. On a risk based approach, the Company is developing and implementing numerous mitigation measures with regards to internal and external potential sanctions circumvention, and notably with regards to any third parties it is partnering with. Furthermore, the Company's ability to market new products and enter new markets may be dependent on obtaining government certifications and approvals in a timely manner.

Specific directives and methods 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.

Those directives and methods are applicable to 100% of the Company and its controlled entities. For instance, with regards to export control, 100% of the outbound shipments are required to be controlled (KYC cleared, export control classification performed, consignees/end-users systematically checked against sanctions & embargoes lists, and against licenses/authorisations/exemptions/exceptions/derogations when required or applicable). Likewise, the directives and methods require that 100% of purchased items shall be classified, notably through the collection of Export Control Classification Documentation (ECCD) from the Supplier and 100% of intangible data shall be classified, marked and labelled prior to any export or transfer.

The Ethics & Compliance organisation is tasked with oversight and monitoring of these directives to ensure that it is 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

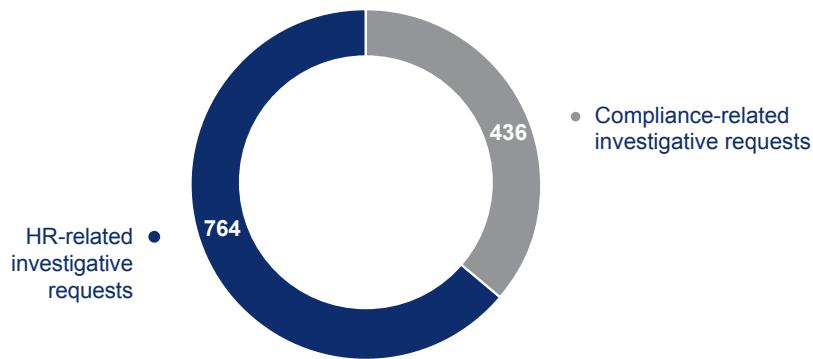
As part of their annual goals and objectives, all Company employees are required to undergo a minimum amount of ethics and compliance training via e-learning. Additionally, depending on the function, the country and the level of risk implied by their role, certain employees are selected to attend live 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 2022 to 30 September 2023, the Company's employees followed 525,280 Ethics & Compliance e-learning sessions, including on bribery, corruption and export control. Furthermore, 9,964 employees attended live classroom training on different Ethics & Compliance topics over the period. In 2023, sessions were delivered both virtually and in person.

Likewise, the Company also delivered anti-bribery and corruption training towards higher risk third parties, including sales intermediaries, lobbyists and special advisors. In 2023, 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. A total of 9,255 privacy training sessions were performed in 2023 (reporting period from 1 October 2022 to 30 September 2023).

1,200 investigative requests received in 2023



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

Speak-up channel: OpenLine

The Company recognises that the Code of Conduct cannot prevent every situation that may arise, and therefore encourages employees and third parties – including but not limited to contractors, subcontractors, direct or indirect suppliers, and local communities around our and our suppliers' sites – to speak-up about concerns related to the Company. Concerns may be raised through various channels, including through OpenLine (available at <https://www.airbusopenline.com>). The OpenLine enables people to submit an alert securely and confidentially. Employees may also report concerns to managers, HRBPs, Ethics & Compliance Representatives, Privacy Focal Points, or Export Control Points of Contact.

The Company commits to protect those who speak up and raise concerns, and commits not to retaliate against anyone who raises a concern in good faith, against those who assist in investigations, or against other legally protected classes in the jurisdictions where it operates. The Company has a specific method regarding principles of non-retaliation and encouraging a "Speak Up" culture. The speak up channels and the non-retaliation principles are both included into various team talks, e-learnings, anti-bribery and corruption trainings, and otherwise communicated frequently.

In 2023, the Company received a total of 1,200 alerts or allegations of which 764 were HR related⁽¹⁾. Cases requiring investigation are managed by dedicated members of the Ethics & Compliance team in accordance with an internal method on how to conduct investigations. The Ethics & Compliance team provides regular updates to the pool of internal investigators on internal policies, recent developments in the regulatory framework and investigation best practices to ensure the consistent deployment of compliance investigations across the entire Company.

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 key internal investigations on a regular basis.

(1) Covering harassment and bullying, discrimination and other breaches of HR policies or processes.

1. Information on the Company's Activities

1.2 Non-Financial Information

Policies and procedures

In 2023, the Company continued to improve its Ethics & Compliance framework notably by enhancing the digital solutions made available to employees in the fields of whistleblowing, gifts & hospitality or sponsorships & donation management.

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 documentation, completed at 99% at the end of 2023. In parallel, in 2023, the Company has started to deploy digital tools, developed through its Global Export Control Solutions (GECS) project in order to support the fulfilment of those requirements with regards to, notably, classification, record keeping, screening, accreditation, tangible and intangible transactions compliance or access control securitisation. For instance, among many other digital tools, the deployment at the end of the year of "hold and release" automated solution in the Company's commercial aircraft activities ensures the compliance of 100% transactions related to specifically targeted export controlled items based on their classification, sanctions and export control screening assessment, valid licences and corresponding accreditation. To ensure the deployment of such tools, the validation of more than 1.5 million export control classifications have been secured by 2023 year-end corresponding to more than 300,000 part numbers. Continuous efforts are ongoing to extend the scope

of deployment in the Company's commercial aircraft business and further deploy akin solutions within Airbus Helicopters and Defense and Space Divisions, core entities as well as subsidiaries and affiliates in the years to come.

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

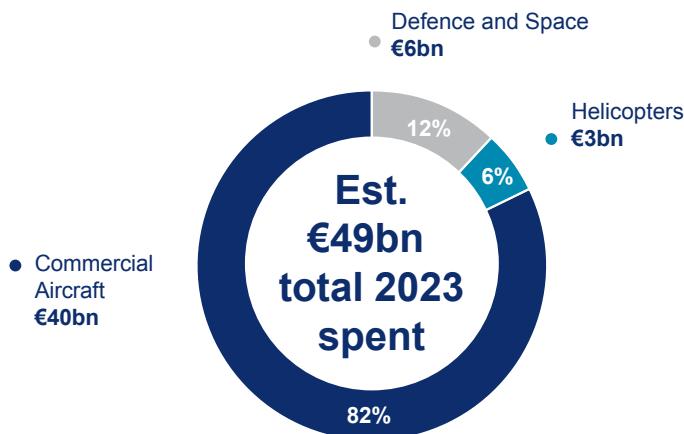
An effective Ethics & Compliance programme is one that, by definition, continuously adapts to changes and improves over time. Going forward, the Company will continue to assess its risks and monitor and test the implementation of mitigation measures at all levels: corporate level, Divisions, regions 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 2023, approximately 19,000 suppliers from more than 90 countries supply parts, components, systems and services to the Company.



In 2023, the Company's external sourcing volume was estimated around €49 billion and shared between Divisions with 82% for the Company's commercial aircraft business, 12% for the Airbus Defence and Space Division and 6% for the Airbus Helicopters

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

1. Information on the Company's Activities

1.2 Non-Financial Information

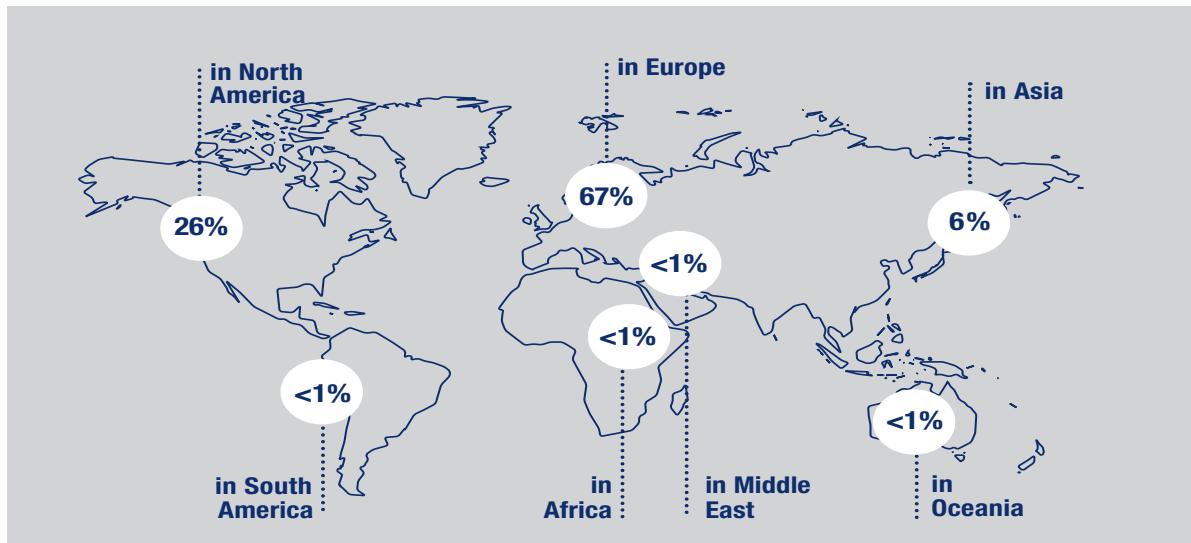
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RESPONSIBLE SUPPLY CHAIN	GRI	SASB	SDGs	Others
	102-9 Supply Chain 204 Procurement Practices 308 Supplier Environmental Assessment 408 Child Labor 409 Forced or Compulsory Labor 414 Supplier Social Assessment	Materials Sourcing	4, 5, 8, 9, 12, 13, 16, 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, Human Rights Policy, Anti Corruption Policy, Supplier Code of Conduct			
External standards taken into account	Reference to certain international organisations standards or principles, in particular ILO and International Forum on Business Ethical Conduct, IFBEC have been included into the Airbus Supplier Code of Conduct			
KPIs		2023 Target	2022	2023 ⁽¹⁾ vs 2022
Percentage of sourcing volume of suppliers invited to CDP who have responded	75%	78.0%	80.1%	+2.1p.p.
Percentage of identified high risk suppliers, who have undergone a sustainability assessment	60%	99.5% ⁽²⁾	37.6% ⁽³⁾	-
Percentage of sourcing volume covered by supplier commitment to the Supplier Code of Conduct	89%	86.0%	89.9%	+3.9p.p.
Digitalisation of supplier substance data collection – supplier sites	700	298 ⁽⁴⁾	936 ⁽⁵⁾	-
Other key metrics		2022	2023	
Sustainability assessment: percentage of assessed suppliers not meeting the Company's sustainability expectations (=red flags)		16%	10.5%	
Percentage of action plans defined for suppliers not meeting the Company's sustainability expectations		31%	50%	
Percentage of responding suppliers to the CDP scoring A or B		66%	N/A ⁽⁶⁾	
Number of sustainability alerts ⁽⁷⁾		43	133	
Assumptions	<p>⁽¹⁾ Based on the 2022 sourcing report.</p> <p>⁽²⁾ Desktop assessments based on 2019 risky suppliers.</p> <p>⁽³⁾ Evidence based desktop assessments based on 2023 inherent risk mapping most risky suppliers (excluding Affiliates and Subsidiaries) list – see "Supplier Risk Mapping" section below.</p> <p>⁽⁴⁾ For commercial aircraft business.</p> <p>⁽⁵⁾ For the Company.</p> <p>⁽⁶⁾ Scores not available by time of publication.</p> <p>⁽⁷⁾ Sources include media screening, NGO reports, employees alerts or Supplier Compliance Review (see section "Alerts and Grievance Mechanisms" below)</p>			
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 ¶			

1. Information on the Company's Activities

1.2 Non-Financial Information

In 2023, the Company sourced 89% of its total purchased volume from countries in which it has significant operations, including France 32%, USA 25%, Germany 16%, United Kingdom 10%, Spain 4%, Canada 1% and China 1%.



Company's 2023 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.

The Company has established regional procurement offices in North America (Herndon, VA), India (Bangalore), Asia Pacific (Singapore) and China (Beijing) to support local procurement initiatives. 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 processes, policy and digital solutions.

The Company strives to make environmental and social responsibility a core element of its procurement strategy. This includes managing the relationships with suppliers through the different phases of the procurement process: sourcing strategy definition, supplier selection, contract management and supplier monitoring and development. The Company's sustainable supply chain ambition is built around the Company's four sustainability commitments. Derived from those, the Company's Sustainable Supply Chain Roadmap is based on a three-step approach: supplier commitment, supplier assessment, supplier engagement and development.

This approach is based on the following key elements and principles of due diligence aligned with the OECD Due Diligence Guidance for Responsible Business Conduct and applicable law:

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

As the Company's commercial aircraft business and its two Divisions are certified ISO14001, the Procurement function acts in adherence with ISO 14001 requirements.

II. Governance

In order to drive the Sustainable Supply Chain Roadmap ("SSCR"), a quarterly Steering Committee chaired by the Head of Sustainability & Environment, the Head of Procurement Governance & Strategy and sponsored by the Chief Procurement Officer ("CPO") of the Company is implemented. The Steering Committee includes the Heads of Procurement of Airbus Helicopters and of Airbus Defence and Space, and the Head of Ethics & Compliance, or their nominated representatives. The CSO and Communications and the CPO of the Company act as sponsors of the SSCR.

The CPO also reports to the ECSC on the progress of the Company's responsible sourcing strategy implementation.

Concrete sustainability targets have been included in the 2023 objectives of the Company's CPO and are cascaded through the Company's Procurement organisation:

- commitment by suppliers to Airbus Supplier Code of Conduct for 89% of the 2022 sourcing volume;
- supplier sustainability assessments completed for 75% of the 2022 sourcing volume;
- response of suppliers to CDP assessment for 75% of the 2022 sourcing volume.

The Procurement function has further reinforced its cooperation with the Legal & Compliance function for anti-corruption topics in the supply chain as well as in the frame of the further development of the Company's due diligence mechanisms (see "- IV. Supply Chain Vigilance Plan").

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 ("SCoC"), which is the document of reference for the Company's responsible supplier management. This SCoC integrates the Company-wide values and principles,

in line with internationally recognised standards and conventions such as UNGPs, OECD, ILO and IFBEC, covering human rights (such as child and forced labour, discrimination and harassment, working conditions, health & safety and freedom of association) and the environment (such as emissions, pollution and waste management).

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.

From the extraction of raw materials to the manufacturing of parts delivered to the Company, suppliers' operations may have adverse impacts notably on the environment, the local communities (see "salient human rights issues" in section "- 1.2.10 Human rights") or the Company. The Company deploys specific supplier due diligence actions in the frame of the SSCR as described below to mitigate such impacts or the consequences of suppliers failing to comply with environmental, human/labour rights, health and safety laws and regulations.

IV. Supply Chain Vigilance Plan

The Company's due diligence in its supply chain covers primarily the Company's suppliers (*i.e.* those with which the Company contracts supply agreements, "**Tier-1**"); nonetheless, if an alert is raised in relation to a supplier in the upstream supply-chain, the Company will act on it as appropriate. The Company centres its SSCR activities around the three following steps:

1) Commit suppliers to the Company's requirements on sustainability

Contractual requirements

The Company's standard procurement contract templates are regularly updated and include a dedicated "Sustainability and Environment" clause which requires suppliers to:

- comply with all applicable laws and regulations in connection with human rights, labour and employment, health and safety, environment (including decarbonisation and circularity), anti-corruption, bribery and personal data protection;
- provide information on substances contained in the products and services and/or used in manufacturing processes (covering both substances of concern and conflict minerals);
- provide information on environment, health and safety matters for management of products (including those used in services), such as safe usage, across their life cycles (including waste management);
- implement an Environmental Management System based on ISO 14001 or equivalent requirements;
- 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 SCoC;
- perform supply chain due diligence and an annual sustainability maturity assessment by an external specialist company;
- complete a sustainability questionnaire during the call-for-tender phase and support initiatives to minimise waste in the Company production sites (*e.g.* reusable packaging, buy-back of overstock items). This questionnaire accounts for a minimum weight in the selection process.

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 directly imports minerals in extremely low volumes, however such 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. The SCoC formally requires suppliers to establish a policy and a management system to ensure responsible material sourcing.

2) Assess the suppliers' maturity with regards to sustainability

Alert and grievance mechanism

Since 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 updated SCoC. Apart from OpenLine, the Company may receive alerts from other sources including through media screening, NGO reports, directly from employees or Supplier Compliance Review which is a screening ahead of supplier selection. During 2023, 133 alerts from such sources have been received on potential allegations relating to environmental, human rights and health & safety concerns in its supply chain. Since 2022 the number of alerts has increased due to the systematic inclusion of sustainability criteria into the screening. Analysis and/or investigations of those alerts are managed jointly by the Ethics & Compliance, the Sustainability Legal Affairs, the Procurement Sustainability and the Sustainability & Environment teams 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, summary of the findings and proposal of 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

Since 2018, the Procurement team has carried out annual proactive sustainability inherent risk mapping. In 2023, the Company started to use an upgraded inherent risk mapping methodology building on risk indexes considering the location and the type of activity performed by its Tier-1 suppliers (excluding suppliers of its affiliates and subsidiaries). When relevant, the supplier risk mapping is enhanced by the outcomes of the alerts and grievance mechanisms described above. This led to a risk ranking of suppliers regarding human rights, environment and health and safety. From this, and in line with the programme developed in 2022 with IAEG (see below) the identified riskiest suppliers are invited to undertake an evidence-based desktop sustainability assessment. In 2023, a number

1. Information on the Company's Activities

1.2 Non-Financial Information

of suppliers were prioritised, while coverage is to continuously improve. As a result of the assessment, suppliers not meeting the Company's sustainability expectations with lower scores (classified as a red flag) will be requested to develop and put in place a corrective action plan in a determined time frame.

Evidence-based desktop assessments

The Company conducts evidence-based sustainability maturity desktop assessments, now renewable every year (transitioning from every three years with the previous provider), with the support of an external specialist company contracted via the IAEG in 2022. Taking part in this IAEG voluntary sectoral framework for ESG engagement strengthens business resiliency and optimises resources and costs for suppliers. This group-level assessment covers labour and human rights, health and safety, environment, ethics and sustainable procurement.

A total of 73.6% of the 2022 sourcing volume was covered by an evidence-based desktop assessment at the end of 2023, including both risky suppliers and other suppliers already engaged into this sectoral approach.

Assessment – CO₂

Since 2020, the Company has engaged in the supply chain programme of CDP to foster transparency about climate actions in the Company's supply chain. See section “– 1.2.2 Climate change / IV. Transition plan / Supply chain engagement”

On-site assessments

The result of an evidence-based desktop assessment or any sustainability alert may lead the Company to request an on-site assessment at a particular supplier site. In 2023, the Company performed 33 on-site assessments, compared to seven in the previous year. The Company engaged with suppliers on findings in order to improve the situation, when relevant.

Responsible mineral sourcing

The responsible sourcing of tungsten, declared by the smelters, is confirmed by third party audits performed by the RMI. This due diligence exercise is performed at the end of each calendar year and capitalises on data from the smelters, the customs as well as the Procurement organisation of the Company. The Company is also monitoring developments from the European Commission on critical raw materials (“CRM”) and is investigating how to take a deeper look at its related supply chain, through direct involvement and/or trade associations.

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.

3) Engage and develop Procurement employees and suppliers further on the sustainability journey

Engagement and mitigation measures

In the frame of its due diligence, 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 inherent risk mapping methodology;
- if a supplier's assessment results have raised concerns on one or more sustainability aspects.

In addition, the Company reviews its relationship with suppliers who refuse to participate in its assessment programmes.

Substances traceability

At the end of 2021, the Company launched a project to digitise the way suppliers provide information on substances found in their products. The main objective is to improve traceability and transparency on substances in products from the supply chain in line with regulatory requirements while allowing an automated way of sharing this information. In 2023, a Company-wide target has been defined to deploy the digital solution to 700 additional suppliers' sites. This target has been reached and the digital solution is now deployed to more than 1,200 suppliers' sites.

CO₂ emissions – The Company is seeking to engage its suppliers in the transition towards a low carbon economy as described in the section “– 1.2.2 Climate Change – IV. Transition Plan – Supply Chain Engagement”. See also “– 1.2.17 ESG Data Board”.

Supplier cooperation

Sustainability is embedded into all major suppliers' events such as the Annual Supplier Conference of the Company's commercial aircraft business or the Defence and Space Division.

In 2022, the Company launched the first Airbus Supplier Sustainability Council establishing a framework to step-up cooperation within its supply chain on sustainability and fostering a new model of engagement with suppliers. Concrete improvement initiatives were launched and co-led by representatives of the Company and of members of the Council. The focus is on decarbonisation, transparency and substances. The activities run on those topics by the members are acting as key enablers to accelerate specific initiatives from industry bodies such as IAEG and to share best practices across the full supply base. The Company's CPO and the CSO and Communications acted as sponsors of the annual Airbus Supplier Sustainability Council in 2023.

The Company values the commitment, contribution and efforts of its supply chain to improve on sustainability topics. It continues to give awards to its suppliers contributing positively to sustainability. In 2023, two tyre suppliers were awarded by the Company commercial aircraft business: Bridgestone and Michelin. Both companies developed notably lighter weight products for less CO₂ emissions and the use of more recycled materials. Kuehne & Nagel was awarded for its sustainability efforts and its innovation in plastic reduction, circularity and elimination of delivery notes by Airbus Defence and Space.

Work with external stakeholders

The Company is a founding member of International Aerospace Environmental Group (“IAEG”), which is working on development and promotion of common aerospace industry standards and tools to manage environmental obligations. The Company is represented at the Board of the IAEG by the Head of Procurement Strategy and Sustainability as IAEG board member and the Director in charge of Institutional Relations & Standardisation as Chairman of the Board. The Company, through representatives from different functions, actively participates in different IAEG

work groups. More specifically, for the supply chain, IAEG has developed the following materials for voluntary use by companies:

- 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 Assess above;
- an Environment Management System (“**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;
- a definition of an Environmental Qualification Programme to help assess and develop the environmental maturity of suppliers.

Under the 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 its selected service provider to build a sectoral approach for supplier assessment which was deployed in 2023.

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 SCoC 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 Company suppliers are now being asked to sign a confirmation of compliance with the principles of the latest version of the SCoC, 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.

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 2023, the Company extended its membership to the whole Responsible Business Alliance (“**RBA**”) initiative.

Communication

The Company is continuously raising awareness on its four sustainability commitments and related initiatives, both across its supply chain and own workforce, in particular via awareness sessions, presentations in regular forums or marketplaces. Different communication means are used: a toolkit which is updated annually, posters, kakemonos, a dedicated intranet website, participation in internal events promoting sustainability initiatives.

Training and awareness

The Procurement Academy defines positions, competences, skills, and associated training to ensure procurement employees in all Divisions are ready to face current and future challenges. Since 2022, sustainability is embedded into the Procurement competences and a dedicated “Procurement Sustainability Officer” position is in place.

To support people upskilling, on top of existing Company-wide training courses on sustainability, the Procurement Organisation implemented:

- a human rights virtual training for Procurement which was initially tested in 2022. 150 buyers and supply chain quality managers in charge of identified risky suppliers were registered in 2023;
- a substance management awareness for Procurement in order to improve the understanding of the substance regulatory framework and of the internal projects aiming at increasing the quality of the data provided by the suppliers.

On top of the compulsory commitment to the SCoC (notably for health & safety and ethics & compliance), the Company provides health & safety training to its in-situ subcontractors. This training is mandatory in order to have access granted to the Company’s facilities.

V. Other Initiatives

Promoting disability-friendly companies

Since 2011, the Company has been promoting employment of disabled people by its suppliers starting with a particular focus on France. Disability-friendly companies often take part in the call for tender process either through direct offer or partnership. The procurement volume with disability-friendly companies has been multiplied by five over the decade going along with the development of the disability-friendly companies’ ecosystem. In 2023, the sourcing volume with disability-friendly companies is around €68 million of annual turnover which represents a 25% increase compared to 2022. Around 70 disability-friendly companies are working with the Company to date. The Company will continue to develop business with disability-friendly companies either through direct contracting or partnerships or subcontracting, primarily in France and then also in Spain and Germany. In addition, the Company is actively developing inclusion awareness. For instance, in November 2023, the Company organised a (Dis)Ability forum in Toulouse with 41 disability friendly companies and five strategic suppliers for the Company. Around 350 people attended this event. In the frame of the Handicap Mission, the Company has signed in April 2023 a partnership with the GESAT, the economical network of the French Disability Friendly Companies, in order to develop further the subcontracted activities with those companies.

Plastic-free supply chain

As part of the Company’s roadmap on circularity, a plastic-free supply chain project was launched in 2019 and extended to production in 2021 within the Company’s Defence and Space Division. The aim of this project is to reduce, reuse and recycle single-use plastic waste and packaging in the Division’s scope of involvement by 2025. The Division managed to reduce the use of single-used plastic by 73% in logistics (2023 versus 2020 baseline) and by 16% in production (2023 versus 2021 baseline) at all sites in 2023. This achievement has been possible through different actions such as the implementation of plastic-free alternatives (eg. tape) or improved processes, including the use of recycled material, for packaging.

1. Information on the Company's Activities

1.2 Non-Financial Information

VI. Outlook

The SSCR is constantly evolving to actively support the Company's sustainability ambition, to adapt to progressing sustainability requirements and to endeavour to minimise sustainability impacts in the supply chain. It is building upon its current initiatives to deploy them to an even larger number of suppliers. In 2024, notably this will include:

- continuing to require the adherence of the Company's SCoC principles throughout the Company's supply base;
- reinforcing the risk identification and risk assessment of the Company's supply chain due diligence plan;
- extending the coverage of supplier sustainability assessments by requesting more suppliers to perform such an assessment with the objective to reach 75% of the spend volume in 2025;

- engaging with suppliers after the assessment outcomes, when required,
- improving the Scope 3 Category 1 Procured Goods and Services (PGS) calculation.
- deploying learning sessions to develop Procurement community competences on sustainability matters, with an awareness session planned to be developed in 2024 and the specific training on human rights to be further deployed.
- pursuing the Company's ambition to work at sector level to promote harmonised sustainability practices throughout the aerospace supply chain.

1.2.16 Community Impact

I. Introduction

The Company takes global collective action across the world where the Company operates to support communities with a focus on three community impact priority themes: the most vulnerable, the environment, and young people. Products, services and employees are mobilised with a focus on equitable and measurable solutions, in line with the Company purpose.

Community Impact	GRI	SDGs
	413 Local communities	All 17 SDGs with a focus on 1,2,3,4,5,13, 14, 15 and 17
Highest governance body(ies) involved	Board of Directors / ECSC Airbus Foundation Board of Directors, Airbus Foundation Endowment Fund Board of Directors	
Related Corporate Reference Documents	A42 Community Impact Policy A1133 Directive on Sponsorships, Corporate Donations & Corporate Membership The bylaws of the Airbus Corporate Foundation and the Airbus Foundation Endowment Fund	
Key metrics		2022 2023
Number of Sustainability Ambassadors		448 811
% of employees onboarded to the +impact platform		4% 12%
Additional resources	Community impact on Airbus.com  , Airbus Foundation on Airbus.com, including its annual reports  Airbus Foundation partnership to support Polar POD mission in the Southern Ocean 	

II. Governance

The Sustainability – Develop & Engage department manages the global strategy and framework for community impact in the Company and supports the operations of the Airbus Foundation. A global network of community impact focal points representing the major countries where the Company operates drive local partnerships and engagement, as well as a committee of specific topic experts who provide overarching assessment, guidance and recommendations.

A corporate top sustainability objective related to community impact is set annually, with awareness and adoption supported by the Company's transversal sustainability networks. Community Impact is also integrated into the business through a policy and processes at operational levels, including a formalised assessment and decision mechanism for corporate donation requests submitted by business lines. In addition, there are standard reporting lines to the Sustainability & Environment organisation, with top level oversight provided by the ECSC at the Company's Board of Directors level.

The Airbus Foundation and its Endowment Fund are non-profit entities of general interest registered under French law, with specific Articles of Association that define their respective missions and remits. The strategy of the Foundation is governed by its Board of Directors and the Airbus Foundation and Airbus Foundation Endowment Fund annual reports and accounts are submitted annually to the French authorities, as required by law.

III. Implementation/Activities

2023 continued to be a year of transition and evolution of the community impact framework. The Company strengthened the established routes for corporate giving and philanthropy, and expanded opportunities for employee engagement through the "+impact" digital platform (launched at the end of 2022). The Company also focused on enabling the future, piloting new projects that contribute to social value and shape a shared value approach. Shared value aims to bring societal needs together with business opportunities and resources to create a win-win situation for all parties, which is both scalable and sustainable. See "Outlook" section below for further details.

Like 2022, this year had a considerable number of events with important implications for communities around the world – geopolitical crises and conflicts, climate related disasters, and rising inflation had significant repercussions for the underserved and undeveloped parts of society. Continuing to evolve its collective approach, the Company developed a corporate disaster response procedure, bringing together key actors from across the business to assess and validate the Company's response strategy for those tragic events. Following the pilot phase in 2022, the Company structured and embedded an annual community impact call for proposals. During 2023, 27 projects across 24 countries were validated, with a focus on responding to local needs and creating sustainable positive change. In 2023, the Airbus Foundation's mandate was renewed for a further five years (2023 to 2028).

Supporting vulnerable communities

During 2023, the Company continued to focus on supporting vulnerable communities through disaster response, innovation or fundraising to tackle topics such as poverty, hunger and access to essential services. Partnerships established in previous years were continued or expanded in several regions. For example, the initial partnership with the Manila Water Foundation to install a clean water station in a school located in a remote province in the Philippines was concluded during the year with more than 12,000 community members benefiting from increased access to clean water. The partnership also includes inspection of the facilities to ensure proper functionality and maintenance, local training, and professional community health assessment to evaluate if the community's sanitation habits improve over time. During the 2023 call for proposals, a number of additional projects related to water access and water stress were received, highlighting the evolving impact of climate change on vulnerable communities. Amongst those validated was a three-year partnership with Engineers without Borders (EWB) in Australia with the aim of ensuring remote communities can reliably access safe and clean water. EWB works alongside communities whose water supply does not fall under public water service provision and are vulnerable to lengthened dry seasons and extreme weather events. The project aims to install robust and self-manageable water systems in an indigenous community, and to support its long term impact, training for community members to establish a governance structure and safely operate the water systems will also be delivered.

The Company's evolving disaster relief procedure was put to the test during the devastating earthquakes that impacted Turkey and Syria. All community impact channels were mobilised with the Company using its procurement network to source and supply humanitarian kits to local relief agencies; the Airbus Foundation coordinated use of the Company's products to help its partners transport essential aid; and a disaster relief appeal was launched with employee donations matched by the Company. This collective approach helped streamline, consolidate and strengthen the support the Company was able to provide.

During the year, the Airbus Foundation continued to provide access to the Company's unique portfolio of products and services to support the disaster response efforts of its humanitarian partners, with actions in Turkey, Malawi, Chad, Central African Republic, Somalia and Sudan, amongst others. In total, the Foundation coordinated 13 humanitarian flights transporting almost 375 tonnes of aid to impacted communities. Additionally, 117 helicopter flight hours were chartered for assessment and

transportation of materials in response to earthquakes, flooding, and wildfires. The Foundation also responded to 120 satellite imagery requests (covering 34,000 km²) from partners for disaster assessment and response plans, to monitor displacement and flooding, plan medical activities, as well as environmental monitoring. Support was also provided to an international research project working to estimate supply chain delays along the Douala corridor. Via its partner, the French Foundation of the Academy of Medicine, the Foundation supported the delivery of Helicopter Emergency Medical Services training to 385 medical personnel in Indonesia, Nepal and Brazil.

Supporting the future generation

In 2023, across its community impact channels, the Company collectively reached over 37,600 young people directly through mentorship, workshops, and education outreach. Corporate partnerships and STEM outreach programmes focused on using the expertise and knowledge of the Company's employees to inspire interest in science, technology, engineering and mathematics (STEM). The "Future by Airbus" programme continued in China, engaging more than 100 children through STEM workshops delivered by Company volunteers in collaboration with the Beijing Civil Aviation Museum. Airbus Defence and Space engineers innovated an interactive installation for the GISTA museum in Bangkok, supporting the organisation's hands-on education approach; and STEM outreach programmes across Airbus Defence and Space UK reached more than 3,000 young people. In addition, a significant focus in 2023 was given to widening access to programmes that offer skills-based education to young people, supporting skills pathways that may eventually lead to career opportunities for underserved communities. In India, the Company piloted a new partnership with Tata Strive, equipping 75 young people with digitalisation skills essential for their future careers, which led to 19 of the students gaining employment following participation in the programme. The Company also entered into a partnership with Flight Works Alabama in Mobile, US to provide 10 underserved primary and secondary schools with access to the "We Build It Better" (WBIB) programmes. WBIB lays a foundation for students to understand the process of developing a new product and equips them with the skills to design and create an innovative solution to a real-world industry-based challenge. Critically, the solution supports teachers to deliver the programme year on year through continuous professional development. Responding to the widening STEM skills gap in areas of the UK, a pilot of the We Build it Better programme was also launched with a secondary school in Stevenage, providing a year-long immersion into a work-like STEM environment.

The Airbus Foundation enriched its Airbus Foundation Discovery Space content with two new video mini series – "Satellites are fascinating" and "Helicopters in emergency situations". The videos aim to encourage discussions around subjects like climate change and the importance of being good custodians of the planet. The Foundation also designed a personal development booklet for teenagers, introducing topics such as self care, empathy, and civic engagement, to support young people facing an uncertain world and increasing incidences of mental health issues. The Foundation's youth programmes span 34 locations in Europe, Africa, the Middle East, Asia, and the Americas. In 2023, almost 350 Company volunteers participated, and the programmes directly reached 16,805 students. The fifth edition of the Moon Camp Challenge built on the success of previous years with 2,055 projects submitted by over 5,350 students from 39 countries, supported by nearly 495 teachers.

1. Information on the Company's Activities

1.2 Non-Financial Information

Protecting the future of our planet

During 2023, the community impact projects again focused primarily on employee awareness and action to preserve and restore local biodiversity. In Vietnam, the Company supported a community forest project in collaboration with the French Chamber of Commerce and Industry in Vietnam and Gaia Nature Conservation. 500 trees were planted by Company employees in Vietnam over 1.25 hectares of land in the Dong Nai Biosphere Reserve. The Company also saw emerging needs around education on sustainable development topics. Following a school-based pilot in 2022, the Company entered into a 2-year partnership with Ocean Generation to scale their Wavemakers programme which aims to reach and equip 3,000 young people aged 16-24 with accurate and science-based environmental information, encourage a solution focused mindset, and build confidence for them to take action on social and environmental issues within their areas of influence.

The Airbus Foundation continued its environment partnerships, focusing on climate change mitigation and monitoring, disaster prevention and protecting biodiversity. This included developing its collaboration with Connected Conservation Foundation through the "Satellites for Biodiversity" award that provided high resolution satellite data to three community-based organisations. Focus areas included informing local conservation management of Asian elephant habitat in Thailand's Sai Yok National Park and helping local communities protect vital habitats for the endangered Matschie tree kangaroo in Papua New Guinea. In addition, the Foundation entered the second phase of its 3-year project with IUCN, providing technical data, satellite images and project management to contribute to the validation of IUCN's forest restoration barometer. A new model developed in 2023, has delivered improved SAR imagery-machine learning methodology with 80-85% accuracy.

Employee engagement

The Company's Sustainability Ambassador network grew by 81% in 2023 with a total of 811 members representing all functions and located across 20 countries. A key enabler for awareness, engagement and culture change, the network was instrumental in engaging employees through the "+impact" platform through sustainability challenges such as "Digital Clean Up" with employees recording almost 3000 positive actions across all

challenges. Following its launch at the end of 2022, participation in the +impact platform grew from 4% to 12% of the employee population during the year. Generously donating towards multiple disaster relief appeals during the year, the Company's employees also worked together to participate in volunteering and fundraising actions around the world. A particular highlight was the charity run in Toulouse in partnership with *La Ligue Contre Le Cancer*, where more than 2,000 employees participated in the event and over 40 employees volunteered in the preparations and on the day. In place for 22 years, the Lucky Pennies payroll giving initiative in Germany continued to grow, supporting 63 local projects during the year; and the Company's digital function supported an education project in Kenya, equipping a remote community school and training teachers to deliver ICT curriculum in accordance with government requirements. For a third year, the Airbus Foundation supported the *Action Against Hunger* global wellbeing event, *Connected Against Hunger*, enabling almost 4,000 employees to participate and raise funds for Action Against Hunger's lifesaving work.

IV. Outlook

With a baseline now in place for its community impact philanthropic activities, the Company intends to evolve its strategy further towards a shared value approach, seeking new opportunities that bring both business and societal value to ensure scalable and sustainable impact. Activities will focus on social procurement, building and expanding on activity already well developed with "disabled friendly" companies (see Responsible Supply Chain section), product and services development, and closely aligning with early careers programmes to expand equitable access to skills pathways.

Additional employee engagement mechanisms will also be introduced, including a "mecenat de compétence" (loan of skills to eligible organisations, such as nonprofits) scheme for the Company's employees in France.

The Airbus Foundation is redefining its youth strategy to focus on the most vulnerable populations. In 2024 a call for proposals will be organised to seek new environmental partnerships in additional topic areas, and the Foundation's new partner, Ocean Polaire will begin the operational phase of its Polar Pod project.

1.2.17 ESG Data Board

1

Environmental performance

GRI	KPI	Unit	2023	2022	2021	2020	2019	
Energy	Total energy consumption (excl. electricity generated by CHP on site for own use) <input checked="" type="checkbox"/>	GWh	3,646	3,690	3,739	3,792	4,601	
	<i>Energy intensity (per Total Revenues) <input checked="" type="checkbox"/></i>	GWh/bEUR	54.8	61.9	70.7	75.4	64.0	
	Energy consumption from stationary sources and electricity <input checked="" type="checkbox"/>	GWh	2,540	2,586	2,709	2,664	2,984	
	of which purchased grid electricity and other energies (gas and other stationary fuels)	GWh	2,534	2,584	2,708	2,663	2,983	
	Energy consumption from stationary sources <input checked="" type="checkbox"/>	GWh	1,098	1,180	1,343	1,268	1,389	
	natural gas	GWh	1,002	1,096	1,299	1,228	1,345	
	of which bio-methane	GWh	120	21	10	0	0	
	heat generated from biomass	GWh	36	37	25	24	27	
	other fuels	GWh	60	46	19	16	17	
	Energy consumption from electricity, heat and steam <input checked="" type="checkbox"/>	GWh	1,442	1,406	1,365	1,396	1,595	
	purchased electricity (incl. renewable or low carbon sources from grid)	GWh	1,298	1,283	1,231	1,272	1,459	
	of which purchased electricity with REC/ GoO*	GWh	576	596	414	251	163	
	EN3 purchased electricity from renewable sources PPA*	GWh	20.1	0.1	0.0	0.0	0.0	
	EN4 self-generated electricity from renewable sources	GWh	1.5	1.2	0.8	0.9	0.2	
	percentage renewable electricity	%	45.2%	46.5%	33.7%	19.8%	11.2%	
	heat and steam	GWh	122	121	134	123	135	
	EN5 Energy consumption from mobile sources <input checked="" type="checkbox"/>	GWh	1,106	1,104	1,031	1,128	1,617	
	kerosene	GWh	757	715	681	711	1,061	
	of which Sustainable Aviation Fuel	GWh	86	22	4	1	0	
	% of SAF used in own operations	%	11.3%	3.1%	0.5%	0.2%	0.0%	
	of which used in Beluga Transport	GWh	364	330	298	290	421	
	of which used in flight test	GWh	393	385	382	421	640	
	road & maritime fuel used in Oversize Surface Transportation	GWh	311	351	321	389	520	
	EN6 Energy consumption from renewable or low-carbon sources <input checked="" type="checkbox"/>	GWh	1,008	800	585	398	323	
	Percentage energy from renewable or low-carbon sources	%	27.7%	21.7%	15.6%	10.5%	7.0%	
Scope 1&2	Air emissions	Total Scope 1 + Scope 2 CO ₂ emissions (location based) <input checked="" type="checkbox"/>	ktons CO ₂ e	766	852	883	930	1,136
	EN15 Total Scope 1 + Scope 2 CO ₂ emissions "market-based" (location based net of REC)* <input checked="" type="checkbox"/>	ktons CO ₂ e	645	757	805	875	1,100	
	EN16 Scope 1 & 2 GHG intensity (per Total Revenues) <input checked="" type="checkbox"/>	gCO ₂ e/EUR	9.7	12.7	15.2	17.4	15.3	
	EN18 Total Scope 1 GHG emissions ⁽¹⁾ <input checked="" type="checkbox"/>	ktons CO ₂ e	486	549	565	580	739	
	EN18 of which from flight test	ktons CO ₂ e	97	99	99	109	165	
	EN18 Total Scope 2 GHG emissions – location based <input checked="" type="checkbox"/>	ktons CO ₂ e	279	303	319	350	396	
	EN18 Total Scope 2 GHG emissions – "market-based" (location based net of REC) <input checked="" type="checkbox"/>	ktons CO ₂ e	159	208	240	295	361	
	EN18 Indirect GHG emissions – Category 11 – Use of Sold Products: *							
	EN18 Commercial aircraft IEA-SDS SAF uptake* <input checked="" type="checkbox"/>	ktons CO ₂ e	464,136	425,454	400,611	383,266	650,366	
	EN18 GHG efficiency for delivered commercial aircraft (as per SBTi-validated target)* <input checked="" type="checkbox"/>	gCO ₂ /pax. km	62.9	64.4	66.3	67.7	72.2	
Scope 3	EN17 Commercial aircraft – ("no SAF" scenario)* <input checked="" type="checkbox"/>	ktons CO ₂ e	548,701	494,893	458,738	432,245	723,110	
	EN18 GHG efficiency for delivered commercial aircraft ("no SAF" scenario)* <input checked="" type="checkbox"/>	gCO ₂ /pax. km	74.3	74.9	75.9	76.4	80.3	

1. Information on the Company's Activities

1.2 Non-Financial Information

GRI	KPI		Unit	2023	2022	2021	2020	2019
	Other products* <input checked="" type="checkbox"/>		ktons CO ₂ e	8,646	10,993	9,586	NA	NA
	Indirect GHG emissions – Category 1 – Purchased Goods and Services* <input checked="" type="checkbox"/>		ktons CO ₂ e	N/A	10,325	8,439	9,940	NA
	Indirect GHG emissions – Category 6 – Business Travel* <input checked="" type="checkbox"/>		ktons CO ₂ e	77	47	17	22	109
VOC	EN20 Total VOC emissions* <input checked="" type="checkbox"/>	tons		1,103	1,098	1,041	1,048	1,457
SO _x	Total SO _x emissions	tons		17	17	13	13	13
NO _x	Total NO _x emissions	tons		179	212	224	207	232
Other Information	Internal Carbon Pricing	EUR/ton		150	150	150	30	30
	CDP Rating (based on previous year disclosure)	Score		A-	A-	A-	A-	B
Water	EN8 Total water withdrawal <input checked="" type="checkbox"/>	m ³		3,535,867	3,687,717	3,347,368	3,699,762	4,563,138
	of which percentage purchased	%		78%	79%	79%	78%	80%
	of which percentage from surface water sources and collected rainwater	%		2%	2%	2%	2%	2%
	of which percentage from ground water sources	%		16%	16%	16%	17%	15%
	of which percentage from all areas with high water stress*	%		37%	37%	39%	40%	39%
	EN22 Total water discharge	m ³		3,130,257	2,953,488	2,844,056	3,189,150	3,858,056
Waste	EN23 Total waste production, excluding exceptional waste <input checked="" type="checkbox"/>	tons		77,208	74,443	71,138	74,959	99,128
	of which percentage hazardous waste*	%		27%	25%	26%	29%	27%
	Material recovery rate* <input checked="" type="checkbox"/>	%		60%	61%	54%	51%	54%
	Energy recovery rate	%		19%	18%	20%	21%	21%
	Landfill and incineration without energy recovery rate	%		21%	21%	25%	28%	25%
EMS certification	Percentage of operations with ISO 14001 / EMAS certification (in % workforce)	%		87%	88%	88%	88%	87%
	Percentage of operations covered by reporting (in % workforce)	%		90%	92%	92%	92%	92%

*: 2023 data verified by EY® & Associés. Limited assurance report issued by EY® & Associés is available on the Company's website. Scope of reporting: Reported data covers 81 sites. Company's environmental reporting guidelines include sites worldwide with a workforce on-site higher or equal to 100 employees. Only 100% consolidated entities are taken into account with the exception of ATR and Tianjin operations.

* Methodology and assumptions:

Emissions restatements: 2019-2023 figures as well as 2015 baseline of related targets were restated following the refinement of emission factors. 2022 market-based scope 2 restatement also included the correction of REC accounting, mainly for four sites.

Energy – Purchased electricity from renewable sources: Power Purchase Agreements (“PPA”) – it is a contract under which a legal entity agrees to purchase renewable electricity directly from an electricity producer. For the Company this means purchase of electricity from predefined renewable production facilities and/or purchase of electricity from renewable electricity generation facilities that can be built near to a Company site and that is connected to the site via and the direct wire.

Energy – Purchased electricity from renewable sources REC/Goo: Renewable Electricity Certificates (“REC”) or Guarantees of Origin (“Goo”) – is an energy certificate representing 1MWh which has the sole function of providing evidence to a final customer that a given share or quantity of energy was produced from renewable sources. For the Company, this represents the electricity bought from the grid with energy certificates evidencing that a given share or quantity of energy was produced from renewable sources.

Air Emissions – Scope 1 & 2 – SAF emissions were computed according to the formula set by the ICAO and sustainability certificates.

Air Emissions – Scope 1 & 2 – “market-based” (location based net of REC): location based with purchased guarantees of origin deduced. The Company is working towards improving data collection and market-based methodology implementation. Meanwhile, this metric is used by the Company to measure its progress towards its 2030 target, in order to be able to take into account the contribution of its electricity sourcing on its industrial decarbonisation target. However, this refining of methodology is expected to trigger restatements in the coming years, including of the 2015 baseline).

Air Emissions – Scope 3 – Use of sold products. The main contribution of the Company's value chain on climate change comes from the use of sold products and the Company reports in-use emissions of the products it delivers (Scope 3 – Use of sold products). This started in 2020 with the disclosure of emissions from commercial aircraft products, and was extended to other products from 2021, namely civil helicopters initially and military aircraft and helicopters in 2022, further complemented by satellites in 2023. The Company will continue to progressively extend the scope of reporting to other families of products, for which the calculation methodologies are still under development. Nevertheless, current results and advanced estimations have shown that the vast majority (over 90%) of the Scope 3 – Use of Sold Product impact of the Company's products is due to the commercial aircraft family of products, and that this situation is unlikely to change once all the product families will have been assessed.

Additional methodology information:

- the Company's emission calculation methodology was developed by a team consisting of key personnel from the engineering and environment departments to be aligned with the guidance provided by the Greenhouse Gas Protocol. The external auditor performed a review of the calculation methodology applied by the Company and assessed the reasonableness of the supporting assumptions;
- the Company has used a number of assumptions based on internal and external information including assumptions based on publicly-available data.
- For all products:
 - The estimation includes CO₂ emissions only. Emissions related to CH₄ and N₂O were excluded given the very low levels produced by modern aircraft engines. Emissions related to NO_x were estimated and excluded given the uncertainty related to the NO_x emission factors and the relatively low contribution of this emission stream.
 - CO₂ emission factors for kerosene are the ICAO internationally recognised lifecycle emission factor to be used for baseline fossil jet fuels (3.846 kg CO₂e per kg of fuel for fossil Jet-A/Jet-A1). This factor represents a "well to wake" life cycle analysis to assess the overall greenhouse gas (GHG) impacts of a fuel including each stage of its production and use.
 - For commercial aircraft: assumptions include the aircraft load factor (82.5%), aircraft operational usage and average in-service lifetime. Primary data collected within the Company was also used, such as aircraft performance and configuration parameters. Emissions related to commercial aircraft engine start and taxiing have been included, however, emissions from the Auxiliary Power Units (APU) and ground handling equipment have been excluded. For the purpose of this calculation, the Company integrated into commercial aircraft Scope 3 the likely usage of SAF over the product lifetime, as per the IEA-SDS assumptions. Other operating conditions of the aircraft were considered to be static over the whole service life. In addition, the Company reports for reference an indicative figure based on a zero SAF usage. A330-200 deliveries destined to A330-MRTT conversion were excluded from the commercial aircraft perimeter and included in the military aircraft perimeter as part of the "other products" category.
 - For other products:
 - Helicopters: assumptions include activity data from Company's customer services of helicopter operations such as flight hours per year and region where the helicopter is operated. Direct emissions and indirect emissions from jet fuel production are included over the product's entire service life. Impact of SAF is not considered.
 - Military aircraft: flight hours and mission profiles vary significantly depending on conflicts and humanitarian crises. The estimation assumes the largest number of flight hours each aircraft has been designed for in its lifetime. Impact of SAF is not considered.
 - Satellites: The estimation includes satellites delivered to external customers in 2023 and accounts for emissions linked to the production of the satellites' propellant as well as emissions associated with the launch into space

(launcher's propellant production and combustion). Emissions linked to the use of the satellites' propellant are not included as they occur outside of the atmosphere and therefore do not contribute to global warming. Emissions linked to the reception, processing and usage of satellite data on the ground are not included.

Air Emissions – Scope 3 GHG efficiency for delivered commercial aircraft (as per SBTi-validated target). Includes the emissions related to the upstream fuel production and considers the likely usage of SAF over the product lifetime, as per the IEA-SDS assumption.

Air Emissions – Scope 3 Purchased Goods and Services. The Company bases its evaluation on the IAEG guidance thus aligning with a sectoral approach. More precisely the Company uses the "spend based" approach allocating emissions to each purchase expense. While this method embeds a certain degree of uncertainty, considered high by the IAEG on a certain number of emissions factors used in the methodology, it provides a relevant view of the sources of GHG emissions in the Company's supply chain and enables comparison of the various Company's scopes throughout its value chain. The calculation will be refined in future years as better quality data becomes available. Adjustments can be expected in future disclosures as the Company intends to further refine its computation, especially integrating mass-based information as data becomes available.

Air Emissions – Scope 3 Indirect GHG emissions Business Travel: Worldwide air travels of Europe-based employees.

Air Emissions – VOC: 2023 VOC emissions data is estimated. 2023 actuals will be consolidated in April 2024.

Water – Areas with high water stress: areas identified with high or extremely high water stress as defined by the Aqueduct Water Risk Atlas, "baseline" (Aqueduct version 3.0 for the 2022 and previous data and Aqueduct version 4.0 – updated in August 2023 – for the 2023 data).

Waste – Hazardous waste: waste displays one or more of the hazardous properties listed: "Explosive"; "Oxidising"; "Highly flammable"; "Flammable"; "Irritant"; "Harmful"; "Toxic"; "Carcinogenic"; "Corrosive"; "Infectious"; "Toxic for reproduction"; "Mutagenic"; "Sensitizing"; "Ecotoxic", "Pressurised gas".

Waste – Material recovery: any operation wherein products, components of products, or materials that have become waste are prepared to fulfil a purpose in place of new products, components, or materials that would otherwise have been used for that purpose. 2023 material and energy recovery rates will be refined when final waste treatment information of year-end waste – representing about 15% of total – will be provided by waste collector companies. Meanwhile, unavailable information was estimated using 2023 actual breakdown ratios of the 85% available data.

Waste – Exceptional waste: Waste coming from construction/deconstruction of buildings and installations dismembering, from accident/incident caused by external and out of Company's control origin (e.g. fire, chemical spill/pollution, etc.), or from climate events on a non-regular basis.

1. Information on the Company's Activities

1.2 Non-Financial Information

Social performance

WORKFORCE

	2023	2022	2021	2020	2019
Total number of employees 	147,893	134,267	126,495	131,349	134,931
By business segment 					
Commercial aircraft activities	90,032	79,134	73,560	78,487	80,985
Airbus Helicopters	22,336	20,803	20,126	20,026	20,024
Airbus Defence and Space	35,525	34,330	32,809	32,836	33,922
% Part time employees	3.90	3.99	4.34	4.36	4.43
By contract type					
Unlimited	142,961	131,307	122,950	128,151	130,591
Limited contract > 3 months	4,932	2,960	3,156	3,198	4,340
By geographic area 					
France	52,621	48,238	45,931	48,231	49,143
Germany	50,418	44,898	42,972	45,568	45,638
Spain	13,741	12,899	11,881	11,828	12,637
UK	10,298	9,858	9,368	9,846	11,109
US	4,546	3,751	3,150	2,980	3,151
Canada	4,818	4,287	3,788	3,634	3,668
China	799	762	698	613	653
Other countries	10,652	9,574	8,707	8,649	8,932
% of active workforce employees located in Europe	88.6%	88.6%	89.1%		
By nationality					
French	34.6%	35.0%	35.4%		
German	31.1%	30.7%	31.5%		
Spanish	10.5%	10.7%	10.3%		
British	6.9%	7.4%	7.7%		
From other countries	17.0%	16.2%	15.1%		
Total number of nationalities	154	147	138		
By age 					
<30 years old	16,905	13,171	11,120	12,135	13,862
30-50 years old	91,407	83,964	79,985	81,709	82,552
>50 years old	39,581	37,132	35,390	37,505	38,517
Newcomers	17,533	13,946	5,655	5,463	11,270
Core Divisions	8,738	8,231	2,817	2,413	6,643
Subsidiaries	8,795	5,715	2,838	3,050	4,627
Leavers (<i>incl. partial retirement</i>)	5,440	6,428	9,394	7,796	5,842
Core Divisions	2,627	3,365	5,632	4,675	2,902
Subsidiaries	2,813	3,063	3,762	3,121	2,940
Attrition Rate					
Core Divisions	2.8%	3.8%	5.9%	4.6%	2.9%
Subsidiaries	5.7%	7.8%	12.2%	9.4%	8.4%
Total	3.8%	5.0%	7.4%	5.8%	4.3%

 2023 data verified by EY® & Associés. Limited assurance report issued by EY® & Associés is available on the Company's website.

1. Information on the Company's Activities

1.2 Non-Financial Information

GENDER DIVERSITY

	2023	2022	2021	2020
% Women in total active workforce 	20%	20%	19%	18%
% women per category				
on Board of Directors	33%	33%	25%	25%
on Executive Committee	25%	25%	25%	16%
in Senior mgmt – Executives	20%	16%	14%	13%
in "Level IV" managers	18%	17%	16%	14%
Newcomers	25%	27%	22%	26%
By geographic area				
France	22.2%	21.4%	21.2%	20.5%
Germany	16.4%	16.2%	16.4%	15.3%
Spain	24.6%	24.0%	22.7%	22.3%
UK	14.6%	14.0%	12.9%	13.5%
US	23.5%	22.5%	22.4%	22.4%
Other countries	23.6%	22.4%	21.0%	20.9%

 2023 data verified by EY® & Associés. Limited assurance report issued by EY® & Associés is available on the Company's website.

PEOPLE DEVELOPMENT

	2023	2022	2021	2020
Number of classroom training 	163,194	116,363	78,984	78,443
Number of digital training 	2,052,149	1,645,816	967,495	752,702
Total training hours 	2.2mn	1.7mn	1.2mn	1 million
Average training hours per employee	17	15	11	10.6
for women	15	14	9	8
for men	17	16	11	10
for production employees	22	19	15	14
for non-production employees	15	14	10	8
Internal mobilities	>10,700	11460	>10,400	>7,000

 2023 data verified by EY® & Associés. Limited assurance report issued by EY® & Associés is available on the Company's website.

LABOUR RELATIONS

	2023	2022	2021	2020
Number of meetings with SE-WC	5	7	12	8
% of workforce covered by collective bargaining agreements	~ 80%	~ 80%	~ 80%	

Note: figures are based on the active workforce, *i.e.* the number of permanent and short-term employees, irrespective of their individual working times, and having worked in the last 30 days. The headcount is calculated according to the consolidation quota of the respective companies. The scope for HR structure reporting covers 100% of the Company's total active workforce from consolidated companies. Workforce and breakdowns metrics are figures at year-end. Other metrics cover civil year periods, except for training related metrics with reporting periods going from 1 October to 30 September.

 2023 data verified by EY® & Associés. Limited assurance report issued by EY® & Associés is available on the Company's website.

1. Information on the Company's Activities

1.2 Non-Financial Information

HEALTH & SAFETY

	2023	2022	2021	2020	2019
Lost Time Injury Frequency Rate <input checked="" type="checkbox"/>	2.21	2.23	3.29	-	-
Lost Time Injury Frequency Rate – commercial aircraft business	2.31	2.25	4.31	5	-
Number of Near-miss reports – commercial aircraft business	37,836	28,925	19,305	-	-
Loss Time Injury Severity rate – FISH perimeter <input checked="" type="checkbox"/>	0.122	0.117	-	-	-
Number of health and safety specific training hours delivered <input checked="" type="checkbox"/>	304,420	286,815	128,795	103,070	148,000
Number of industrial safety training hours delivered	55,266	17,301	-	-	-
Number of employees who received Health & Safety training <input checked="" type="checkbox"/>	112,652	90,490	28,144	37,599	20,900
Number of employees having attended "EH&S Certificate modules 1 & 2" <input checked="" type="checkbox"/>	1,763	2,214	1,309	418	-
Number of employees having attended "EH&S Certificate modules 3 & 4" <input checked="" type="checkbox"/>	97	-	-	-	-
Helpline + Occupational Health consultations for mental health issues, irrespective of cause	12,007	-	-	-	-
Estimate of core entities certified to ISO45001 or similar standard	~one third	~one third	~one third	-	-
Estimate of workforce covered by ISO45001 or similar certified system	~25%	25%	0	-	-

: 2023 data verified by EY® & Associés. Limited assurance report issued by EY® & Associés is available on the Company's website.

CYBERSECURITY

	2023	2022	2021	2020	2019
Number of data breaches reported to data authorities	1	0	1	1	-
Percentage involving confidential information	1	-	100%	1	-
Cyber security awareness training e-learning participation	107,808	67,475	10,328	-	-

PRODUCT SAFETY

	2023	2022	2021	2020	2019
Fatal accident rate industry-wide Gen4 <input checked="" type="checkbox"/>	0.04	0.05	0.03	0.04	0.05
% SMS officers nominated <input checked="" type="checkbox"/>	100%	100%	100%	1	-
% SMS officers trained <input checked="" type="checkbox"/>	100%	100%	100%	1	-

: 2023 data verified by EY® & Associés. Limited assurance report issued by EY® & Associés is available on the Company's website.

COMMUNITY IMPACT

	2023	2022	2021	2020	2019
Number of Sustainability Ambassadors	811	448	207	-	-
% of employees onboarded to the +impact platform	12%	4%	-	-	-

1. Information on the Company's Activities

1.2 Non-Financial Information

HUMAN RIGHTS

	2023	2022	2021	2020	2019
% of investigations completed or in progress – following reports of concerns linked to human rights, including forced and child labour and other labour rights.	100%	100%	100%	1	-
% of sites having undertaken a social assessment – % of the Company's sites with over 100 employees, cumulative since 2020, undergoing a social assessment including human and labour rights (based on number of in scope sites at 2020).	51	29	10	6	-
% of findings closed within 18-months (following social assessments including human and labour rights, carried out on the Company's sites)	100%	100%	100%	1	-
Number of participants to human rights trainings (Cumulative since 2020 number of participants who have completed e-learning modules on human rights and modern slavery; reporting period: 1 Oct-30 Sep) <input checked="" type="checkbox"/>	96,714	6,955	5,789	4,943	-
Number of alerts of human rights concern from within the Company's supply chain (covering forced and child labour and other labour rights identified through the Supplier Compliance Review, media screening, NGO reports or employees).	59	28	4	5	-

BUSINESS INTEGRITY

	2023	2022	2021	2020	2019
Number of employees per appointed Ethics & Compliance Representatives	338	360	372	390	-
Number of employees per appointed Export Control Point of Contact	242	236	-	-	-
% of employees (non-Exec) who have completed the E&C training objective	96%	96%	90%	1	-
Number of E&C e-learning sessions taken by employees <input checked="" type="checkbox"/>	525,280	290,178	284,774	309,682	-
Of which Export Control e-learning sessions delivered to employees	367,187	149,426	-	-	-
Number of privacy e-learning sessions delivered to employees (Reporting period: from 1 Oct to 30 Sep.)	9,255	3,181	9,327	35,073	-
Investigative requests received during the year	1,200	847	-	-	-
of which Compliance-related investigative requests	764	323	-	-	-
of which HR-related investigative requests	436	524	-	-	-

2023 data verified by EY® & Associés. Limited assurance report issued by EY® & Associés is available on the Company's website.

1. Information on the Company's Activities

1.2 Non-Financial Information

SUPPLY CHAIN

	2023	2022	2021	2020	2019
Sourcing volume (in € million)	~49,000	48,185	37,906	40,712	53,400
Number of suppliers	~19,000	18,000	18,000	21,000	23,000
Split by Division (in %)					
Commercial aircraft activities	82%	77%	77%	76%	84%
Airbus Helicopters	6%	9%	8%	8%	6%
Airbus Defence and Space	12%	14%	15%	15%	10%
Split by region					
EU	67%	69%	74%	74%	59%
North America	26%	24%	19%	19%	27%
Asia pacific	6%	6%	6%	6%	8%
Other regions	<1%	<1%	<1%	<1%	6%
Number of countries	>90	90	90	88	>100
Percentage of sourcing volume covered by supplier commitment to the Supplier Code of Conduct	90%	86%	1	NA	-
Percentage of sourcing volume of suppliers invited to CDP who have responded	80%	78%	68%	56%	-
Percentage of responding suppliers to the CDP scoring A or B	N/A	66%	53%	56%	-
Percentage of identified high risk suppliers, who have undergone a sustainability assessment 	37.6%	100%	95%	63%	-
Percentage of assessed suppliers not meeting Company's sustainability expectations	11%	16%	13%	12%	-
Percentage of action plans defined for suppliers not meeting Company's sustainability expectations	50%	31%	15%	NA	-
Number of sustainability alerts	133	43	12	5	-
Number of suppliers registered into Digitalisation of Supplier Substance data collection tool	936	298	-	-	-

Note: Metrics cover civil year periods, except for training related metrics with reporting periods going from 1 October to 30 September.

 2023 data verified by EY® & Associés. Limited assurance report issued by EY® & Associés is available on the Company's website.

Governance

BOARD OF DIRECTORS

	2023	2022	2021	2020	2019
Number of Independent Directors	11	11	11	11	11
Number of Executive Directors	1	1	1	1	1
Number of women	4	4	3	3	3
Number of men	8	8	9	9	9
Average age	61	60	60	59	59
Number of nationalities	7	7	7	7	7
Average tenure	6	4.9	4.5	3.5	4
Number of Board meetings	9	13	7	13	11
% average attendance	95%	96%	98%	97%	91.00%
Number of Audit Committee	6	5	5	5	7
Number of RNGC	4	5	5	4	7
Number of ECC/ECSC	4	4	6	4	6

1. Information on the Company's Activities

1.2 Non-Financial Information

EXECUTIVE COMMITTEE

	2023	2022	2021	2020	2019
Number of women	3	3	3	2	2
Number of men	9	9	-	-	-
Number of Executive Committees	4	4	4	4	4

SHAREHOLDING

	2023	2022	2021	2020	2019
Free Float	73.82%	74.06%	74.06%	73.97%	73.94%
GZBV (German State)	10.84%	10.87%	10.90%	10.93%	10.94%
SEPI (Spanish State)	4.09%	4.10%	4.11%	4.12%	4.13%
SOGEPA (French State)	10.86%	10.89%	10.92%	10.95%	10.96%
Airbus SE	0.38%				

SUSTAINABILITY-LINKED REMUNERATION

	2023	2022	2021	2020
CEO and Executives variable remuneration – common collective component, paid following the end of financial year				
R&S KPI 1	LTIFR1	LTIFR1	LTIFR1	LTIFR1
Weight	10%	10%	10%	20%
R&S KPI 2	CO ₂	CO2	CO2	-
Weight	10%	10%	10%	-

1. Information on the Company's Activities

1.2 Non-Financial Information

1.2.18 TCFD Correspondence Table

	See Company's URD sections	See CDP Climate Change Questionnaire* items
Governance		
Describe the Board's oversight of climate-related risks and opportunities.	1.2.1 the Company's approach to sustainability	C1.1a, C1.1b, C1.1d
Describe management's role in assessing and managing climate-related risks and opportunities	1.2.2 Climate change	C1.2
Strategy		
Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term	Risk Factors – Environment, Human Rights, Health & Safety Risks	C2.3, C2.3a, C2.4, C2.4a
Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	1.2.2 Climate Change see the "Notes to the IFRS Consolidated Financial Statements" (Note 3: Climate impacts)	C2.3a, C2.4a, C3.1, C3.3, C3.4, C3.5
Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario		C3.2, C3.2a, C3.2b
Risk management		
Describe the organisation's processes for identifying and assessing climate-related risks.	4.1.3 Enterprise Risk Management System	C2.1, C2.1a, C2.1b, C2.2, C2.2a
Describe the organisation's processes for managing climate-related risks.	1.2.1 the Company's approach to sustainability	C2.1, C2.2, C4.3, C4.3a, C4.3b, C4.3c, C4.5, C4.5a
Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	1.2.2 Climate change	C2.1, C2.1b, C2.2
Metrics and targets		
Disclosure of the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.		C1.3, C1.3a, C4.2, C8.1, C8.2, C8.2a, C8.2b, C8.2c, C8.2d, C8.2e, C8.2g, C8.5, C9.1, C9.3, C9.6a, C11.1a, C11.1b, C11.1d, C11.2a, C11.3a,
Disclose Scope 1, Scope 2, and if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	1.2.2 Climate change 1.2.17 ESG data board, section Environmental performance / Emissions	C5, C5.1, C5.1a, C5.1b, C5.1c, C5.2, C5.3, C6.1, C6.2, C6.3, C6.4, C6.5, C6.5a, C6.7, C6.7a, C6.10, C7.1, C7.1a, C7.2, C7.3, C7.3a, C7.4, C7.5, C7.6, C7.6a, C7.7, C7.8a, C7.8b
Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.		C4.1, C4.1a, C4.1b, C4.2a

* CDP Climate Change Questionnaire is available on Airbus website [www.airbus.com](#) and CDP website [cdp.org](#).

1.2.19 EU Taxonomy

Foreword

In November 2023, the European Commission officially published a delegated act for the EU Taxonomy Regulation including a set of criteria for aviation. Aviation is recognised as a transitional activity, supported by the decarbonisation potential brought by the latest generation of commercial aircraft through the replacement of the current fleet and the importance of an ambitious SAF ramp up, as well as by "zero direct tailpipe CO₂ emissions" technologies, which are the cornerstones of the Company's transition plan. Given the Company's product portfolio, the vast majority (see details in "Regulatory disclosure" section below) of amounts reported under EU Taxonomy are expected to be related to the "Manufacturing of aircraft", amongst the eligible amounts corresponding to the latest generation of commercial aircraft contributing substantially to climate change mitigation.

Accordingly, for 2023 and including all reported activities, the Company reports eligible revenues of €59 billion (91%), CapEx of €2.3 billion (77%), and OpEx of €3 billion (93%).

Based on the regulatory timeline, alignment of "Manufacturing of aircraft" is to be reported from 1 January 2025. As a result, the tables below for 2023 do not include any alignment amount related to this activity. According to the published technical screening criteria related to "Manufacturing of aircraft" for substantial contribution to climate change mitigation, the Company estimates that, amongst the eligible amounts corresponding to the latest generation of commercial aircraft (*i.e.* about 70% of eligible revenue), above 50% could meet the related technical screening criteria for substantial contribution to the climate change mitigation objective. This latter figure corresponds to the fleet replacement ratio as estimated by the Company integrating methodological elements defined by the regulation (see "Future Developments" section below). Alignment will also be subject to meeting all Do No Significant Harm ("DNSH") and Minimum Safeguard criteria. See more detailed information in that accompanying information below.

Regulatory disclosure

The EU Taxonomy is a classification system establishing a list of environmentally sustainable economic activities defined by the EU Taxonomy Regulation⁽¹⁾. The EU Taxonomy Regulation focuses on six environmental objectives⁽²⁾ and defines overarching conditions that an economic activity must meet to be considered

environmentally sustainable. The EU Taxonomy aims to direct investments towards sustainable projects and activities in order to meet the EU's climate and energy targets and reach the objectives of the European Green Deal.

As the Company is in the scope of the Non-Financial Reporting Directive, the EU Taxonomy Regulation is also applicable to the Company, and therefore must disclose information on the extent to which activities carried out can be considered environmentally sustainable economic activities within the meaning of the EU Taxonomy.

Technical screening criteria ("TSC") have been progressively defined against the six environmental objectives, firstly under the Climate Delegated Act⁽³⁾ which became applicable as of 1 January 2022 and the Complementary Climate Delegated Act⁽⁴⁾ which became applicable as of 1 January 2023. The EU Commission adopted in 2023 the Delegated Act for economic activities substantially contributing to objectives other than climate-related ones ("Environmental Delegated Act"⁽⁵⁾) and the amendments to the Climate Delegated Act⁽⁶⁾ to add additional economic activities and criteria, including aviation-related ones.

The lately adopted texts, applicable from January 2024, bring disclosure obligations on these newly added activities in terms of eligibility – covering FY 2023 –, whilst alignment (assessment against the TSC) should be covered for FY 2024. Eligibility and alignment for previously covered activities continue to apply. In order to be aligned with the EU Taxonomy, an eligible activity has to comply with i) the Substantial Contribution criteria; ii) the DNSH criteria; and iii) the minimum safeguards.

EU Taxonomy assessment over FY 2023

The Company performed an analysis of its exposure to taxonomy-eligible activities referenced in the applicable Delegated Acts and has conducted an assessment of compliance with the relevant TSC, including DNSH criteria and the minimum safeguards. The results of this assessment have been included in the following sections (EU Taxonomy KPIs and EU Taxonomy KPIs accompanying information). The Company has performed these calculations based on consolidated information while it is still working on further improving financial data tagging to enable improved reporting in upcoming disclosures. The Company's approach will be refined as additional official guidance on EU Taxonomy implementation and interpretation becomes available.

- (1) Regulation (EU) 2020/852 of the European Parliament and of the council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment and amending Regulation (EU) 2019/2088.
- (2) Climate change mitigation, climate change adaptation, the sustainable use and protection of water and marine resources, the transition to a circular economy, pollution prevention and control and the protection and restoration of biodiversity and ecosystems.
- (3) Commission Delegated Regulation (EU) 2021/2139 of 4 June 2021 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to climate change mitigation or climate change adaptation and for determining whether that economic activity causes no significant harm to any of the other environmental objectives.
- (4) Commission Delegated Regulation (EU) 2022/1214 of 9 March 2022 amending Delegated Regulation (EU) 2021/2139 as regards economic activities in certain energy sectors and Delegated Regulation (EU) 2021/2178 as regards specific public disclosures for those economic activities.
- (5) Commission Delegated Regulation (EU) 2023/2486 of 27 June 2023 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to the sustainable use and protection of water and marine resources, to the transition to a circular economy, to pollution prevention and control, or to the protection and restoration of biodiversity and ecosystems and for determining whether that economic activity causes no significant harm to any of the other environmental objectives and amending Commission Delegated Regulation (EU) 2021/2178 as regards specific public disclosures for those economic activities.
- (6) Commission Delegated Regulation (EU) 2023/2485 of 27 June 2023 amending Delegated Regulation (EU) 2021/2139 establishing additional technical screening criteria for determining the conditions under which certain economic activities qualify as contributing substantially to climate change mitigation or climate change adaptation and for determining whether those activities cause no significant harm to any of the other environmental objectives

1. Information on the Company's Activities

1.2 Non-Financial Information

EU TAXONOMY KPIs PROPORTION OF TURNOVER FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES – DISCLOSURE COVERING YEAR 2023

Financial year N	Year	Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm") ^(h)													
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
Economic activities	Code ^(l)	Turnover	Proportion of Turnover year N	SC5	SC6	SC7	SC8	SC9	SC10	DN11	DN12	DN13	DN14	DN15	DN16	MS17	Proportion of Taxonomy aligned (A.1) or -eligible (A.2) turnover, year N-1		Cat19	Cat20	
Text		Currency		Y/N (b)(c)	Y/N (b)(c)	Y/N (b)(c)	Y/N (b)(c)	Y/N (b)(c)	Y/N (b)(c)	Y/N (b)(c)	Y/N (b)(c)	Y/N (b)(c)	Y/N (b)(c)	Y/N (b)(c)	Y/N (b)(c)	Y/N (b)(c)	Y/N	%	E	T	
A. TAXONOMY-ELIGIBLE ACTIVITIES																					
A.1. Environmentally sustainable activities (Taxonomy-aligned)																					
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	%	%	%	%	%	%	%	Y	Y	Y	Y	Y	Y	Y	Y	0%			
Of which enabling		0	%	%	%	%	%	%	%	Y	Y	Y	Y	Y	Y	Y	Y	0%	E		
Of which transitional		0	%	%						Y	Y	Y	Y	Y	Y	Y	Y	0%		T	
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)^(g)																					
				EL; EL; EL; EL; EL; EL; N/EL N/EL N/EL N/EL N/EL N/EL (f) (f) (f) (f) (f) (f)																	
Manufacturing of aircraft ^(c)	CCM 3.21	59,482	91%	EL N/EL N/EL N/EL N/EL N/EL														0%			
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned) (A.2)		59,482	91%															0%			
A. Turnover of Taxonomy-eligible activities (A.1 + A.2)		59,482	91%															0%			
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES				SC5 – Climate change mitigation SC6 – Climate change adaptation SC7 – Water SC8 – Pollution SC9 – Circular economy SC10 – Biodiversity						DN11 – Climate change mitigation DN12 – Climate change adaptation DN13 – Water DN14 – Pollution DN15 – Circular economy DN16 – Biodiversity						MS17 – Minimum safeguards Cat19 – Category enabling activity Cat20 – Category transitional activity					
Turnover of Taxonomy-non-eligible activities		5,964	9%	SC5 – Climate change mitigation SC6 – Climate change adaptation SC7 – Water SC8 – Pollution SC9 – Circular economy SC10 – Biodiversity						DN11 – Climate change mitigation DN12 – Climate change adaptation DN13 – Water DN14 – Pollution DN15 – Circular economy DN16 – Biodiversity						MS17 – Minimum safeguards Cat19 – Category enabling activity Cat20 – Category transitional activity					
Total	65,446	100%																			

- (a) The Code constitutes the abbreviation of the relevant objective to which the economic activity is eligible to make a substantial contribution, as well as the section number of the activity in the relevant Annex covering the objective, i.e.: Climate Change Mitigation: CCM; Climate Change Adaptation: CCA; Water and Marine Resources: WTR; Circular Economy: CE; Pollution Prevention and Control: PPC; Biodiversity and ecosystems: BIO.
- (b) Y–Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective; N–No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective; N/EL–Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective.
- (c) Where an economic activity contributes substantially to multiple environmental objectives, the most relevant environmental objective for the purpose of computing the KPIs of financial undertakings while avoiding double counting is indicated in bold. The extent of eligibility and alignment per environmental objective, that includes alignment with each of environmental objectives for activities contributing substantially to several objectives, is reported in the left table.
- (d) The same activity may align with only one or more environmental objectives for which it is eligible.
- (e) The same activity may be eligible and not aligned with the relevant environmental objectives.
- (f) EL–Taxonomy-eligible activity for the relevant objective N/EL–Taxonomy-non-eligible activity for the relevant objective.
- (g) Activities are reported in Section A.2 of this template only if they are not aligning to any environmental objective for which they are eligible. Activities that align to at least one environmental objective are reported in Section A.1 of this template.
- (h) For an activity to be reported in Section A.1 all DNSH criteria and minimum safeguards shall be met. For activities listed under A2, columns (5) to (17) are filled in on a voluntary basis. The substantial contribution and DNSH criteria that they meet or do not meet may be indicated in Section A.2 by using: (a) for substantial contribution– Y/N and N/EL codes instead of EL and N/EL; and (b) for DNSH– Y/N codes.

	Proportion of turnover / total turnover	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0%	91%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

EU TAXONOMY KPIs PROPORTION OF CAPEX FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES – DISCLOSURE COVERING YEAR 2023

A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned) ^(g)							
				EL; EL; EL; EL; EL; EL; N/EL N/EL N/EL N/EL N/EL N/EL (f) (f) (f) (f) (f) (f)			
Manufacturing of aircraft	CCM 3.21	2,275	75%	EL N/EL N/EL N/EL N/EL N/EL			
Production of heat and cool from bioenergy(c)(d)	CCM 4.24/ CCA4.24	8	0%	EL EL N/EL N/EL N/EL N/EL			
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3/ CCA7.3	17	1%	EL EL N/EL N/EL N/EL N/EL			
Installation, maintenance and repair of renewable energy technologies	CCM 7.6/ CCA7.6	4	0%	EL EL N/EL N/EL N/EL N/EL			
Data processing, hosting and related activities	CCM 8.1	0	0%	EL EL N/EL N/EL N/EL N/EL			
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned) (A.2)		2,304	76%	% % % % % %			
A. CapEx of Taxonomy-eligible activities (A.1 + A.2)		2,304	76%	% % % % % %			

1. Information on the Company's Activities

1.2 Non-Financial Information

Financial year N	Year	Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm") ^(h)												
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	
Economic activities	Code ^(a)	CapEx	Proportion of CapEx year N	SC5	SC6	SC7	SC8	SC9	SC10	DN11	DN12	DN13	DN14	DN15	DN16	MS17	Proportion of Taxonomy aligned (A.1) or -eligible (A.2) CapEx year N-1	Cat19	Cat20	
Text				Y/N (b)(c)	Y/N (b)(c)	Y/N (b)(c)	Y/N (b)(c)	Y/N (b)(c)	Y/N (b)(c)	Y/N (b)(c)	Y/N (b)(c)	Y/N (b)(c)	Y/N (b)(c)	Y/N (b)(c)	Y/N (b)(c)	Y/N	%	E	T	
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES				SC5 – Climate change mitigation SC6 – Climate change adaptation SC7 – Water SC8 – Pollution SC9 – Circular economy SC10 – Biodiversity				DN11 – Climate change mitigation DN12 – Climate change adaptation DN13 – Water DN14 – Pollution DN15 – Circular economy DN16 – Biodiversity				MS17 – Minimum safeguards Cat19 – Category (enabling activity or) Cat20 – Category (transitional activity)								
CapEx of Taxonomy-non-eligible activities		748	24%																	
Total	3,052	100%																		

- (a) The Code constitutes the abbreviation of the relevant objective to which the economic activity is eligible to make a substantial contribution, as well as the section number of the activity in the relevant Annex covering the objective, i.e.: Climate Change Mitigation: CCM; Climate Change Adaptation: CCA; Water and Marine Resources: WTR; Circular Economy: CE; Pollution Prevention and Control: PPC; Biodiversity and ecosystems: BIO.
- (b) Y– Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective; N– No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective; N/EL– not eligible, Taxonomy-non-eligible activity for the relevant environmental objective.
- (c) Where an economic activity contributes substantially to multiple environmental objectives, the most relevant environmental objective for the purpose of computing the KPIs of financial undertakings while avoiding double counting is indicated in bold. The extent of eligibility and alignment per environmental objective, that includes alignment with each of environmental objectives for activities contributing substantially to several objectives, is reported in the left table.
- (d) The same activity may align with only one or more environmental objectives for which it is eligible.
- (e) The same activity may be eligible and not aligned with the relevant environmental objectives.
- (f) EL– Taxonomy-eligible activity for the relevant objective N/EL– Taxonomy-non-eligible activity for the relevant objective.
- (g) Activities are reported in Section A.2 of this template only if they are not aligning to any environmental objective for which they are eligible. Activities that align to at least one environmental objective are reported in Section A.1 of this template.
- (h) For an activity to be reported in Section A.1 all DNSH criteria and minimum safeguards shall be met. For activities listed under A2, columns (5) to (17) are filled in on a voluntary basis. The substantial contribution and DNSH criteria that they meet or do not meet may be indicated in Section A.2 by using: (a) for substantial contribution– Y/N and N/EL codes instead of EL and N/EL; and (b) for DNSH– Y/N codes.

Proportion of CapEx / total CapEx		
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0%	76%
CCA	0%	1%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

1. Information on the Company's Activities

1.2 Non-Financial Information

EU TAXONOMY KPIS PROPORTION OF OPEX FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES – DISCLOSURE COVERING YEAR 2023

1

Financial year N	Year			Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm") ^(f)									
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
Economic activities	Code ^(a)	OpEx	Proportion of OpEx year N	SC5	SC6	SC7	SC8	SC9	SC10	DN11	DN12	DN13	DN14	DN15	DN16	MS17	Proportion of Taxonomy-aligned		Cat19 Cat20
Text				Y/N (b)(c)	Y/N (b)(c)	Y/N (b)(c)	Y/N (b)(c)	Y/N (b)(c)	Y/N (b)(c)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)	0	%		%	%	%	%	%	%	Y	Y	Y	Y	Y	Y	Y	%		
Of which enabling	0	%		%	%	%	%	%	%	Y	Y	Y	Y	Y	Y	Y	%	E	
Of which transitional	0	%		%						Y	Y	Y	Y	Y	Y	Y	%		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Manufacturing of aircraft ^(d)	CCM 3.21	3,022	93%	EL (e)	EL (e)	EL (e)	EL (e)	EL (e)	EL (e)	N/EL (e)	N/EL (e)	N/EL (e)	N/EL (e)	N/EL (e)	N/EL (e)				
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)				%	%	%	%	%	%										
A. Opex of Taxonomy eligible activities (A.1 + A.2)				%		%	%	%	%										
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities (B)	235	7%		SC5 – Climate change mitigation						DN11 – Climate change mitigation						MS17 – Minimum safeguards			
Total	3,257	100%		SC6 – Climate change adaptation						DN12 – Climate change adaptation						Cat19 – Category enabling activity			
				SC7 – Water						DN13 – Water						Cat20 – Category transitional activity			
				SC8 – Pollution						DN14 – Pollution									
				SC9 – Circular economy						DN15 – Circular economy									
				SC10 – Biodiversity						DN16 – Biodiversity									

- (a) The Code constitutes the abbreviation of the relevant objective to which the economic activity is eligible to make a substantial contribution, as well as the section number of the activity in the relevant Annex covering the objective, i.e.: Climate Change Mitigation: CCM; Climate Change Adaptation: CCA; Water and Marine Resources: WTR; Circular Economy: CE; Pollution Prevention and Control: PPC; Biodiversity and ecosystems: BIO.
- (b) Y– Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective; N– No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective; N/EL– not eligible, Taxonomy-non-eligible activity for the relevant environmental objective.
- (c) Where an economic activity contributes substantially to multiple environmental objectives, the most relevant environmental objective for the purpose of computing the KPIs of financial undertakings while avoiding double counting is indicated in bold. The extent of eligibility and alignment per environmental objective, that includes alignment with each of environmental objectives for activities contributing substantially to several objectives, is reported in the left table.
- (d) The same activity may align with only one or more environmental objectives for which it is eligible.
- (e) The same activity may be eligible and not aligned with the relevant environmental objectives.
- (f) EL– Taxonomy-eligible activity for the relevant objective N/EL– Taxonomy-non-eligible activity for the relevant objective.
- (g) Activities are reported in Section A.2 of this template only if they are not aligning to any environmental objective for which they are eligible. Activities that align to at least one environmental objective are reported in Section A.1 of this template.
- (h) For an activity to be reported in Section A.1 all DNSH criteria and minimum safeguards shall be met. For activities listed under A2, columns (5) to (17) are filled in on a voluntary basis. The substantial contribution and DNSH criteria that they meet or do not meet may be indicated in Section A.2 by using: (a) for substantial contribution– Y/N and N/EL codes instead of EL and N/EL; and (b) for DNSH– Y/N codes.

1. Information on the Company's Activities

1.2 Non-Financial Information

	Proportion of OpEx / total OpEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0%	93%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

EU Taxonomy KPIs Accompanying Information

1. Accounting Policy

The Company's EU Taxonomy disclosure covers the following scope: EU Taxonomy share of turnover, capital expenditure ("CapEx") and operational expenditure ("OpEx") of the Company's Consolidated Financial Statements that, for the purpose of EU Taxonomy disclosure, are split per economic activity according to the applicable delegated acts under the EU Taxonomy. For information regarding accounting treatment of the applicable financial KPIs, please refer to the "Notes to the IFRS Consolidated Financial Statements" (Note 4: Material Accounting Policies).

In the context of EU Taxonomy disclosure, the Company's reporting may omit economic activity that in aggregate does not exceed 1% of the total turnover, CapEx or OpEx, as the Company expects such an economic activity to have no material influence on the reporting purpose.

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.

2. Assessment of Compliance with EU Taxonomy Regulation

2.1 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 applicable Delegated Acts 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 1%, applicable substantial contribution and do no significant harm criteria have been identified and analysed, gathering the available and relevant information and evidence. By exception, when related amounts are considered not material for the Company's business and would require unreasonable efforts to assess their alignment with related TSCs, the Company may report them as non-aligned;
- 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 2023, taxonomy eligible activities related to "– 4.24 Production of heat/cool from bioenergy", "– 7.3 Installation, maintenance and repair of energy efficiency equipment" and "– 7.6 Installation, maintenance and repair of renewable energy technologies", were related to projects aiming to improve energy efficiency and reduce CO₂ emissions that are part of the Company's transition plan. They have been allocated to one taxonomy activity and one environmental objective, avoiding the risk of double counting.

In 2023, 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.

2.2 Contribution to Multiple Objectives

As an aircraft manufacturer, the vast majority of the Company's revenues, capex and opex relate to the "Manufacturing of aircraft" activity (see tables above). Given that "Manufacturing of aircraft" activity contributes to climate change mitigation and although it may purchase an output from economic activity contributing to other environmental objectives, the Company assessed such contribution to any other objective as insignificant for reporting purposes and therefore reports contribution exclusively to climate change mitigation.

2.3. Disaggregation of KPIs

In 2023, the preparation and disclosure of figures as per Taxonomy requirements did not require any disaggregation.

3. Contextual information

For the assessment of "Manufacturing of aircraft" activity in relation with its product portfolio, "aircraft" covers the Company's commercial aircraft, military aircraft and helicopters. According to the published TSC related to "Manufacturing of Aircraft", the substantial contribution criteria to the climate change mitigation objective can be assessed (1) for "zero direct tailpipe CO₂ emission" aircraft, or (2) for aircraft meeting performance criteria based on the ICAO CO₂ standard. As the ICAO CO₂ standard is only applicable to commercial aircraft, while alignment is to be reported from 2025, an alignment assessment on this part of the TSC (2) is only relevant for commercial aircraft products.

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

3.1 Contextual Information about Turnover KPI

The eligibility of turnover includes aircraft and revenue corresponding to maintenance, repair and overhaul activities. Turnover related to other activities has been assessed and considered as not significant for reporting purposes and therefore reported as 0%. *Alignment* of “Manufacturing of aircraft” activity is to be reported from next year (see “Future Developments” below).

3.2 Contextual Information about CapEx KPI

The CapEx identified as eligible were added to property, plant and equipment in 2023. Due to the Company’s activity, the major proportion of reported eligible CapEx is related to “Manufacturing of aircraft” EU Taxonomy transitional activity. In addition, and following the process described above in “– 2.1. Information on Assessment of Compliance with the EU Taxonomy Regulation”, the Company has again in 2023 identified other taxonomy eligible activities, related to projects aiming to improve energy efficiency and reduce CO₂ emissions that could make a substantial contribution to the climate change mitigation objective. Eventually, the Company ensures that such reported CapEx are not counted in “Manufacturing of aircraft” activity.

Alignment of “Manufacturing of aircraft” activity is to be reported from 2025 (see “Future Developments” below). For other CapEx, in light of the level of administrative burden due to the complexity and granularity of the applicable criteria as well as of the low proportion such CapEx represent in the total reported eligible CapEx, some investments could not be assessed as aligned by the Company in 2023. In addition, the Company took a cautious approach to assessing Appendix C so that concerned activities did not meet related criteria in 2023.

In addition, based on the current list of activities included in the EU Taxonomy, 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.

3.3 Contextual Information About the OpEx KPI

In the context of the EU Taxonomy reporting, the Company’s OpEx KPI considers research and development costs, and is therefore related to “Manufacturing of aircraft” activity. *Alignment* of “Manufacturing of aircraft” activity is to be reported from 2024 (see “Future Developments” below).

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 the 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.

Pursuant to the delegate act published in 2023, aviation-related activities are included in the EU Taxonomy and the Company will report on the alignment under the activity “– 3.21 Manufacturing of aircraft” from next year, for which FY 2023 eligibility is reported in the tables above. According to the published TSC related to “Manufacturing of Aircraft”, the substantial contribution criteria to the climate change mitigation objective can be assessed for “zero emission tailpipe emission” aircraft, or for aircraft meeting performance criteria based on the ICAO CO₂ standard. As this standard is only applicable to commercial aircraft, an alignment assessment is only relevant for commercial aircraft products. The Company estimates that above 50% of eligible turnover from the latest generation aircraft could meet the substantial contribution criteria, with an assessment of alignment subject to meeting the DNSH criteria. This ratio was calculated based on the “replacement ratio” computation rules as provided in the delegated act, taking into account data available from independent data providers. The Company used the Cirium database for this exercise, from which it compared the difference between aircraft in-service and stored at the beginning and at the end of a 10-year period, with the number of aircraft delivered over that 10-year period. To do so, it considered commercial aircraft with more than 20 passengers and freighters with over one tonne payload. As contemplated by the regulation and to ensure coherence across the sector, the Company would welcome this ratio being computed by a third party in the future, possibly the EU Commission supported by EASA.

Accordingly, latest generation aircraft programme-related CapEx and R&D OpEx should meet TSC related to “Manufacturing of Aircraft” for substantial contribution to climate change mitigation at least in proportions similar to commercial aircraft turnover.

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.

1. Information on the Company's Activities

1.2 Non-Financial Information

1.2.20 GRI Index

This table, whose aspects are material for the Company and its stakeholders, follows the GRI Standards Guidelines, in accordance with the “core” option. When links target a Non-Financial Statement section, additional resource links can be found in the table displayed in the sub-section I. Introduction.

GRI	Disclosure	Related content
GRI 2: General Disclosures		
GRI 3: Material Topics		
The Organisation and its reporting practices		
2-1	Organisational details	
	Name of the organisation	Airbus SE
	Location of headquarters	Leiden, the Netherlands
	Location of operations	Airbus global presence Airbus Helicopters global presence
	Ownership and legal form	See “– 3.1.2 Legal Form”
2-2	Entities included in the consolidated financial statements	See Consolidation Scope 2023
2-3	Reporting period, frequency and contact point	
	Reporting period	From 1 st of January to 31 of December
	Reporting cycle	Annual
	Contact point for questions regarding the report	See sustainability on airbus.com
2-4	Restatements of information	See data per sustainability topics in the respective sub sections of “– 1.2 Non-Financial Information”, “– 1.2.17 ESG Data Board” Please refer to the IFRS Consolidated Financial Statements, notes 23, 36
2-5	External assurance	Find the full independent Assurance Report from Ernst&Young
Activities and workers		
2-6	Activities, value chain and other business relationships	
	Activities, brands, products, and services	Get to know Airbus See “– 1.1 Presentation of the Company”
	Markets served	See what-we-do on airbus.com See “– 1.1 Presentation of the Company”
	Scale of the organisation	See “– 1.2.13 People”, “– 1.2.17 ESG Data Board (Social Performance)”, “– 2.1 Operating and Financial Review” Commercial orders & deliveries , Helicopters orders & deliveries
	Supply chain	See “– 1.2.15 Responsible Supply Chain”, “– 1.2.17 ESG Data Board (Social Performance)”
	Significant changes to the organisation and its supply chain	See “– 1.1.2 Airbus (Commercial Aircraft)” sections “Airbus Atlantic” and “Airbus Aerostructures and Premium Aerotec Industry”, “– 1.2.12 Social dialogue”, “– 1.2.15 Responsible Supply Chain”, “– 2.1.5 Changes in Total Equity” (Including Non-Controlling Interests)
2-7	Employees	See “– 1.2.13 People”, “– 1.2.10 Human rights”, “– 1.2.17 ESG Data Board (Social Performance)”
2-8	Workers who are not employees	See “– 1.2.13 People”, “– 1.2.10 Human rights”, “– 1.2.15 Responsible Supply Chain”, “– 1.2.17 ESG Data Board (Social Performance)”

GRI	Disclosure	Related content
Governance		
2-9	Governance structure and composition	See “– 4 Corporate Governance” Airbus' Corporate Governance on airbus.com
Strategy, policies and practices		
2-22	Statement on sustainable development strategy	See Airbus engagement for sustainability on airbus.com , see CEO statement on airbus.com , see CEO's commitment to sustainability in the UNGC engagement letter 2023
2-23	Policy commitments	See “– 1.2.10 Human rights”, “– 1.2.14 Business Integrity”, “– 1.2.15 Responsible Supply Chain”, “– 1.2.16 Community Impact”
2-28	Membership associations	ATAG, IAEG, The Conference Board, GIFAS, World Economic Forum, Advanced Robotics for Manufacturing, Initiative Chefsache, BDLI
Stakeholder engagement		
2-29	Approach to stakeholder engagement	See “– 1.2.1 The Company's Approach to Sustainability”, “– 1.2.12 Social dialogue”, “– 1.2.17 ESG Data board (Social Performance)”
2-30	Collective bargaining agreements	
Disclosure on material topics		
3-1	Process to determine material topics	
3-2	List of material topics	See “– 1.2.1 The Company's Approach to Sustainability”
3-3	Management of material topics	
	Precautionary principle or approach	See Enterprise Risk Management on airbus.com See “– 4.1.3 Enterprise Risk Management System”, “– 1.2.1 VII Airbus' Way Forward: Vigilance Plan”, “– 1.2.1 VII Vigilance Plan (Devoir de Vigilance)”
Lead the journey towards clean aerospace		
Climate change		
3-3	Management of material topics	See “– 1.2.1 The Company's Approach to Sustainability”, “– 1.2.2 Climate Change”
302-1	Energy consumption within the Organisation	
302-4	Reduction of energy consumption	See “– 1.2.2 Climate Change”, “– 1.2.17 ESG Data Board (Environmental Performance)”
302-5	Reduction in energy requirements of products and services	
305-1	Direct (Scope 1) GHG emissions	
305-2	Energy indirect (Scope 2) GHG emissions	
305-3	Other indirect (Scope 3) GHG emissions	See “– 1.2.2 Climate Change”, “– 1.2.17 ESG Data Board (Environmental Performance)”
305-4	GHG emissions intensity	
305-5	Reduction of GHG emissions	
Pollution		
3-3	Management of material topics	See “– 1.2.1 The Company's Approach to Sustainability”, “– 1.2.3 Pollution”
305-7	Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions	See “– 1.2.3 Pollution”, “– 1.2.17 ESG Data Board (Environmental Performance)”
Materials and circularity		
3-3	Management of material topics	See “– 1.2.1 The Company's Approach to Sustainability”, “– 1.2.4 Materials and circularity”
306-1	Waste generated	See “– 1.2.3 Materials and circularity”, “– 1.2.17 ESG Data Board (Environmental Performance)”
306-2	Management of significant waste-related impacts	

1. Information on the Company's Activities

1.2 Non-Financial Information

GRI	Disclosure	Related content
Water		
3-3	Management of material topics	See “– 1.2.1 The Company's Approach to Sustainability”, “– 1.2.5 Water”
303-3	Water withdrawal	See “– 1.2.5 Water”, “– 1.2.17 ESG Data Board (Environmental Performance)”
303-4	Water discharge	
Biodiversity		
3-3	Management of material topics	See “– 1.2.1 The Company's Approach to Sustainability”, “– 1.2.6 Biodiversity”
304-2	Significant impacts of activities, products and services on biodiversity	See “– 1.2.6 Biodiversity”
Build our business on the foundation of safety and quality		
Aviation and product safety		
3-3	Management of material topics	See “– 1.2.1 The Company's Approach to Sustainability”, “– 1.2.7 Aviation and Product Safety”, “– 1.2.8 Cyber security”
416-1	Assessment of the health and safety impacts of product and service categories	See “– 1.2.1 The Company's Approach to Sustainability”, “– 1.2.7 Aviation and Product Safety”
Health & safety		
3-3	Management of material topics	See “– 1.2.1 The Company's Approach to Sustainability”, “– 1.2.7 Aviation and Product Safety”, “– 1.2.9 Health and Safety”, “– 1.2.15 Responsible Supply Chain”, “– 1.2.1 VII Vigilance Plan”
403-1	Occupational H&S management system	
403-2	Hazard identification, risk assessment, and incident investigation	
403-3	Occupational health services	See “– 1.2.9 Health and Safety”, “– 1.2.15 Responsible Supply Chain”, “– 1.2.17 ESG Data Board (Social Performance)”, “– 1.2.1 VII Vigilance Plan”
403-4	Worker participation, consultation, and communication on occupational H&S	
403-5	Worker training on occupational H&S	
403-7	Prevention and mitigation of occupational H&S impacts directly linked by business relationships	
403-9	Work-related injuries	
Respect human rights and foster inclusion		
Inclusion and diversity		
3-3	Management of material topics	See “– 1.2.1 The Company's Approach to Sustainability”, “– 1.2.11 Inclusion and Diversity”, “– 1.2.15 Responsible Supply Chain”, “– 1.2.1 VII Vigilance Plan”
405-1	Diversity of governance bodies and employees	See “– 1.2.11 Inclusion and Diversity”, “– 1.2.15 Responsible Supply Chain”, “– 1.2.17 ESG Data Board (Social Performance)”, See “– 4.1.1.1 Board of Directors”, “– 4.1.1.3 The Executive Committee”, Board of Directors composition and Executive Committee composition on Airbus.com
Workforce, human rights and social dialogue		
3-3	Management of material topics	See “– 1.2.1 The Company's Approach to Sustainability”, “– 1.2.10 Human rights”, “– 1.2.11 Inclusion and Diversity”, “– 1.2.12 Social Dialogue”, “– 1.2.13 People”, “– 1.2.15 Responsible Supply Chain”, “– 1.2.1 VII Vigilance Plan”
401-1	New employee hires and employee turnover	See “– 1.2.13 People”, “– 1.2.17 ESG Data Board (Social Performance)”,
401-2	Benefits provided to full-time employees	See “– 1.2.13 People”

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 – 2. Business and operations-related 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 2023: 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	See “– 1.2.15 Responsible Supply Chain”, “– 1.2.17 ESG Data Board (Social Performance)”, “– 1.2.1 VII Vigilance Plan”
308-2	Negative environmental impacts in the supply chain and actions taken	
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”
203-1 203-2	Infrastructure investments and services supported 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. Information on the Company's Activities

1.2 Non-Financial Information

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”