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SUSTAINABILITY STATEMENT

1. ESRS 2 GENERAL DISCLOSURES

1.1. Basis for preparation

1.1.1. DR BP-1 – General basis for preparation of sustainability statements

This non-financial statement was prepared in accordance with § 267a of the Austrian Commercial Code (UGB) as part of the management report of the consolidated financial statements, in compliance with the requirements of the Austrian Sustainability and Diversity Improvement Act (NaDiVeG). The non-financial statement was drafted in alignment with the European Sustainability Reporting Standards (ESRS) in preparation for the reporting obligations under the CSRD.

Specifically, the following data points were not yet included in the consolidated non-financial statement for the fiscal year 2024: ESRS 2 BP-2, ESRS 2 SBM-3, ESRS 2 IRO-1 related to § 53 c i. ESRS 2 IRO-1 E3. ESRS 2 IRO-1 E4. ESRS 2 IRO-2. ESRS E1-4 related to § 34 a+b, ESRS E1-6, ESRS E5-4, ESRS E5-5 related to waste, ESRS S1,

(ESRS 2-BP-1.5a): The Sustainability Statement of FACC for the calendar year 2024 was prepared on a consolidated basis.

(ESRS 2-BP-1.5b i+ii): The scope of consolidation of the nonfinancial statement corresponds to that of the consolidated financial statements. None of the subsidiaries of FACC (hereinafter "FACC") is therefore excluded or exempt from the consolidated non-financial statement.

(ESRS 2-BP-1.5c): Scope of the assessment of impacts, risks and opportunities (IROs):

Within the scope of the due diligence processes and the double materiality analysis (DMA), FACC analyzed specific activities along the value chain to identify material impacts, risks and opportunities. This analysis focused on the following:

1. Upstream activities:

• Procurement of raw materials (ESRS E5, S2): The analysis of key suppliers and of raw materials procurement was identified as significant, particularly with regard to resource inflows and compliance with environmental standards. These activities were closely examined through comprehensive supplier audits

and the assessment of certifications such as ISO 14001 to ensure that all suppliers are in compliance with social and environmental standards.

· Environmental and social impacts (ESRS E1, E2, S2): Compliance with environmental standards, including the reduction of emissions (ESRS E1) and the prevention of pollution (ESRS E2). as well as ensuring fair working practices at suppliers (ESRS S2) are central aspects of the due diligence processes.

2. Downstream activities:

- Assessing the distribution, use and disposal of products was considered to be essential to understanding the environmental impacts throughout the life cycle of the products. These activities are significant as they influence the ecological footprint of the products and contribute to improving recyclability. The efficient use of resources (ESRS E5) also plays a role in this context
- Social responsibility towards its own workforce (ESRS S1): FACC ensures that the working conditions of its own workforce meet social standards and are continuously improved. The wellbeing of employees is an important issue, which is described in more detail under the disclosure requirements of ESRS-S 1 (among other things).

3. Immaterial activities:

ESRS E3, E4, S3, S4: Activities related to water and marine resources, biodiversity and ecosystems, affected communities and consumers were classified as immaterial as they do not have a significant impact on FACC's strategic sustainability taraets.

Please refer to ESRS 2 IRO-1 and subject-specific IRO-1 disclosures for identifying and assessing materiality.

(ESRS 2-BP-1.5d): FACC has decided not to withhold certain information concerning intellectual property, know-how and the results of innovation in accordance with ESRS 1 section 7.7.

1.1.2. DR BP-2 - Disclosures in relation to specific circumstances

(ESRS 2-BP-2.9a-b): In defining the time horizons, FACC has decided to adopt the definitions from ESRS 1 (Section 6.4). This means

a) Regarding the short-term time horizon: the period that the company has used as the reporting period in its financial statements,

b) For the medium-term time horizon: the period from the end of the short-term reporting period as per point a) up to five years,

c) For the long-term time horizon: the period of more than five years.

(ESRS 2-2.11): Estimates were made in the preparation of the nonfinancial report for the following two topics, with the specific ESRS detailing the calculation methodology:

- Energy consumption and energy mix (E1-5)
- Concerning substances and particularly concerning substances (E2-5)

The Management Board conducts the business of FACC within the framework of the law, the Articles of Association and the existing (ESRS 2-BP-2.13 a-c): Due to the fact that this is the first report Rules of Procedure. The purviews for which the individual membased on the ESRS standard, there are no changes compared to the bers of the Management Board are responsible are assigned in accordance with the Rules of Procedure. The Rules of Procedure also previous reporting year. This report is considered a "new era." However, it should be noted that there were no significant changes to regulate the collaboration between the members of the Managereport for previous reports according to GRI either. ment Board. Moreover, the Management Board has undertaken to fully comply with the regulations of the Austrian Corporate Gov-(ESRS 2-BP-2.15): FACC integrates additional information from ernance Code (ÖCGK).

other legal requirements and recognized standards into the nonfinancial statement. In addition to the information prescribed by the ESRS, the report also includes:

1. EU Taxonomy (EU Regulation 2020/852): A dedicated chapter in End of the current term of office: 06/2025 the report is devoted to the EU Taxonomy, which outlines the align-Purviews: Strategy, Customer & Government Relations, Business ment of FACC's business activities with the criteria of the EU Tax-Development, Marketing, Human Resources, Program Manageonomy. This chapter provides detailed insights into taxonomy-comment, Corporate Communications, Development, Innovation & Repliant activities and their contribution to the EU's environmental search qoals. Supervisory board mandates in other companies: Flughafen Linz GesmbH

2. GHG Protocol: FACC uses the Greenhouse Gas (GHG) Protocol for reporting greenhouse gas emissions. This methodology is applied to capture and report emissions in Scope 1 and Scope 2, providing a comprehensive representation of the company's climate impacts (see ESRS E1-6).

3. ILO Human Rights Standards: These are embedded in FACC's Purviews: Production, Procurement, Quality, Logistics, Real Es-Code of Conduct and Supplier Code of Conduct and are referenced tate, Investments, Subsidiaries, Environment, Health & Occupain ESRS S-1 and S-2. tional Safetv

By incorporating these additional standards, FACC ensures that the non-financial statement is comprehensive and aligned with relevant regulatory requirements. The application of these standards is precisely referenced in the respective chapters of the report.

1.2.1. DR GOV-1 – The role of the administrative, management and supervisory bodies

(ESRS 2-GOV-1.21) (ESRS 2-GOV-1.21a (ESRS 2-GOV-1.21b) (ESRS 2-GOV-1.21c) (ESRS 2-GOV-1.21d) (ESRS 2-GOV-1.21e):

(ESRS 2-GOV-1.21b): Organization and mode of operation of the Management Board

According to its Articles of Association, the Management Board of FACC consists of a minimum of two and a maximum of four people. In the reference year 2024, there were four members. Management Board members are appointed by the Supervisory Board.

CEO: Robert Machtlinger (1967)

Chairman of the Management Board

First appointed: 2014

COO: Andreas Ockel (1966)

Member of the Management Board First appointed: 2017 End of the current term of office: 10/2025

Supervisory board mandates in other companies: none

CFO: Florian Heindl (1982) Member of the Management Board First appointed: 2024 End of the current term of office: 04/2029

Purviews: Finances, Controlling, Taxes, Treasury, IT, Legal, Export Control & Compliance, Investor Relations, Working Capital Management

Supervisory board mandates in other companies: none

CSO: Tongyu Xu (1968)

Member of the Management Board First appointed: 2024 End of the current term of office: 04/2028

Purviews: Internal Auditing, Internal Control System & Corporate Compliance, China Business Relations, Risk Management, M&A, ESG

Supervisory board mandates in other companies: none

Supervisory Board

Chengkuan Wang (1968) Chairman First appointed: 2024 End of the current term of office: Annual General Meeting resolving on the 2028 financial year Supervisory board mandates in other companies: none

Jian Wang (1961) First appointed: 2022 End of the current term of office: Annual General Meeting resolving on the 2026 financial year Supervisory board mandates in other companies: none

Weixi Gong (1962) First appointed: 2014 End of the current term of office: Annual General Meeting resolving on the 2026 financial year Supervisory board mandates in other companies: none

Jiajia Dai (1978) Delegated: 2023 End of the current term of office: Annual General Meeting resolving on the 2027 financial year Supervisory board mandates in other companies: none

Ian Chang (1954) First appointed: 2022 End of the current term of office: Annual General Meeting resolving on the 2026 financial year Supervisory board mandates in other companies: none

Junqi Sheng (1972) First appointed: 2017 End of the current term of office: Annual General Meeting resolving on the 2026 financial year Supervisory board mandates in other companies: none

Tom Williams (1952) First appointed: 2020 End of the current term of office: Annual General Meeting resolving on the 2026 financial year Supervisory board mandates in other companies: Co-Chairman of the Board of Directors of Montana Aerospace AG

Members of the Supervisory Board delegated by the Works Council:

Jürgen Fischer (1981) First delegated: 2021 Barbara Huber (1965) First delegated: 2014 Erwin Hofinger (1965) First delegated: 2024 Karin Klee (1981) First delegated: 2018 Members of the Supervisory Board who resigned in the 2024 financial year:

Jing Guo and Tongyu Xu resigned from the Supervisory Board in the 2024 financial year.

Ulrike Reiter, who was delegated to the Supervisory Board by the Works Council, also stepped down in 2024 due to retirement.

Independence of the members of the Supervisory Board

The Supervisory Board has adopted the guidelines for independence as set out in Appendix 1 of the Austrian Code of Corporate Governance (ÖCGK). Accordingly, all members of the Supervisory Board (100%) have declared that they are independent of the company and its Management Board (C-Rule 53 of ÖCGK).

Diversity:

When electing members of the Supervisory Board, the Annual General Meeting must pay due attention to the requirements with respect to professional and personal qualifications as well as the balanced composition of expert know-how and also diversity (Gender diversity). Due regard must also be paid to diversity aspects. Newly elected Supervisory Board members are obliged to obtain adequate information on the organization and activities of the company and on the tasks and responsibilities of supervisory Board members. Women have been represented on the Supervisory Board of FACC since the company was first listed on the Vienna Stock Exchange. At the end of the 2024 financial year, the proportion of female members of the Supervisory Board was 27 percent (three out of eleven).

At FACC, 16 women are currently represented on the Supervisory Board, Management Board and in other top management positions.

No women (0%) are on the Management Board. As in the past, the proportion of female executives at the lower management levels is still low. In order to counteract this situation, FACC continues to present itself at job fairs and specifically addresses high-potential female candidates. In addition, FACC is committed to promoting girls in technical training programs. The company also endeavors to recruit more women for new and replacement management positions.

Employee representation:

FACC attaches great importance to the representation of its employees and other members of the workforce within the company. This is ensured by a works council (for both blue-collar and whitecollar staff) at the Austrian locations. It represents the interests of FACC's staff and serves as a link between the workforce and management. The works council is integrated into decision-making processes and plays an important role in negotiating working conditions and agreements.

In addition to the works council, all members of staff, particularly at locations outside of Austria without a works council, can contact the HR department at any time. FACC promotes an open dialog between its staff and management through regular meetings, feedback rounds and employee surveys. In addition, employees have additional communication channels at their disposal (such as the whistleblower hotline) to contribute their opinions and suggestions and actively participate in shaping the working environment. External staff working for FACC on projects or temporary assignments are also included in the communication and decision-making processes to ensure that their views and needs are taken into due account.

(ESRS 2-GOV-1.22c) (ESRS 2-GOV-1.22d): FACC's Management Board, in particular the CSO (Chief Sustainability Officer), plays a key role in fundamental governance processes.

In principle, the CSO is responsible for ensuring that sustainability management is properly designed. However, as this cross-cutting issue affects many specialist areas (the core team), the entire Management Board is involved in this topic. In addition, each Vice President (VP) bears responsibility for the sustainability issues within their purview.

Responsibility for the management of material risks and impacts is delegated to the Senior Manager CSR and Export Control, who bodies. works in the LCIPS (Legal, Compliance, IP and Sustainability) department under the leadership of the General Counsel (head of the The Management Board submits the non-financial statement to the LCIPS department). The Senior Manager CSR and Export Control Supervisory Board. is also responsible for monitoring activities relating to CSR com-With the exception of the aforementioned processes, no other spepliance and non-financial risk management and reports to the General Counsel, who in turn reports directly to the CSO on CSR matcific controls or procedures are applied to the management of impacts, risks and opportunities. The company is in the process of deters. veloping these frameworks and plans to integrate them with other Together with the core team consisting of department heads from internal functions in the future.

Together with the core team consisting of department heads from
Procurement, Sales, Health and Safety, HR, Facility Management
and Risk Management, IROs are jointly assessed (based on pooled
expertise, among other things) and the DMA developed. The Gen-
eral Counsel monitors this process and sends quarterly Steering
Committee invitations to the CSO and the Senior Manager CSR and
Export Control to regularly discuss progress and challenges.internal functions in the future.Together with the core team consisting of department heads from
Procurement, Sales, Health and Safety, HR, Facility Management
and Risk Management, IROs are jointly assessed (based on pooled
eral Counsel monitors this process and sends quarterly Steering
Committee invitations to the CSO and the Senior Manager CSR and
Export Control to regularly discuss progress and challenges.(ESRS 2-GOV-1.23) (ESRS 2-GOV-1.23a-b): FACC ensures the
availability and development of the requisite skills and expertise to
monitor sustainability issues through the following approaches:
Staff selection: Highly trained and experienced personnel are as-

Alignment of non-financial strategic goals and opportunities at FACC:

Preparation by the core team: The core team and the Senior Manager CSR and Export Control, as well as other relevant department heads, collect and analyze data on current sustainability trends, regulatory requirements and internal performance indicators. This information is then used to elaborate sound proposals for strategic goals and opportunities.

Development of proposals: Based on the analysis, the core team develops concrete proposals for non-financial strategic goals. These proposals include specific measures, time schedules and expected results that are in line with FACC's long-term sustainability targets.

Coordination and consultation: The elaborated proposals are coor-
dinated with relevant internal stakeholders following a bottom-up
approach. This includes consultations with various departments to
ensure that the proposals are realistic and feasible and have the
support of the entire organization.ies with regard to aspects of the corporate policy:The FACC executive bodies boast a wide range of competencies in
the area of sustainability, which they can draw on directly or sup-
plement with external resources.The FACC executive bodies boast a wide range of competencies in
the area of sustainability, which they can draw on directly or sup-
plement with external resources.

Presentation to the whole Management Board: The agreed proposals are presented to the whole Management Board in a formal meeting. The General Counsel and the Senior Manager CSR and Export Control explain the strategic objectives and opportunities, the proposed measures and the anticipated effects. Internal expertise: Several members of the executive bodies, including the Senior Manager CSR and Exdepth knowledge of sustainability issues. This expertise is constantly expanded through regular training and participation in relevant conferences and workshops.

Decision making: The whole Management Board discusses the proposals, takes the feedback into account, and reaches a decision on the adoption and implementation of the strategic goals. This ensures that the decisions are in line with the overarching corporate goals and the sustainability strategy.

Implementation and monitoring: Following approval by the Management Board, the strategic goals are integrated into the operational plans. The core team monitors implementation and reports regularly to the Management Board on the progress and results achieved.

By creating a DMA for the first time, the company is obliged to deal more intensively with the identified impacts, risks and opportunities (IROs). The aim is to define clearer processes and responsibilities over the next one to three years, including the establishment of reporting lines to administrative management and supervisory bodies.

Staff selection: Highly trained and experienced personnel are assigned responsibility for this task.

Further training opportunities: FACC offers its managers and employees access to training courses and workshops to broaden their knowledge of sustainability topics. These offers are flexible and tailored to current needs.

Involvement of external expertise: Where required, FACC engages external consultants to address specific sustainability issues. This allows the company to stay abreast of the latest developments and benefit from external specialist knowledge.

Feedback and adaptation: Informal feedback and regular discussions ensure that the executive bodies develop the necessary skills to effectively monitor the sustainability targets.

Expertise of the administrative, management and supervisory bodies with regard to aspects of the corporate policy:

External resources: FACC engages external consultants and experts to address specific sustainability issues. These external partners contribute additional expertise and support the company in the implementation of best practices.

With international experience in business and aviation, the professional and diverse management and supervisory boards help to ensure that FACC operates on a solid foundation when it comes to sustainability.

The skills and experience of FACC's Management and Supervisory Boards qualify these bodies to review and approve the proposed guidelines for the management of significant impacts, risks and opportunities.

For FACC, the available skills and expertise of its executive bodies are crucial for the effective management of the identified material impacts, risks and opportunities (IROs). Expertise in the area of sustainability enables the executive bodies to comprehend the complex interrelationships between FACC's business activities and their environmental and social consequences. This is crucial for making informed decisions that meet both corporate objectives and sustainability requirements.

The capabilities available to the company help to identify potential risks at an early stage and develop suitable risk mitigation measures. This includes compliance with regulatory requirements as well as proactive adaptation to changing market conditions. At the same time, the expertise of the executive bodies supports FACC in identifying and exploiting opportunities in the area of sustainability, such as the development of new, eco-friendly products or the optimization of processes to increase resource efficiency.

In addition, the executive bodies make use of their competencies to continuously review and adjust FACC's strategic orientation with regard to sustainability. This ensures that the company not only addresses current challenges, but also pursues long-term sustainability targets. Through this targeted use of skills and expertise, FACC is able to effectively manage its key IROs and successfully implement its sustainability strategy.

(G1-GOV 1.5) (G1-GOV 1.5a): Supervisory Board:

The Supervisory Board's actions are based on the laws and regulations applicable to companies listed in Austria, such as the Austrian Stock Corporation Act and the Austrian Stock Exchange Act. Furthermore, the Supervisory Board is committed to complying with the rules of the Austrian Code of Corporate Governance. With regard to the company's internal regulations, the Articles of Association and Rules of Procedure are of primary importance. As a

matter of principle, compliance at FACC is ultimately monitored by the Supervisory Board.

Management Board

At FACC, the Vice Presidents (E2) bear administrative responsibility for the various departments.

For information on the qualifications of the Vice Presidents and the specific areas of responsibility of the Management Board. Vice Presidents and the Supervisory Board, please refer to the notes on ESRS 2-GOV-1.23 and ESRS 2-GOV-1.23 a-b.

1.2.2. DR GOV-2 – Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies

(ESRS 2-GOV-2.26) (ESRS 2-GOV-2.26a): The CSR Manager prepares detailed reports that are submitted to the Steering Committee, including the Management Board, each guarter. These reports cover current developments and, from the 2025 financial year, material IROs and significant changes to ensure that the Management Board is kept up to date on a regular basis.

- In the 2024 financial year, double materiality analysis (DMA) and the evaluation of ESG impacts, risks and opportunities were introduced, and the Management Board was informed of the findings through special meetings and presentations. These meetings were held as soon as significant results had been obtained to ensure that the Management Board had comprehensive information about the latest findings and required measures
- The implementation of due diligence practices in the CSR area is also monitored and reported on by the CSR manager. In the 2024 financial year, the results of the due diligence analyses were communicated to the Management Board through targeted reporting to ensure that the practices are applied consistently.
- Within the next two to three years, FACC aims to establish a written process to evaluate the effectiveness of policies, actions, metrics and targets (P, A, M and T) to address material IROs. These reports should include an assessment of whether the measures are producing the desired results.

Current reporting is performed on a quarterly basis during the Steering Committee meetings in order to ensure that the implementation of the company's sustainability targets is continuously monitored and improved.

(ESRS 2-GOV-2.26b): Given that FACC analyzed significant impacts, risks and opportunities (IROs) for the first time in 2024 and these have not yet been taken fully into account, the administrative management and supervisory bodies have not yet begun to successively integrate these findings into the corporate strategy, decisions on major transactions and the risk management process.

Board members are entitled to variable compensation. This depends on the economic development of FACC and the achievement of individually agreed goals. The performance criteria are aligned with the company's sustainable growth strategy, ensuring performance-based compensation and promoting a responsible management culture. Fairness is ensured through payment in the following vear and based on verified and disclosed criteria. The performance criteria ensure a balance of financial, efficiency, and sustainability indicators (although the latter are not yet specific enough to be applied in reality) and thus reflect the company's sustainable growth strategy. A prerequisite for the payment of variable compensation components is the distribution of a dividend. The maximum achievable bonus for all board members is limited to 70 percent of a dividend payment for the affected fiscal year. Variable compensation is capped at 100 percent of the respective gross base salary. In addition to quantitative criteria, there are also qualitative criteria that are determined according to the area of responsibility of the respective board member. As mentioned, FACC does not yet have specific incentive systems and compensation policies directly linked to sustainability topics at the reporting date.

The first analysis of IROs provided the executive bodies with initial insights into potential challenges and opportunities, which will serve as a basis for future strategic planning and decision-making. Although the IROs are not yet fully integrated, they will in future be taken into account in the monitoring of the corporate strategy to ensure that the company's strategic goals are progressively aligned with its long-term sustainability targets. The executive bodies will begin to assess potential trade-offs between short-term gains and long-term impacts. For large transactions, the IROs will be progressively included in the assessment of financial, environmental and social impacts, which will help the executive bodies to make informed decisions that promote the longterm stability and sustainability of the company. Non-financial IROs will be gradually integrated into the existing risk management process in the coming years to ensure that potential risks are identified at an early stage and suitable risk mitigation measures are developed.

(ESRS 2-GOV-2.26c): In the reporting period, the administrative, management and supervisory bodies dealt with a number of significant impacts, risks and opportunities (IROs). Some of the most important topics are outlined below:

Environmental impacts

- · CO2 emissions and measures to reduce these
- resource efficiency and circular economy

Social and labor-related risks

- working conditions and job security
- compliance with human rights and ethical standards
- fostering diversity and inclusion

1.2.3. DR GOV-3 - Integration of sustainability-related performance incentive schemes

(ESRS 2-GOV-3.29 a-e): Compensation Components: Total compensation consists of fixed and variable components. While fixed compensation is granted regardless of company performance, variable compensation is tied to the fulfillment of specific, transparent performance criteria. Specific incentive systems and compensation policies directly linked to sustainability topics are:

· Fixed, performance-independent compensation components: The fixed compensation components include base salary, pension commitments, severance commitments, benefits in kind, and fringe benefits.

Variable compensation components based on the fulfillment of financial and non-financial performance criteria, with non-financial performance criteria set annually by the Supervisory Board:

However, FACC is actively examining the possibility of developing and implementing such incentive systems characterized by transparency, fairness, and equality, ensuring that sustainability-related performance is recognized and rewarded. Currently, no specific performance indicators or targets related to sustainability are used for evaluation. Consequently, sustainability indicators are not considered as performance measures or benchmarks in compensation policies, and variable compensation does not depend on sustainability goals or impacts. In considerations for introducing such systems, discussions are held on which specific sustainability goals, such as the reduction of greenhouse gas emissions, could be considered as criteria for evaluation. It is also discussed what proportion sustainability-related performance criteria could make up of variable compensation. These potential systems are being developed to align the company's strategy with sustainability goals. The conditions for such incentive systems and their annual evaluation would be conducted by the HR department, with all changes requiring approval from the Supervisory Board.

(E1-GOV-3.13): At the reporting date, FACC considered specific short- and long-term goals for reducing CO2 emissions, but climate-related considerations have not yet been incorporated into the compensation of members of the administrative management and supervisory bodies. The performance of executives was therefore not evaluated against the GHG reduction goals reported under requirement E1-4. At FACC, there are no specific financial incentives or bonuses tied to the achievement of these CO2 reduction goals, and no percentage of compensation was linked to climaterelated considerations in the current reporting period. FACC defines climate-related considerations as measures to reduce carbon emissions, improve energy efficiency, manage climate risks, and obtain environmental certifications such as ISO 14001. While no financial incentives existed at the reporting date, FACC is actively examining the possibility of integrating such considerations into future compensation structures to better support the company's climate goals and promote sustainable practices.

1.2.4. DR GOV-4 – Statement on due diligence

(ESRS 2-GOV-4.30; 32): To gain a better understanding of FACC's due diligence processes, please refer to the following disclosure requirements (DRs) and due diligence processes (DPs) below:

Table: Treatment of Due Diligence in the non-financial statement

Core Elements of Due Diligence	Paragraphs in the Sustainability Statement
a) Embedding due diligence in gov- ernance, strategy and business model	b) ESRS 2-GOV 2 26. a), b); ESRS 2- GOV 3 29., a), b), c), d), e)
 c) Engaging with affected stakehold- ers in all key steps of the due dili- gence 	d) ESRS 2-SBM 2 45. a) iv., S1 12., S2 9., S3 7., S4 8., ESRS 2-IRO 1, 53. b) iii., ESRS E1-2 24., ESRS E2-1 14., ESRS E5-1 14., ESRS S1-1 19., ESRS S2-1 16., ESRS S1-2 27. b))
e) Identifying and assessing adverse impacts	f) ESRS 2-IRO 1 53. a), e), g), E1 20. a), b) ii., c) i., 21., E2 11. a)
g) Taking actions to address those adverse impacts	h) ESRS E1-3 28., ESRS E2-2 18., ESRS E5-2 19., ESRS S1-4, ESRS S2-4.
 Tracking the effectiveness of these efforts and communicating 	j) ESRS E1-4, ESRS S1-5.

1.2.5. DR GOV-5 – Risk management and internal controls over non-financial statement

(ESRS 2-GOV-5.36a-e) As of the reporting date, FACC had not yet established a specific risk management and internal control sys-

tem explicitly related to non-financial reporting. There are currently no formalized processes for identifying, assessing and prioritizing risks in this area.

Therefore, no specific key risks have been identified or mitigation strategies developed.

However, despite the lack of formalized systems, FACC is keenly aware of the importance of these processes. The company is working on developing and implementing a comprehensive risk management and internal control system to ensure the accuracy, completeness and reliability of its non-financial reporting. These planned systems are to be supported by systematic data collection, regular employee training and use of state-of-the-art IT solutions.

The first step in this process involves a thorough assessment of current reporting processes and the identification of areas to be improved. In the future, internal control mechanisms and regular reviews are to be integrated to ensure that the recording and reporting of all sustainability data is correct and compliant.

1.3. Strategy

1.3.1. DR SBM-1 - Strategy, business model and value chain

(ESRS 2-SBM-1.40a-b) (ESRS 2-SBM-1.40a i): Revenue from contracts with customers is generated from the production of aircraft components, and from engineering services and other services in connection with the production of aircraft components. In the reporting year, no reportable changes occurred. A revenue breakdown according to type, segment and geographical region is provided below:

	2023	2024	2023	2024	2023	2024	2023	2024
	Aero- structures	Aero- structures	Engines & Nacelles	Engines & Nacelles	Cabin Interiors	Cabin Interiors	Total	Total
	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000
Product sales	257,139	315,737	117,118	133,675	319,000	354,292	693,258	803,704
Development services and other services	15,233	34,369	12,619	23,952	15,093	22,497	42,945	80,819
	272,372	350,106	129,737	157,627	334,093	376,789	736,202	884,523

(ESRS 2-SBM-1.40a ii): Significant markets for the 2024 financial 3. Customer groups: vear

	2023 EUR'000	2024 EUR'000
Germany	266,863	323,298
Canada	114,965	145,931
USA	97,615	138,850
Great Britain	91,314	102,215
China	35,146	50,175
Brazil	55,366	48,013
Other countries	74,935	76,042
	736,202	884,523

(ESRS 2-SBM-1.40a iii): Number of employees according to location

	2024
Total	4.039
Austria	3.247
Canada	80
USA	69
India	125
China	22
Slovakia	71

(ESRS 2-SBM-1.40e-q):

Sustainability targets of FACC:

- 1. Geographic impacts:
- FACC's internal SMART targets focus on improving in-house processes and structures at its Austrian locations and on compliance with legal regulations. These measures may have an indirect positive impact on environmental standards in the main regions of Europe, North America and Asia by serving as a benchmark for sustainable practices (thermoset vs. thermoplastic, carbon-neutral production by 2040, etc.). At present, the targets do not yet apply group-wide, but only at the Austrian locations. However, there are plans to expand them in the future.
- 2. Key product groups and services:
- FACC focuses on the development and production of lightweight components for the civil aviation industry. Its sustainability targets relate, in particular, to the implementation of energy-efficient production processes and the increased use of recyclable materials, such as thermoplastics and bio-based materials, in order to reduce the company's environmental impact.

- FACC mainly serves aircraft manufacturers and, in some cases, airlines (especially in the Maintenance, Repair and Overhaul sector). These customers benefit from a more sustainable product range characterized by innovative and more ecofriendly solutions, even if the sustainability targets are not directly aimed at specific customer groups. Lighter products, however, reduce fuel consumption for all customers.
- 4. Geographical areas:
- At present, FACC's sustainability targets apply primarily to its Austrian site, taking into account local legal and regulatory requirements. With a view to ensuring a uniform sustainability strategy, FACC plans to gradually extend these targets to all locations in Europe, North America and Asia. Over the next few years, the targets will also be gradually adjusted over and above legal and regulatory requirements.
- 5. Relationships with stakeholders:
- FACC promotes transparent and sustainable cooperation with its stakeholders, including customers, suppliers and local communities. This is supported by regular internal audits, active communication, and the publication of non-financial statements. These measures strengthen the trust of stakeholders and involve them in FACC's sustainability efforts (see also SBM-2).
- 6. Evaluating the current status:
- · FACC tracks the progress made towards its sustainability targets through internal benchmarks and regular assessments. This means that progress towards the targets is continuously monitored in order to identify improvement measures and ensure that the defined targets are met (see ESRS E1-4 and E5-3).
- 7. Evaluation of currently material products and services:
- · Lightweight components for civil aviation: This product group accounts for more than 90 percent of FACC's revenue and is thus of key importance. The sustainability targets in this area focus on implementing energy-efficient production processes and increasing the use of recyclable materials in order to reduce the company's environmental impact.
- Challenges related to sustainability:
- A key challenge is to effectively integrate these sustainability goals into the entire value chain. This requires continuous efforts to ensure that all employees and departments understand and implement these goals. Business strategy challenges arise, among other things, from requirements to reduce CO₂ emissions by developing lighter and more efficient aircraft components. Energy efficiency is a key aspect that both reduces environmental impact and saves costs. Integrating the circular economy into the value chain promotes the use of recyclable materials and reduces waste. Strict regulatory requirements require continuous adjustments and investments in compliance.

Assessment of key markets:

• European market: This market is of particular significance as it is subject to strict regulatory requirements that FACC must fulfill; a high percentage of FACC's revenue is generated in this market. The focus here is on complying with emission values. The company also considers to have a competitive advantage in this area by offering its customers the opportunity to switch from thermoset to thermoplastic. From this point of view, FACC regards the American and Asian markets as merely secondary or tertiary.

Critical solutions or projects

- Training programs: initiating staff training programs to raise awareness of sustainability issues
- Research and development: FACC focuses on investments in the research and development of sustainable materials and production processes to be able to offer more eco-friendly products in the long term.
- Expansion of LCA projects: Extending life cycle analyses (LCA) to other projects at FACC is a further important project.

(ESRS 2-SBM-1.42 a-c): Description of FACC's business model and value chain:

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KEY ACTIVITIES – Stage 1: Upstream

Stage 2: Own activities





Surface treatment



Test center (qualification and certification)

Stage 2: Own activities

Aerostructures (control surfaces, linings, wing components)

Stage 1: Upstream



Resource extraction

Fiber composites: Carbon fibers are obtained from polyacrylonitrile (PAN) or pitch. Metal alloys: light metal alloys such as aluminum are obtained from bauxite. Titanium is extracted from the minerals rutile and ilmenite.



Manufacture of equipment and preliminary products

Fiber composites: Resins (produced by polymerization of chemical monomers) – resins and carbon fibers are then combined using prepregs, laminated and cured. Metal alloys: Bauxite is decomposed into aluminum and oxygen by means of the Bayer process and fused-salt electrolysis. Rutile and ilmenite are processed at high temperature to produce titanium. Furthermore, the raw materials are alloyed with materials such as copper, magnesium or vanadium, and then cast or forged into the required proportions/molds.



Transport & logistics

Resources are transported to suitable production facilities with trucks, ships, cargo aircraft and freight trains.



Research, technology, engineering

Research into thermoplastic fiber composites, as these can be reheated and thus recycled.



Manufacturing

Production of intermediate and final products for global export with 35 percent recycling rate, with regard to REACH primarily stronzium chromates, octylphenol.



Test center (qualification and certification)

Testing of components and parts in our own test centers to certify them according to standards and qualify them for further use.

process to reuse parts.

Aftermarket:

Stage 3: Downstream



Reprocessing, recycling, disposal

Disassembly, inspection, processing, recycling, disposal.



Service life

Maintenance and servicing, monitoring and diagnosis, safety management, spare parts management.



Surface treatment

Grinding and the use of of alternative resins.



Repair, Refurbish, Replace

Injection molding, pressing



Transport & logistics

Export quota of 100 percent, packaging material that is either used in its entirety: without plastic (metal containers or wooden boxes) or carbon-neutral (green logistics, air cushion foil). global shipments.

Stage 2: Own activities

Engines & Nacelles (cowlings, housing, secondary structures, flaps)

Stage 1: Upstream



Resource extraction

Fiber composites: Carbon fibers are obtained from polyacrylonitrile (PAN) or pitch. Metal alloys: light metal alloys such as aluminum are obtained from bauxite. Titanium is extracted from the minerals rutile and ilmenite.



Manufacture of equipment and preliminary products

Fiber composites: Resins (produced by polymerization of chemical monomers) – resins and carbon fibers are then combined using prepregs, laminated and cured. Metal alloys: Bauxite is decomposed into aluminum and oxygen by means of the Bayer process and fused-salt electrolysis. Rutile and ilmenite are processed at high temperature to produce titanium. Furthermore, the raw materials are alloyed with materials such as copper, magnesium or vanadium, and then cast or forged into the required proportions/molds.



Transport & logistics

Resources are transported to suitable production facilities with trucks, ships, cargo aircraft and freight trains.



Research, technology, engineering

Research into thermoplastic fiber composites, as these can be reheated and thus recycled.

Production of intermediate and final products for global export with 35 percent recycling rate, with regard to REACH primarily stronzium chromates, octylphenol.

Manufacturing

Aftermarket:



Test center (qualification and certification)

Testing of components and parts in our own test centers to certify them according to standards and qualify them for further use.

Stage 3: Downstream



Reprocessing, recycling, disposal

Disassembly, inspection, processing, recycling, disposal.



Service life

Maintenance and servicing, monitoring and diagnosis, safety management, spare parts management.



Repairs

One-stop supplier of component repairs in the engine area.



Repair, Refurbish, Replace



Transport & logistics

Export quota of 100 percent, packaging material that is either used in its entirety: without plastic (metal containers or wooden boxes) or carbon-neutral (green logistics, air cushion foil), global shipments

Stage 2: Own activities

Cabin Interiors (passenger, cargo hold and cockpit linings incl. all components)

Stage 1: Upstream



Resource extraction

Sugar cane is fermented for resin systems, textiles and leather are made from biological sources, such as wool or silk, or produced from synthetic materials. Plastics and composite materials are obtained from petrochemical raw materials and other materials, sound insulation materials can be made from mineral resources (glass wool), synthetic resources (foam material) or natural materials (hemp). (Wood and veneers are suspended in in the air).



Manufacture of equipment and preliminary products

Pre-production of individual components in molds, which the company can then take over.



Transport & logistics

Resources are transported to suitable production facilities with trucks, ships, cargo aircraft and freight trains.



Research, technology, engineering

Focus on renewable raw materials, bio-based prepregs and reduction of laborious work processes, use of thermoplastic materials in cabins.





Surface treatment

Grinding and alternative resins to make processes simpler or redundant.



maintenance.

Stage 3: Downstream



recycling, disposal

Reprocessing,

Service life

Disassembly, inspection, processing, recycling, disposal.



Networking through autoclaves or presses with 35 percent recycling rate, with regard to **REACH** primarily stronzium chromates, octylphenol.

Aftermarket: repairs

Maintenance and servicing, spare parts management.



Transport & logistics

Export quota of 100 percent, packaging material that is either used in its entirety: without plastic (metal containers or wooden boxes) or carbon-neutral (green logistics, air cushion foil), global shipments.

FACC sources a variety of premium materials and technologies that have been specially developed for the production of lightweight components for civil aviation. Some of the most important include the following:

- Composites: These materials are critical to the lightweight construction of aircraft components and are procured from specialized suppliers that meet strict quality and sustainability standards.
- Metals: High-quality metals (such as titanium, but also aluminum) required for the structural integrity of the components are also provided by selected suppliers.
- Procurement at FACC is characterized by strict selection and evaluation procedures, which include regular audits and certifications of suppliers to foster continuous improvement and innovation.

FACC's outputs (parts manufactured in-house) include innovative aircraft components that provide specific benefits for various stakeholders:

- Employees: FACC offers its staff an innovative working environment with a focus on sustainable practices and continuous training opportunities. This strengthens employee loyalty and creates a dedicated workforce.
- Customers (aircraft manufacturers): FACC components improve the fuel efficiency and overall performance of aircraft. Lightweight components for wings, tail units and fuselages have been the company's core competence for more than 30 years. FACC manufactures various types of wing components that make an important contribution to both the structural robustness and aerodynamics of the respective aircraft. The portfolio ranges from simple sandwich panels and fuel-saving wingtips to first applications for technologically sophisticated primary structures (wing box prototypes).
- Investors: FACC aims to offer attractive returns through its sustainable growth strategy and competitive strength. Investors benefit from the company's strong market position and continuous innovation.
- Local communities: FACC contributes to the economic development ment of the regions in which it operates by creating jobs and stimulating technological advances. This strengthens the local economy, providing training and development opportunities.

Main features of the value creation chain:

- Upstream: FACC works with a select group of raw material suppliers providing materials such as composites and metals. These suppliers are strategic partners bound by long-term contracts and regular quality controls. One example is FACC's cooperation with leading manufacturers of carbon fiber composites (e.g. Toray Industries, Inc. and Hexcel Corporation).
- Downstream: FACC's main customers (AIRBUS, EMBRAER, BOEING, etc.) are leading aircraft manufacturers who install the company's components in their aircraft. In close cooperation with these customers, FACC develops tailor-made solutions that fulfill their specific requirements.
- Position within the value chain: FACC occupies a central role in the value chain by acting as a link between raw material suppliers and aircraft manufacturers. Due to its expertise in the development and production of aircraft components, FACC makes a significant contribution to the innovative strength and efficiency of the entire value chain.

The FACC stakeholder dialog

1.3.2. DR SBM-2 – Interests and views of stakeholders

(ESRS 2-SBM-2.45a)(ESRS 2-SBM-2.45a i):

FACC attaches great importance to open, transparent, proactive and regular dialog with its stakeholders. As this dialog is guided by the communication and information needs of the respective stakeholders, it does not follow a fixed schedule. In order to reach as many interested parties as possible and gain valuable feedback, communication takes place via various channels and platforms, depending on the respective target groups

and topics.

Stakeholders		Topics	Forms of contact
Aviation authorities	 flight safety aircraft noise reduction good governance employee education and training 		 direct communication regarding the approval as a manufacturer of aircraft parts (POA/DOA/MOA) and the approval of FACC's management direct communication regarding specific topics such as flight permits (e.g. EHang) audits meetings
Other authorities (e.g. district authorities, embassies)	– good governance – stable and fair workplaces		 residence permits and visa applications meetings audits
Works council			 regular and direct coordination
Customers	 occupational health and safety of employees flight safety fuel efficiency of aircraft 		 contracts for all work packages regular on-site meetings at customers' or FACC's premises attending aviation fairs telephone calls FACC service portal
Investors	 fuel efficiency of aircraft employee education and training good governance 		 Annual General Meeting conferences and roadshows investor talks trade fairs financial communication
Research and education institutes	 occupational health and safety of employees employee education and training 		 joint research projects supervising graduate and doctoral students
Suppliers	 flight safety stable and fair workplaces social impacts within the supply chair 	1	 supplier conferences aviation fairs regular meetings at suppliers' and FACC's premises for contract fulfilment FACC service portal events of the Austrian Chamber of Commerce (WKO) supplier audits
Logistics partners and freight forwarders	– social impacts within the supply chair – customs processing	1	 direct communication via sales and customs departments

Stakeholder	Topics	Forms of contact
(Potential) employees	 stable and fair workplaces occupational health and safety of employees employee education and training 	 e-mails managers works meetings Management Days employee app company magazine bulletin board advertising spaces (posters, lock screens, screens in production) social media summer party Christmas party Flight Club employee anniversary celebrations FACC Leonardo CEO breakfasts
Municipalities	– Waste and water consumption	– e-mails – meetings – telephone calls
Approving bodies/ testing institutes	– Special tests	– commissioning, e.g. by CoLT
Service providers	 repair/maintenance work at customers commissioned by FACC catering service for employees 	– contracts – meetings
Insurance companies	– risk analyses – compliance – occupational safety	– contracts – e-mails – telephone calls
Banks		– contracts – e-mails – telephone calls
Media		– contracts – e-mails – telephone calls
NGOs and stakeholder groups		 cooperation and dialog with NGOs participation in networks and conferences, in person, via e-mail, by telephone

otential) ployees	 stable and fair workplaces occupational health and safety of employees employee education and training 	 e-mails managers works meetings Management Days employee app company magazine bulletin board advertising spaces (posters, lock screens, screens in production) social media summer party Christmas party Flight Club employee anniversary celebrations FACC Leonardo CEO breakfasts
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rvice providers	 repair/maintenance work at customers commissioned by FACC catering service for employees 	– contracts – meetings
surance companies	– risk analyses – compliance – occupational safety	– contracts – e-mails – telephone calls
nks		– contracts – e-mails – telephone calls
dia		– contracts – e-mails – telephone calls
Os and Ikeholder groups		 – cooperation and dialog with NGOs – participation in networks and conferences, in person, via e-mail, by telephone

Key stakeholders of FACC:

Employees:

- Views and interests: Employees value a safe and supportive working environment that offers opportunities for professional development and training. They seek fair working conditions, fair remuneration and an open corporate culture.
- FACC's engagement: FACC fosters a committed workforce through training programs, fair working practices and measures to increase employee satisfaction.

Customers (aircraft manufacturers and airlines):

- Views and interests: Customers expect high-quality, innovative and eco-friendly products that help improve fuel efficiency and reduce operating costs. They seek customized solutions that meet their specific requirements.
- FACC's engagement: FACC works closely with its customers to Improving the corporate strategy: develop innovative aircraft components that meet the highest standards and offer sustainable benefits.

Suppliers:

- Views and interests: Suppliers are interested in long-term partnerships and fair terms of business. They expect clear communication channels and support in complying with quality and sustainability standards.
- · FACC's engagement: FACC fosters close relationships with its suppliers through regular audits, training, and support in the implementation of sustainability initiatives.

Investors:

- · Views and interests: Investors are looking for stable returns and a sustainable growth strategy. They are interested in the company's financial performance and its commitment to innovation and sustainability.
- FACC's engagement: Thanks to its strong market position and continuous innovation, FACC is able to offer attractive investment opportunities, and regularly informs investors about the company's performance.

Communities:

• Views and interests: Communities expect FACC to contribute to the local economic development, create jobs and accept social responsibility. They attach importance to the support of local initiatives and the minimization of negative environmental impacts.

· FACC's engagement: FACC is committed to the communities in which it operates by creating jobs, encouraging technological advances and supporting local projects.

(ESRS 2-SBM-2.45a, i-iv): FACC actively engages with various stakeholder groups such as employees, customers, suppliers, investors, regulatory authorities, communities, and NGOs. This engagement ensures that the interests and views of stakeholders are taken into account in the company's decisions, and promotes transparency, trust and cooperation.

FACC's stakeholder engagement serves a variety of purposes and focuses on several key aspects:

Promoting transparency and trust:

The aim is to strengthen trust between the company and its stakeholders through regular and open communication. Transparency ensures that all stakeholders have access to relevant information.

By obtaining feedback and suggestions from stakeholders, FACC is able to continuously improve its business practices and strategic focus and adapt them to their needs and expectations.

Increasing customer satisfaction:

Engaging with customers serves to increase their satisfaction by fulfilling, and gaining a better understanding of, their requirements and expectations.

Promoting an ethical and sustainable supply chain:

In collaboration with its suppliers, FACC strives to support social and environmental standards along the supply chain and ensure that ethical business practices are adhered to.

Ensuring compliance and minimizing risks:

An ongoing dialogue with regulatory authorities helps to comply with legal requirements and minimize risks by keeping FACC up to date on regulatory developments.

Supporting communities:

By engaging with communities and NGOs, FACC aims to reinforce its social responsibility and make positive contributions to social and environmental developments.

Promoting innovation and employee satisfaction:

By actively involving its employees, FACC aims to increase their satisfaction and motivation while encouraging innovative ideas and suggestions for improvement.

(ESRS 2-SBM-2.45a v): FACC incorporates the results of its stakeholder engagement through a structured process that includes the following steps:

- Systematic analysis: The results of its stakeholder engagement are systematically recorded and analyzed through surveys, interviews and workshops, and through intensive cooperation and exchange with all stakeholders, on a daily basis. This enables Suppliers: FACC to gain a comprehensive understanding of the expectations and concerns of its stakeholders.
- Integration into strategic planning: The recorded results are integrated into FACC's strategic planning. In this way, the iden-Measures: tified topics and stakeholder priorities are included in the corporate strategy and taken into account when defining targets · Supplier portal for the improved traceability of payments and and measures. communication processes.
- Implementation of specific measures: Based on the analysis. specific improvement measures are developed and implemented. These measures are designed to address the needs and expectations of stakeholders and improve the company's per- Investors: formance in relevant areas.
- · Transparent communication: The results are disclosed in FAC-C's annual non-financial report.

With this process, FACC ensures that the results of its stakeholder engagement are used effectively to strengthen the corporate strategy and improve stakeholder relations.

(ESRS 2-SBM-2.45b) (ESRS 2-SBM-2.45c) (ESRS 2-SBM-2.45c iiii): Extended disclosure on the link between feedback and actions

By analyzing the following stakeholders and topics, FACC aims to better understand the interests and viewpoints related to its strategy and business model:

Employees:

Feedback: Employees expressed a desire for better further training opportunities and a stronger focus on job security.

Measures:

- · Opening of the FACC Training Center with in-house training programs focusing on technical and social skills.
- · Improvement of occupational safety policies and implementation of regular external audits for ISO 45001 at FACC.

Customers:

Feedback: Customers emphasized the importance of technological innovations and consistent product quality.

Feedback: Investors demand greater transparency with regard to the sustainability strategy and the financial impacts of long-term investments.

Measures:

- Investments in R&D for new materials and manufacturing technologies (such as thermoplastics).
- Regular external audits on our ISO 9110 and ISO 9100, etc.

Feedback: Suppliers stressed the need for transparent communication and timely payments.

 Introduction of long-term contracts with selected suppliers to foster stable partnerships.

Measures:

- · FACC's annual non-financial statement, which provides a detailed account of progress made towards ESG (Environmental, Social, Governance) targets.
- Development of a long-term growth plan that integrates sustainability as a core element.

Communities:

Feedback: Communities emphasize the importance of local support and eco-friendly production practices.

Measures:

- · Initiating local projects that promote educational initiatives or charitable programs (FACC scholarship).
- · Reducing the carbon footprint by investing in renewable energies and energy-efficient production processes.
- (ESRS 2-SBM-2.45c) (ESRS 2-SBM-2.45c i): FACC has made strategic adjustments to take due account of the interests and views of its stakeholders.
- Employees: Introduction of an improved further training program and initiatives to promote job security.
- Customers: Further investments in research and development to increase product quality and innovative capacity.
- Suppliers: Implementation of a supplier management system that fosters fair business terms and sustainable practices.

Investors: Strengthening non-financial reporting and transparency measures.

Communities: Strengthening social and environmental initiatives to better support the local community.

ESRS 2-SBM-2.45c ii): Planned steps and time frame:

Short term (1-2 years): Introduction and implementation of new further training programs for FACC employees: strengthening research and development activities to be able to address customer requirements with regard to the circular economy.

Medium term (3-5 years): Expanding the scope of social and environmental initiatives to international locations; improving supplier management systems.

Long term: Continuous adaptation of strategies based on ongoing stakeholder feedback and regulatory changes.

ESRS 2-SBM-2.45c iii): Impact on the relationship with stakeholders:

Positive influence: The planned and implemented steps are expected to further strengthen the trust and satisfaction of stakeholders and lead to closer ties between FACC and its stakeholders.

Stakeholder feedback: Regular dialog with stakeholders will be maintained in order to review the effectiveness of the measures and make adjustments where necessary.

(ESRS 2-SBM-2.45d): At FACC, the Supervisory Board, Management Board and top management are regularly informed (at least once a year) about the views and interests of affected stakeholders with regard to the company's impacts on sustainability.

This is achieved through:

- Stakeholder surveys and feedback rounds: The views of FACC's stakeholders on the company's sustainability-related activities are collected through an ongoing exchange of information. These feedback loops include employees, suppliers, customers and communities etc. at the company's sites and are compiled at regular intervals by the CSR department.
- · Reporting to the committees: The results of the stakeholder surveys along with other findings on stakeholder interests are presented to top management once a year, and to the CSO via the CSR Steering Committee.
- · Dialogue with experts and external consulting: If necessary, external experts are consulted to analyze specific stakeholder concerns in the area of sustainability.

(S1-SBM 2.12): FACC views its workforce as a key stakeholder and acknowledges that integrating their interests and rights is essential for the company's long-term success and sustainability. FACC has implemented several measures to ensure that the voices of its employees are heared and their interests taken into due consideration

Regular employee surveys and feedback meetings:

Comprehensive surveys are conducted on an annual basis to identify the opinions, needs and concerns of employees (employee appraisals, etc.). These include questions on working conditions, health and safety aspects, equal opportunities and the general working environment.

Integrating the results into strategy development:

The results of the employee appraisals are systematically evaluated and directly incorporated into FACC's strategic planning processes. Strict health and safety guidelines were thus created on the basis of this feedback and supported by training programs. As a result, FACC has held ISO 45001 certification at its Austrian sites for a number of years.

Measures to improve employee well-being and satisfaction:

In response to the feedback from its workforce, FACC has introduced measures such as flexible working time models, health promotion programs and initiatives for a better work-life balance.

Respect for human rights:

Respect for the human rights of its employees is firmly anchored in FACC's corporate culture. The company is committed to fully protecting human rights by offering transparent and fair working conditions as well as protective measures against discrimination and harassment (for further details, please refer to the FACC Code of Conduct).

Direct involvement in decision-making processes:

The concerns of employees are always given due consideration in important decision-making processes. For example, employee representatives (such as the works council) are involved in the development and implementation of measures affecting the workforce.

(S2-SBM 2.9): FACC has extensively analyzed and evaluated the interests, views and rights of employees within its value chain (value chain workers) to ensure that its strategy and business model adequately address these aspects.

FACC not only defines its own corporate values (e.g. by means of the Code of Conduct), but also communicates these values to the supply chain (via the Supplier Code of Conduct). Regular visits to suppliers as well as desktop audits and surveys are designed to ensure that these values are upheld.

Integration into the strategy and business model:

FACC has implemented several initiatives directly resulting from the outcomes of these engagements:

- · Respect for human rights: Strict compliance with, and monitoring of, standards in accordance with international labor law regulations (e.g. ILO conventions).
- Code of Conduct: Introduction of a comprehensive set of rules of conduct obliging all partners in the value chain to comply with social and human rights standards.
- · Audit processes: Regular audits to ensure compliance with these standards as well as immediate action in the event of deviations.
- Introduction and adaptation of FACC's C.O.M.P.E.T.E. supplier evaluation model.

FACC's C.O.M.P.E.T.E. system comprises methods and tools for the continuous monitoring and evaluation of supplier performance indicators and also includes the validation of sustainable practices at suppliers (environmental, social and economic practices).

1.4. Impact, risk, and opportunity management

1.4.1. DR IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities

(ESRS 2-IRO-1.53a-h): All items proposed by the CSRD were assessed through individual analyses at the lowest level of granularity (IROs). For most environmental issues, differentiated assess-

The assessment of impact materiality was also supported by enments were carried out along the value chain: own operations / upgagement with stakeholders, in line with the overall approach to stream / downstream activities. Where such data is available and stakeholder engagement presented in the dedicated disclosure resufficiently accurate, a quantitative assessment was systematiquirement. This includes direct consultation with internal and excally preferred to a qualitative assessment. The assessment was ternal experts, information gathered from stakeholders through documented. ongoing stakeholder engagement, and input from affected stakeholders or their relevant representatives (e.g., employees through Impact materiality (actual or potential impacts on people and the surveys, social dialogue content, customer feedback...). The conenvironment): sideration of regulatory thresholds or thematic standards or reference frameworks was also seen as a representation of the inter-The company assessed the actual or potential impacts of its activests of NGOs.

ities on the environment and people - e.g. employees, end users and local communities. The assessment was done taking into account Impacts on the company or financial materiality: the severity (scope, reach, remediability - for negative impacts) and the likelihood of such impacts using predefined assessment The potential impacts of sustainability issues on the company's figrids. The materiality threshold was set taking into account the nancial performance were assessed by establishing a monetary associated "severity vs. likelihood" combinations that were considthreshold. This threshold serves as a benchmark to determine the financial relevance of the identified sustainability issues. Additionered relevant to reflect materiality and support issue prioritization. For issues concerning potential impacts on people, a high seally, equivalent qualitative impact types were considered to obtain verity rating outweighed a low probability rating. All company aca comprehensive picture of the potential financial impacts. This astivities and locations were considered in this analysis, with a focus sessment was conducted in close collaboration with the risk manon the manufacture of aircraft components. The entire value chain ager to ensure that both financial and non-financial risks and op-(as known and estimable to FACC) was considered, again focusing portunities are adequately considered. The monetary threshold on impacts related to the production of aircraft components, as was set to reflect the potential financial impacts on revenue, opthis generates over 90% of the Group's revenue. This analysis was erating costs, and other relevant financial metrics of the company.

also based on an understanding of the company's own operations, supply chain or other business relationships, as the existence and severity of potential or actual adverse impacts are influenced by various factors, such as: the nature of the industry, products/services, operations and their associated inherent risks; the country and the operational context, taking into account, for example, publicly available statistics and indices or the existence of related environmental or social legislation or relevant voluntary standards and associated thresholds or other relevant scientific information sources (e.g. planetary boundaries, "environmental pressure atlas"...). Valuation Values have been supported by quantified data wherever possible, using a variety of information sources. This includes internal information such as:

- Life cycle analysis, information from thematic experts, related internal performance indicators (past or ongoing impacts):
 - Results of third-party due diligence, internal control reports or information collected during visits to supplier sites (see C.O.M.P.E.T.E. system, which is discussed in more detail in later chapters);
 - Elements from findings and alerts from, for example, desktop supplier sustainability maturity assessments, on-site assessments (including social assessments) or from the complaint mechanism (see also C.O.M.P.E.T.E. system)
- Inputs received through stakeholder engagement (see SBM-2);
- as well as external information such as thematic and sectoral benchmarks or public reports and regulatory thresholds.

The examination of the company's business and operational model dependencies with each subtopic, supported by exchanges with thematic experts, aided the aforementioned screening. The double materiality assessment was formally presented to and approved by the executive committee and the board of directors.

The double materiality assessment is intended to support the prioritization of work by internal control in the future by providing clear criteria and thresholds for assessing financial and non-financial risks and opportunities. This assessment helps internal control identify the key areas that need to be monitored and managed to achieve the company's strategic goals. By focusing on the material topics, internal control can then efficiently allocate its resources and ensure that the greatest risks and opportunities are adequately addressed. This leads to targeted monitoring and adjustment of internal processes to ensure the long-term sustainability and competitiveness of the company. We are still at the beginning of this process.

Sustainability risks and opportunities are currently not yet integrated into the ERM system and processes, including their identification, assessment, and management. In the future, they are intended to become part of the company's risk profile.

Impacts are covered by the company's due diligence processes (e.g., C.O.M.P.E.T.E., audits, risk mapping of suppliers, etc.), as may be presented in the relevant disclosure requirements. Particularly for the topics ESRS E1-E5, such due diligence processes still need to be established. In 2024, FACC conducted its double materiality assessment for the first time. In the future, the methodology will be refined to further align it with CSRD requirements. As recommended in the non-binding implementation guidelines for materiality assessment, the company intends to confirm or review (and update) its material topics annually, taking into account whether significant changes have occurred in the organizational and operational structure of the company, whether external factors have arisen during the reporting year, and/or whether significant new information has been received, as the company progresses in its understanding of topics and their impacts, risks, and opportunities. Depending on the significance of these events and developments, the company would either review the existing DMA or conduct a full DMA to ensure that the material sustainability topics are reported appropriately. The review process for the fiscal year 2025 will likely include a benchmark analysis derived from the first CSRD reports of other European companies.

Description of the connections between impacts and dependencies with risks and opportunities:

FACC systematically identifies the significant impacts of its business activities and the associated dependencies by conducting a Double Materiality Analysis (DMA). This analysis helps assess the potential risks and opportunities by considering the likelihood and severity of impacts. Although the insights from the DMA are currently not fully integrated into strategic planning, they serve as a valuable foundation for future strategic decisions. FACC is working to gradually incorporate these insights into its strategic planning to proactively respond to challenges and seize opportunities. Continuous monitoring of the identified impacts and dependencies will enable the company to adjust its strategy as needed and achieve its sustainability goals.

(E1-IRO-1.20) (E1-IRO-1.20a): Climate change impacts and GHG emissions

FACC has not yet conducted a climate risk analysis; however, it is planned to be included in the 2025 report.

(E2-IRO-1.11): Pollution

FACC structured process for identifying material impacts, risks, and opportunities has deter-mined that environmental pollution is currently immaterial, except for Substances of Concern (SoC) or Substances of Very High Concern (SVHC). This assessment is based on the Double Materiality Analysis (DMA) and the involvement of relevant stakeholders.

(E2-IRO-1.11a): Screening and identification of actual and potential pollution-related impacts, risks and opportunities

FACC is able to conduct a detailed screening to identify potential pollution issues through the help of an integrated environmental management system, specifically the ISO 14001 Environmental Man-agement System (EMS). Key performance indicators such as waste generation, and pollutant chemi-cals are systematically tracked, especially the ones associated with the use of REACH-relevant sub-stances.

On the other hand, in order to make sure the involvement and engagement of FACC with stakehold-ers (including employees, suppliers, authorities, and customers) during the pollution issues identifi-cation, audits, feedback meetings and assessments are carried out annually (e.g. ECCOS22 audits or assessment portals such as Ecovadis / CDP) to ensure the accuracy of data, compliance with envi-ronmental standards.

Methods and tools

The screening follows a systematic process for recording and classifying all substances used in oper-ations. Each substance is thoroughly examined for its potential environmental impact, with a particular focus on its classification as a substance of concern or a substance of very high concern un-der REACH. The process follows a clearly structured methodology consisting of three phases: Data Collection, compliance assurance, and Results. Utilizing the Environmental, Health and Safety (EHS) tool, along with specialized chemical databases tailored to REACH regulations, FACC conducts a de-tailed analysis of the environmental impact of substances throughout its entire supply chain.

Data collection

FACC conducts an annual desktop assessment of its supply chain to evaluate the environmental practices and compliance of its suppliers. The CRIF (Centrale Rischi Finanziari) assessment includes checking suppliers' compromise with sustainability in terms of water and carbon footprint calcula-tions, good practices with waste management and ensuring that all the necessary certifications such as ISO 14001 for environmental management are up to date. At the end, the results are evaluated and shared with suppliers to identify potential improvements in relation to relevant environmental pollution in their value chain. The aim is to ensure the compliance with the minimum standards.

In terms of customer data, while specific procedures for collecting customer-related environmental data are not official public documented yet, FACC integrates quarterly customer feedback and environmental performance considerations into the topic of environmental pollution in our supply chain.

(E2-IRO-1.11b): To finish with the data collection, FACC has not yet conducted any consultations with affected communities to identify and assess potential pollution-related impacts. In the future, however, we plan to conduct such consultations in order to better understand potential environ-mental impacts with affected communities and to take appropriate measures based on this.

Compliance assurance

 FACC ensures compliance with the REACH Regulation (EC 1907/2006) through a structured and analytical approach. This is achieved by implementing supplier audits and assessments, where compliance with REACH requirements, including documentation checks for restricted substances, is verified. Additionally, monitoring mechanisms are in place to track that suppliers provide Safety Data Sheets (SDS) and other necessary documentation for chemicals used. These measures ensure that suppliers and customers within the supply chain meet legal obligations and mitigate the risk of non-compliance and potential legal penalties.

FACC systematically documents and categorizes all substances and chemicals used in its operations based on their potential environmental impact, ensuring compliance with REACH regulations. This process involves data collection through specialized chemical databases and EHS tools designed for REACH compliance. These tools enable the analytical assessment of environmental risks across the supply chain, ensuring that substances of concern are identified and managed effectively.

• Furthermore, FACC's integrated Environmental Management System (EMS) supports the proactive identification of restricted chemicals, allowing the company to mitigate environmental risks at an early stage. By combining data-driven evaluations with regulatory compliance measures, FACC ensures a structured and effective methodology for reducing its environmental impact.

Results of the screening

In its own operations, the use and potential release of these substances pose environmental and regulatory risks, which are managed through continuous monitoring and classification. Within the own operations and the supply chain, the presence and handling of such substances contribute to negative environmental risks, requiring closer and constant cooperation with suppliers to ensure compliance and eliminate non-approved materials.

Identified material impacts, risks and opportunities through Double Materiality Analysis

The identification of sites impacted by pollution, including those handling Substances of Concern (SoC) or Substances of Very High Concern (SVHC), is based on the DMA analysis and internal consultations, which took into account factors such as production volumes, workforce size, and the scale of operations. Sites like Austria and Croatia with significant production activities or those handling or storing hazardous substances have been flagged as material to pollution. Facilities in Canada and the USA were determined to pose a lower impact on pollution due to limited chemical usage and their more narrowly focused operations. In contrast, locations in China, India, and Slovakia, where production is minimal or nonexistent, have been categorized as immaterial. The table below out-lines the list of sites where pollution is considered a material issue.

			_
Facility	Activity	Materiality	Justification
Austria	Headquarters and primary production facilities; innovation and R&D center.	Only SVHC / SoC	Due to the high production volume and the asso-ciated environmental impact potential, these sites are subject to stringent performance moni-toring.
Croatia	Component manufacturing and assembly operations.	Limited SVHC / SoC - immaterial	Due to the smaller scale in comparison to the Austrian facility, the usage is minimal.
Canada	Engineering support and materials supply chain activities.	Limited SVHC / SoC - immaterial	With a smaller workforce and limited chemical handling, this site exhibits a lower environmental risk profile.
USA	Customer support, component delivery and after-sales services.	Limited SVHC / SoC - immaterial	Operations in the USA are largely service-oriented, involving minimal chemical use—primarily confined to minor repairs.
China	Partnership	Immaterial	No production and very few employees in the offices
India	Engineering design support and supplier partnerships.	Immaterial	No production and very few employees in the offices
Slovakia	Logistics and distribution center.	Immaterial	No production and very few employees in the offices

Own Operations:

- Production and manufacturing: The use and potential release of substances of concern dur-ing manufacturing processes, leading to environmental contamination and health risks.
- Waste management and disposal: Improper disposal or inefficient waste management of substances of high concern during manufacturing processes can result in pollution.

Value Chain:

R&D and material development: The handling and release of potentially harmful substances during material development, particularly in new product innovation and testing, contrib-uting to pollution and environmental risks.

(E5-IRO 1.11): (E5-IRO 1.11a): The undertaking shall describe the process to identify material impacts, risks and opportunities related to resource use and circular economy

FACC has not conducted a dedicated LEAP analysis but has instead assessed resource use and circular economy aspects as part of the Due Diligence Materiality Assessment (DMA). This evaluation considered potential and actual impacts, risks, and opportunities within FACC's own operations and across its upstream and downstream value chain.

(E5-IRO 1.11b): Additionally, FACC has not conducted consultations, in particular with affected communities.

Environmental Information

2. ENVIRONMENTAL INFORMATION

2.1. Taxonomy Disclosures

Disclosures according to Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation)

The Taxonomy Regulation is a key component of the European Commission's action plan to redirect capital flows towards a more sustainable economy. It represents an important step towards achieving carbon neutrality by 2050 in line with EU climate goals and provides a classification system for environmentally sustainable economic activities.

In the following section, we present the proportion of our group's revenue, capital expenditures (CapEx), and operating expenses (OpEx) for the reporting period 2024 in terms of FACC's taxonomy eligibility and compliance.

Taxonomy Eligibility

With the publication of environmental objectives 3-6 and the expansion of activities under environmental objectives 1-2 (climate protection and adaptation to climate change) in 2023, FACC's business model was largely captured under activity CCM 3.21.

CCM 3.21 – Manufacturing of aircraft under the environmental objective of climate protection includes, according to the description, the manufacturing, repair, maintenance, upkeep, retrofitting, design, conversion, and upgrading of aircraft as well as aircraft components and equipment. FACC's business model includes, among other things, the development and production of key components such as control surfaces, engine nacelles, and cabin interiors for passenger aircraft and business jets, and thus falls under this activity. Accordingly, 97.3% of FACC's revenue can be classified as taxonomy eligible.

In addition to the main activity, FACC has identified the following cross-cutting activities through capital expenditures made.

Taxonomy- Activity	FACC- Activity
CCM 6.5 Transport with motorcycles, pas- senger cars, and light commercial vehicles	This activity includes the vehicles in the company's own fleet, which includes both vehicles with combustion engines and electric vehicles. The expenditure falls under investment expenditure.
CCM 7.6 Installation, maintenance and re- pair of renewable en- ergy technologies	With a PV system covering an area of approximately 2,000 m in the production facility in Croatia, around two thirds of the annual energy consumption can be covered. The costs for the installation are included in the capital expenditure.

*All identified economic activities fall under the environmental objective of climate protection

Taxonomy compliance

FACC cannot report any taxonomy-compliant shares for the fiscal year 2024, as a complete climate risk analysis in accordance with Annex A has not yet been conducted. Annex A is a criterion of the technical assessment criteria according to the "do no significant harm" (DNSH) principle for the environmental goal of "adaptation to climate change" for all identified economic activities (CCM 3.21, CCM 6.5, CCM 7.6). Without compliance with these criteria, conformity cannot be established. A review of the minimum protection

has not yet taken place. Accordingly, neither compliant revenue nor compliant investments (CapEx) or operating expenses (OpEx) can be reported.

Performance indicators

Double counting has been avoided, as the business activities have been exclusively assigned to the environmental goal of climate protection.

Revenue

The denominator of revenue according to the EU taxonomy corresponds to the revenue as per the consolidated income statement and amounts to a total of EUR 884,523 thousand. A share of 97.3% can be attributed to the main activity CCM 3.21 manufacturing of aircraft. Currently, there are no other taxonomy-eligible revenues at FACC. The remaining share of 2.7% must therefore be reported as non-taxonomy eligible. Taxonomy-compliant revenues are currently not available for the aforementioned reasons.

CapEx

The capital expenditures according to the EU taxonomy include the additions of tangible and intangible assets during the fiscal year 2024 before depreciation and revaluations, corresponding to the additions reported in the consolidated notes under notes 20 and 21 amounting to EUR 34,242 thousand. Of this, 78.1% can be classified as taxonomy eligible. The vast majority relates to the activity CCM 3.21 manufacturing of aircraft. Overall, due to FACC's business model, only a small share of 1.9% pertains to economic activities that do not correspond to activity CCM 3.21. Taxonomy-compliant capital expenditures cannot currently be reported.

OpEX

The allocation of OPEX was made according to a key related to the revenue metric (referring to note 10 of the consolidated notes, "depreciation" and "other operating expenses" were excluded, as these depreciations are already accounted for in CapEx). The operating expenses according to the EU taxonomy at FACC include direct, non-capitalizable costs related to research and development, building renovation measures, short-term leasing, maintenance, and repair. The denominator of the metric amounts to a total of EUR 22,543 thousand. Of this, 97.3% pertains to taxonomy-eligible economic activities. 2.7% is classified as non-taxonomy eligible. Taxonomy-compliant operating expenses are currently not available.

Changes from the previous year

In the reporting year 2024, there were no significant changes from the previous year, except for the use of the key under OPEX.

FACC does not engage in economic activities related to natural gas or nuclear energy and therefore refrains from disclosing the additional templates for natural gas and nuclear energy.

Goals		
1.	The company is engaged in the research, development, demonstration, and deployment of innovative power genera- tion facilities that produce energy from nuclear processes with minimal waste from the fuel cycle, finances such ac- tivities, or holds risk positions related to these activities.	No
2.	The company is engaged in the construction and safe opera- tion of new nuclear facilities for the generation of electric- ity or process heat — including for district heating supply or industrial processes such as hydrogen production — as well as in their safety-related improvement using the best avail- able technologies, finances such activities, or holds risk po- sitions related to these activities.	No
3.	The company is engaged in the safe operation of existing nu- clear facilities for the generation of electricity or process heat — including for district heating supply or industrial pro- cesses such as hydrogen production — as well as in their safety-related improvement, finances such activities, or holds risk positions related to these activities.	No
	Activities in the field of fossil gas	No
4.	The company is engaged in the construction or operation of facilities for the generation of electricity from fossil gase- ous fuels, finances such activities, or holds risk positions re- lated to these activities.	No
5.	The company is engaged in the construction, modernization, and operation of facilities for combined heat and power (CHP) generation using fossil gaseous fuels, finances such activities, or holds risk positions related to these activities.	No
6.	The company is engaged in the construction, modernization, and operation of facilities for heat generation that produce heat/cooling from fossil gaseous fuels, finances such activi- ties or holds risk nositions related to these activities	No

	Une Category transitional activity (20)	F					т						8		
	Category enabl activity (1.9)	-				З					3				
	Proportion of Taxonomy-aligned (A.1.) or eligible (A.2.) turnover, year 2022 (18)	*			900	960	960			%8'86	98,8%	98,8%			
	Minimum Safeguards (17)	N/A			*	×	٨								
	Biodiversity (10)	N/A			٨	٨	٨								
es Not rm')	Circular Economy (9)	N/A			۲	٨	٨								
ia ('Do tly Hai	Poliution (8)	N/A			>	٨	٨								
l criter nifican	Water (7)	N/A			*	۶	۶								
DNSH Sig	Climate Change Adaptation (6)	N/A			*	>	۶								
	Climate Change Mitigation (5)	N/A			*	٨	٨								
	Biodiversity (10)	V; N; N/EL			80	80			EL; N/EL	N/EL	80	%0			
i criteria	Circular Economy (9)	V; N; N/EL			%0	%0			EL; N/EL	N/EL	%0	%0			
ibutior	Pollution (8)	Y; N; N/EL			950	%0			EL; N/EL	N/EL	360	960			
tial contr	Water (7)	N3 N/ N/EF			960	840			EL; N/EL	N/EL	960	960	8		
Substant	Climate Change Adaptation (6)	Y; N; N/EL			%0	960			EL; N/EL	N/EL	%0	960			
	Climate Change Mitigation (5)	V; N; N/EL			960	0%	940	ed activities	EL; N/EL	EL	97,3%	97,3%			
	Proportion of Turnover, year N (4)	×			960	960	960	nomy-align		3/3%	97,3%	97,3%		2,7%	100%
	Turnover (3)	¥		(pa	0	0	0	activities (not Taxo		860.865	860.865	860.865		23.657	884.523
	Code(s) (2)		TES	Taxonomy-align	tivities	which enabling	ich transitional	tally sustainable		CCM 3.21	onmentally I activities)		CTIVITIES		
2024	(consmic Activities [1]		A. TAXONOMY-ELIGIBLE ACTIVIT	A.1. Environmentally sustainable activities (Turnover of environmentally sustainable act (Taxonomy-aligned) (A.1)	ot	Of whi	A.2. Taxonomy-eligible but not environmen		Manufacturing of aircraft	Turnover of Taxonomy-eligible but not envir sustainable activities (not Taxonomy-alignee (A.2)	 A. Turnover of Taxonomy-eligible activities (A.1+A.2) 	B. TAXONOMY-NON-ELIGIBLE A	Turnover of Taxonomy-non-eligible activities	TOTAL

ANNEX II — TEMPLATES FOR THE KPIS OF NON-FINANCIAL UNDERTAKINGS r from products or services associated with Taxonomy-aligned economic activ

KPIs OF TEMPLATES FOR

2024					Substant	al contri	ibution (criteria		Ê	NSH cr Signifi	iteria (icantly	'Does Harm'	Vot				
(Comomic Activities (1)	Code(s)(2)	CapEx (3)	Proportion of CapEx, year N (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (5)	Climate Change	Water (7)	Pollution (8)	Biodiversity (10)	Minimum Safeguards (17)	Proportion of Taxonomy-slighed (A.1.) or -eligible (A.2.) Captix, year 2022 (18)	Category enabling activity (19)	Category transitional activity (20)
		ĸ	×	Y;N;N/EL	V; N; N/EL	V; N; N/EL	V; N; N/EL	Y; N; N/EL	V; N; N/EL	N/A	A N/A	A NI	IA NJ	W/A N	N/A	×		-
A. TAXONOMY-ELIGIBLE ACTIVITI	TES																	
A.1. Environmentally sustainable activities (1	Taxonomy-ali	(paul																
CapEx of environmentally sustainable activiti (Taxonomy-aligned) (A.1)	sei	0	%0	%0	%0	%0	%0	80	960	>	>	*	-	*	*	960		
Of whic	ch enabling	0	0%	%0	%0	%0	%0	960	960	٨	7	>	~	*	*	%0	E	
Of which t	transitional	0	960	%0						*	*	*	~	*	*	950		т
A.2. Taxonomy-eligible but not environment	tally sustainab	ble activities (not 1	axonomy-	aligned activ	ities)													
				EL; N/EL	B/N;B	EL; N/EL	EL; N/EL	EL: N/EL	EL:N/EL									

Manufacturing of aircraft	COM 3.21	26.083	76,2%	EL	N/EL	N/EL	N/EL	N/EL	N/EL	95,9%	
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5 / CCA 6.5	412	1,2%	EL	N/EL	N/EL	N/EL	N/EL	N/EL	3,2%	
Installation, maintenance and repair of renewable energy technologies	CCM 7.6 / CCA 7.6	236	0,7%	EL	N/EL	N/EL	N/EL	N/EL	N/EL	0%	
CapEx of Taxonomy-eligible but not environ sustainable activities (not Taxonomy-aligner (A.2)	mentally d activities)	26.731	78,1%	%6'11	950	%0	96	80	90%	966	
 A. CapEx of Taxonomy-eligible activities (A.1+A.2) 		26.731	78,1%	%6'11	%0	960	960	960	960	%66	
B. TAXONOMY-NON-ELIGIBLE A	CTIVITIES										2
CapEx of Taxonomy-non-eligible activities		7.511	21,9%								
TOTAL		CACAC	* CONST								

2024					Substant	ial contri	ibution	criteria			DNSH o	criteria	('Doe:	Not					
(conomic Activities [2]	Code(s) (2)	OpEx (3)	Proportion of OpEx, year N (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Minimum Safeguards (17)	Proporti Taxonomy (A.1.) or + (A.2.) Opt	an of Algned Categor Sighte ach	viry (19)	Category transitional activity (20)
		ke	*	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/BL	Y; N; N/EL	Y; N; N/EL	N/A	NIA	NIA	NIA	N/N	N/A NJ	*			T
A. TAXONOMY-ELIGIBLE ACTIVIT	TES																		
A.1. Environmentally sustainable activities (Taxonomy-aligne	d)																	
OpEx of environmentally sustainable activiti aligned) (A.1)	es (Taxonomy-	0	ś	9%	%	30	9%	9%	36	>	*	>	>	>	*	8			
6	f which enabling	0	80	940	960	960	940	940	960	>	*	*	>	>	X	50		5	
Q.W.	hich transitional	0	8	%0						*	*	*	~	*	*	560			۲
A.2. Taxonomy-eligible but not environmen	tally sustainable a	activities (not Taxon	omy-align	ed activities)															
				EL: N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Manufacturing of aircraft	CCM 3.21	21.934	348'26	EL	N/EL	N/EL	N/EL	N/EL	N/EL							8'16	×		
			0,0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL							960			
			%0'0	EL	N/EL	N/EL	N/EL	N/EL	N/EL							%0			
OpEx of Taxonomy-eligible but not environn sustainable activities (not Taxonomy-aligned	nentally 1 activities) (A.2)	21.934	97,3%	97,3%	*6	8	960	%0	940							666			
 A. OpEx of Taxonomy-eligible activities (A.1+A.2) 		21.934	97,3%	92,3%	9%0	960	960	950	9%0							666			
B. TAXONOMY-NON-ELIGIBLE AL	CTIVITIES																5		
OpEx of Taxonomy-non-eligible activities		609	2,7%																
TOTAL		22.543	100,0%																

Additional Reporting Form:

TURNOVER

	Turnover share	/Total Turnover
	Taxonomy-compliant per objective	Taxonomy-eligible per objective
CCM	0%	97,3%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

CAPEX

	CapEx-Share	/Total-CapEx
	Taxonomy-compliant per objective	Taxonomy-eligible per objective
ССМ	0%	78,1%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

OPEX

	OpEx-Share/	/Total-OpEx
	Taxonomy-compliant per objective	Taxonomy-eligible per objective
CCM	0%	97,3%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
310	0%	0%

2.2. ESRS E1: Climate change

2.2.1. DR E1-1 – Transition plan for climate change mitigation

(E1-1.17) FACC has no transition plan in place to date. However, as part of FACC's decarbonization efforts, a detailed transition plan will be developed in the next 1-2 years.

2.2.2. DR E1-2 - Policies related to climate change mitigation and adaptation

Impact, risk and opportunity management (IROs)

Negative Impacts

Climate Change Mitigation

- · FACC operations: Greenhouse gas (GHG) emissions from production, and internal transportation due to the use of fossil fuels.
- Value chain: GHG emissions generated in the extraction of raw materials, transportation, and processing of composite materials, as well as logistics-related emissions.

Opportunities

Energy

· FACC operations: Cost savings through improved energy efficiency, renewable energy use.

(E1-2.24): Policies

FACC is actively committed to supporting sustainability goals and is currently developing a structured concept to tackle climate change, increase energy efficiency and promote renewable energies. With a clear focus on continuous improvement, the company plans to implement a comprehensive climate concept within the next one to two years.

2.2.3. DR E1-3 – Actions and resources in relation to climate change policies

(E1-3.28): Decarbonization lever - Evaluation of solutions for a To advance these efforts, a dedicated project team oversees the sustainable energy supply

This key action supports the achievement of target 1. FACC is committed to becoming 100% reliant on renewable energy in its production facilities by 2040. Significant progress has already been made, with absolute output figures showing that 75% of the reduction target was achieved by 2024 relative to 2015 (see E1-4). However, to achieve our target, the remaining 25% will require substantial analysis of potential investments in systems designed to reduce emissions.

In order to achieve this target, a key challenge needs to be addressed: namely, natural gas and natural gas-based heat consumption, which currently accounts for 77.5% of FACC's Scope 1 and 2 emissions. In 2024, FACC initiated efforts to explore alternative solutions and launched the first phase of a project relating to sustainable energy supply. This project examines the development of a new industrial area within the Sustainable Industrial Park (SIP)

in Reichersberg, aiming to establish an efficient and environmentally friendly energy system by exploiting regional synergies. This involves collaborating strategically with local partners to utilize existing resources and infrastructure, there-by maximizing the efficiency of the energy system and creating a more sustainable energy network.

A further key focus of this initiative is integrating the existing infrastructure of the St. Martin Geo-thermal Energy Plant (GTS), which already supplies district heating to parts of St. Martin im Innkreis, Ort im Innkreis and the neighboring FACC Operations GmbH.

Energy data from project partners was collected and analyzed in order to assess requirements and identify opportunities for optimization. Various technologies and energy carriers supporting efficient and renewable energy supply were evaluated in the course of a region-specific SWOT analysis.

In addition, four future energy supply scenarios were developed: a benchmark scenario reflecting the current situation, a businessas-usual scenario, a cooperation scenario emphasizing collaboration among project partners, and an industrial-urban symbiosis scenario exploring broader regional cooperation.

The analyses and scenario evaluations provided the project partners WIPA Reichersberg, Geothermie St. Martin, and FACC with valuable insights into the energy potential and challenges facing them. Significant synergies can be achieved through the use of renewable energy sources such as PV systems, heat pumps, and waste heat integration. However, key challenges remain, particularly that of managing peak loads for the GTS network, which could be addressed through heat pumps and an additional heating plant. A further key focus of this initiative is integrating the existing infrastructure of the St. Martin Geothermal Energy Plant (GTS), which already supplies district heating to parts of St. Martin i.I., Ort i.I., and the neighboring FACC Operations GmbH, FACC's hightemperature energy needs could be met with green electricity, green gas, or high-temperature heat pumps. Therefore, while the joint biomass utilization scenario presents a promising option for peak load coverage and backup supply, it necessitates a thorough assessment of load profile adaptations and careful consideration of its emission implications to ensure alignment with sustainability qoals.

tracking of the carbon-neutral production initiatives, with a project management team actively committed to ensuring their effectiveness. Furthermore, a detailed techno-economic feasibility study will be evaluated within the next three years to refine load profile analyses, explore synergies, and assess available waste heat sources and opportunities for regional cooperation. These steps are crucial for boosting energy efficiency and ensuring a sustainable, cost-effective energy supply.

Scope of key actions

- The transition involves shifting process heat to one or more potential combinations: biomass, PV systems, heat pumps and waste heat integration.
- The focus will be on regions with high operational impact, particularly those areas served by the St. Martin Geothermal Energy Plant (GTS) and neighboring regions such as St. Martin i.I.

coming years, the possibilities for implementing similar sustainable energy solutions at FACC's other international facilities will also be evaluated.

• The initial research phase began in 2024, and the techno-economic feasibility study is expected to be evaluated within the next three years. The finalization of the project will require additional input for further definition.

OPEX and CAPEX - Decarbonization lever

The action plan for the Sustainable Industrial Park (SIP) in Period: target period is from 2015 to 2040 Reichersberg outlines future investments in renewable energy technologies, with varying capital expenditures (CAPEX) and operating costs (OPEX). As these cost factors are still under evaluation, no definitive statements can be made at this stage; however, they will be considered in future CSRD reports.

Preliminary assessments indicate that technologies such as geothermal and biomass require significant initial investments but present lower operating costs, making them viable long-term solutions. Similarly, solar thermal systems involve high CAPEX but benefit from low OPEX over time.

Future investments in heat pumps, electric boilers, hydrogen, and biomethane will require careful evaluation of both upfront and ongoing costs. While hydrogen and biomethane currently have high operating expenses due to their procurement, advances in technology and market developments may lead to cost reductions over time

2.2.4. DR E1-4 - Targets related to climate change mitigation and adaptation

(E1-4.32): Disclosure of GHG emission reduction targets

FACC has set a clear greenhouse gas (GHG) emissions reduction target in order to manage material climate-related impacts, risks, and opportunities, aiming to become 100% reliant on renewable en-ergy in its production facilities by 2040. This means that the Group intends to switch from the fossil heating used in these facilities to renewable sources. In the case of electricity, FACC already sources 100% green electricity.

To mitigate climate change, FACC focuses on reducing GHG emissions from its own operations, in-cluding production, by managing key actions focused on sustainable energy supply solutions (reference to E1-3).

Relationship of the target to policy objectives: FACC has not yet adopted a policy (see E1-2). Consequently, the relationship has not vet been made.

FACC reliant on a production focus on renewable energy across our Scope 1 and Scope 2 by 2040, through a series of key actions that prioritize emission reductions without relying entirely on offsets. Specifically, our renewable energy target addresses emissions related to energy consumption, including electricity and heating. This target currently applies to all FACC locations in Austria, with plans to expand our other facilities within the next 1-2 years.¹

¹ It does not fuels consumed in our vehicle fleet and fugitive emissions.

and Ort i.I., where FACC Operations GmbH is located. In the Defined Target Level: Primary metric is achieving a production that is fully reliant on renewable energy by 2040.

> Scope of target: FACC calculates its Scope 2 GHG emissions in accordance with the GHG Protocol, utilizing market- and locationbased emissions.

> Baseline value and base year: FACC has established 2015 as the base year for measuring progress toward its target, ensuring that the baseline value of 27.305 tons of CO₂ emissions is a representative absolute measure.

Methodologies and assumptions: FACC's target 1 is based on a structured methodology that integrates a data-driven approach for continuously tracking and assessing internal performance indicators. Developing this target involved identifying key areas of emissions, particularly within Scope 1 and Scope 2, and reviewing energy consumption figures, emissions data, and progress against set milestones. The company did not rely on significant assumptions but instead followed a systematic process that considered historical data, current operational practices and industry standards.

Scientific evidence: FACC's targets were set and analyzed internally with the help of KPIs for energy consumption and CO2 emissions (Scope 1 and 2); the targets are therefore not science based.

Stakeholder involvement: when setting the targets, only the FACC workforce was involved in the process. The internal environmental team played an important key role with their expertise and support.

Changes in targets and methodologies: no changes in targets have occurred. Methodologies are periodically reviewed in terms of their accuracy and for the purpose of alignment with evolving scientific and regulatory standards.

Performance against targets

- Energy monitoring: FACC tracks its energy consumption across all production facilities on a monthly basis in order to identify any inefficiencies and areas for improvement. Monitoring the KPIs allows corrective actions to be taken immediately, ensuring that energy use is op-timized in line with the goals to reduce emissions.
- Reviews: progress towards attaining the target is assessed annually. These reviews analyze energy consumption and CO_2 emissions, with a focus on key measures such as the implementation of new heating and energy technologies. To monitor the progress of such implementations, FACC tracks the performance of newly installed technologies through real-time data collection on energy usage and compares these against predefined energy-reduction goals. In addition, progress is monitored through key performance indicators (KPIs) relating to energy savings and emission reductions.
- Performance analysis: FACC's progress towards production using renewable energies is measured by comparing the MWh consumed (per year) by renewable energies with non-renewable energies.

2.2.5. DR E1-5 - Energy consumption and mix

Scope

The analysis of total energy consumption across all FACC facilities indicates that approximately 93.8% of the Group's energy usage is attributed to Austria, while 4.7% is Croatia. The remaining consumption is distributed among other locations, contributing only marginally to overall energy consumption and the GHG balance. However, to meet reporting and materiality requirements, and data accessibility, all facilities have been fully included in the final results.

Energy consumption data for Austria, Croatia, the United States, Slovakia, and Canada were obtained directly from energy suppliers and managed through internal systems, ensuring a high level of accuracy. For engineering offices in China and India, where direct energy consumption data were unavailable, an estimation methodology was applied using reference data from the FACC location in Slovakia.

The reported data covers all FACC facilities worldwide. While no external validation by a third party has been conducted, verification is still required, particularly for the geothermal energy emission factors.

Methodology: employee-based extrapolation

To estimate energy consumption for the locations in China and India, Slovakia's energy consumption-derived from supplier invoices—was used as a reference. The total energy consumption of the Slovakian location was divided by the total number of its employees to calculate an average energy consumption per employee. Since these locations operate as engineering centers rather than production facilities, this per-employee metric was deemed the most relevant form of representation.

The estimated energy consumption per employee was then multiplied by the total number of employees in the China and India locations to derive an approximation of their total energy consumption. This employee-based extrapolation method ensures a reasonable estimate while maintaining methodological consistency across FACC's reporting.

Energy consumption

In the table below, the total energy consumption in 2024 increased by approximately 6.13% compared to 2023, reaching 97,367 MWh. This growth could be attributed to increased production ac-tivities, and an expansion of operations. However, despite the increase in total consumption, FACC has managed to improve its energy mix by reducing its dependency on fossil fuels and increasing its use of renewable energy.

	2023	2024
Total energy consumption	91,739	97,367
Total fossil energy consumption	36,837	38,299
Fuel consumption from coal and coal products	-	-
Fuel consumption from crude oil and petroleum products	2,081	2,479
Fuel consumption from natural gas	29,953	30,723
Fuel consumption from other fossil sources	-	-
Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources	5,843	6,849
Share of fossil sources in total energy consumption	40.15%	39.33%
Consumption from nuclear sources	-	-
Share of consumption from nuclear sources in total energy consumption	-	-
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	53,862	57,316
Consumption of self-generated non-fuel renewable energy	-	-
Share of renewable sources in total energy con- sumption	53,159	56,552
Non-renewable energy production	410	425
Renewable energy production	58.71%	58.87%
Total energy consumption from activities in high climate impact sectors	-	-
Total energy consumption from activities in high climate impact sectors per net revenue from activi- ties in high climate impact sectors	220	223
Total energy consumption	91,739	97,367
Total fossil energy consumption	125	110

Net revenue	Unit	2023	2024
Net revenue from activities in high cli- mate impact sectors used to calculate energy intensity	MEUR	736,2	884,5
Net revenue (other)	MEUR	-	-
Total net revenue (Financial State- ments)	MEUR	736,2	884,5

(E1-5.AR 36): Energy Intensity

FACC has followed the prescribed methodology for disclosing energy intensity (total energy consumption per net revenue) in sectors with high climate impact, in accordance with the requirements set out in the ESRS. This process involves calculating energy intensity by dividing the total energy consumption from activities in sectors with high climate impact (measured in MWh) by the net revenue from those activities (measured in monetary units, i.e., euros). The net revenues used, and the results of these calculations are listed at the end of the two tables above. No significant assumptions were necessary, as the data is sourced directly from our integrated SAP system.

(E1-5.42): Specific high climate impact sectors used to determine energy intensity in accordance with paragraph 40

The classification of high climate impact sectors used to determine energy intensity follows the NACE categories C30.3.0 – Manufacture of aircraft and spacecraft and related machinery, and C33.1.6 – Repair and maintenance of aircraft and spacecraft, as outlined in Sections A to H and Section L of the NACE classification, and as these measures into our operations and supply chain. defined in Commission Delegated Regulation (EU) 2022/1288. Consequently, FACC's total revenue, as reported in the consolidated financial statements, is considered equivalent to the net revenue from activities in high climate impact sectors.

2.3. ESRS E2: Pollution

2.3.1. DR E2-1 – Strategy regarding pollution

Our approach to determining our material impacts, risks and opportunities is described in General Disclosures. Concerns about air. water and soil pollution are limited due to the nature of FACC's ing pollution, especially substances of concern and substances of operations, which are focused on aerospace manufacturing. The particularly high concern as part of its broader sustainability stratcompany operates in controlled production environments, such as cleanrooms and specialized facilities that minimize the direct release of pollutants. Furthermore, FACC enforces strict waste management practices, ensuring responsible disposal of both hazardous and non-hazardous waste. The company also adheres to chemical management protocols, effectively preventing harmful substances from contaminating the environment.

Impact, risk, and opportunity management

At FACC, managing the impact of hazardous substances is crucial both to operations and within the supply chain. The use and potential release of such substances during manufacturing can pose envi-ronmental and health risks, requiring strict compliance with regulations to avoid legal consequences and ensure employee safety. Similarly, substances within the supply chain can contribute to environmental risks, including pollution. FACC must closely monitor its supply chain to mitigate these risks and create opportunities for improved sustainability and regulatory compliance.

Negative impacts:

• FACC operations: the use and potential release of substances of Methodology and assumptions concern during manufacturing processes.

· Value chain: the presence and handling of such substances within the supply chain, contributing to environmental risks.

Policies

FACC has not yet established a formal policy explicitly addressing pollution prevention and the management of substances of (par-Total amount of SoC and SVHC generated or used during producticularly high) concern. This is primarily due to the fact that the tion or procured materiality assessment was conducted in accordance with ESRS requirements for the first time in this reporting year. As a result, To calculate the total amount of substances of concern (SoC) and FACC's policies are still in the process of aligning sustainability insubstances of very high concern (SVHC), data from the goods puritiatives with operational priorities and evolving regulatory framechased of SAP for the years 2023 and 2024 was utilized. This data works. Nevertheless, the company acknowledges the significance reflects the quantity of materials procured. Due to the REACH legof mitigating pollution risks, particularly those associated with islation, materials classified as SoC or SVHC are normally selected hazardous materials used in its operations and remains committed and managed within the EHS tool. As a result, the material numto integrating these considerations into its sustainability strategy. bers were accurately identified and subsequently filtered from the goods purchased list based on their classification.

Over the next year, FACC will conduct a thorough analysis to determine whether a dedicated pollution policy is necessary or if this topic should be incorporated into our existing environmental policy. If required, this assessment will establish clear objectives for minimizing the use of substances of particularly high concern and for ensuring full compliance with environmental regulations. Our goal is to align with relevant third-party standards and integrate

2.3.2. DR E2-2 – Actions and resources related to pollution

(E2-2.18) (ESRS 2.62): Description of pollution-related action plans and resources. FACC will implement key actions in the next 1-2 years.

2.3.3. DR E2-3 – Targets related to pollution

(E2-3.20) (ESRS 2.81): FACC has not vet established specific pollution-related targets but recognizes the im-portance of addresseqy. The company is currently assessing its environmental impact and developing a comprehensive approach to pollution management. Over the next 1–2 years, FACC plans to define measurable targets that will align with regulatory require-ments and industry best practices. This process involves evaluating emissions data, identifying key areas for improvement, and integrating pollution reduction initiatives into existing sustainability goals.

2.3.4. DR E2-5 – Substances of concern and substances of verv hiah concern

Scope

FACC systematically monitors the production, use, distribution, and procurement of Substances of Concern (SoC) and Substances of Very High Concern (SVHC) across its operations in Austria, where the high production volume and potential environmental impact require close oversight. For other facilities, the presence of such substances is currently considered immaterial, with stringent performance monitoring in place to ensure full regulatory compliance.

This process involves a detailed analysis of all relevant categories, with each one being thoroughly examined individually. Relevant assumptions were applied to ensure that all substances used or generated within FACC's operations are accounted for, including those embedded in raw materials, semi-finished products, and final products.

The total weight of the materials procured that contain the substances was calculated by multiplying the quantity purchased by its respective density, resulting in total kilograms, which was then converted to tons. This calculation was conducted without assumptions, ensuring the accuracy of the data.

Leave facilities as emissions

The calculation for emissions is based on the assumption that approximately 75% - 90% of the mate-rial remains in the component. while the remaining 10% - 25% does not leave to the customer but is disposed of as waste, contributing to emissions. This 10% - 25% was converted into weight to obtain the final figure, representing the total emissions in tons.

The assessments and estimations were carried out by reviewing the existing product group classifi-cations, considering process workflows, and making estimates based on this data (see Table below).

Leave facilities as products

For products leaving the facilities, no assumptions are made. Instead, SAP data from Goods Issue for Shipping was used. This data

is filtered to identify how many products contain materials classified as SoC or SVHC. The total amount of these substances leaving as products is directly based on the quantity of materials processed, with no estimation needed.

Leave facilities as part of products

This category is similar to the 'Leave Facilities as Emissions' calculation. Approximately 10% to 25% of the material remains as waste within the company, contributing to emissions. The remaining 75% to 90% weight is incorporated into the products and leaves the facilities as part of the final product. The calculation is based on estimates and the amount in tonnes of substances leaving as part of the products, as outlined in the table below.

Leave facilities as services

At FACC, there are no services that would involve SoC or SVHC, so this category does not apply.

A key component of the calculation was estimating how much of each material remains within the final product and how much is lost during processing. The following table outlines this assumption per material type. However, the data has not been verified by a third party to date.

Material	Processes Material Consumption	% of Material re- maining in final product	% Net material used does not leave facili- ties/waste
PREPREG	Roll start/end, edge trimming, nesting waste, selvage, milling allowances (e.g., cutouts)	75-80%	20-25%
ADH-FILM	Roll start/end, edge trimming, nesting waste, selvage, milling allowances (e.g., cutouts); no re- quired orientation, thus reduced waste	85-90%	10-15%
PAINT	Buffer material when mixing, adjusting spray equipment, spray mist, additional material for sand- ing between layers, rework, expired material batches, filler materials (e.g., Pin Hole Filler)	20-25% (primer, top coat, and other coatings; 60-80% for fillers)	15-20% (primer, top coat, and other coatings; 60-80% for fillers)
SEALANT	Cartridge sizes, adjusting hand tools, excess material during sealing, squeeze-out when joining parts, expired material batches	85-90%	10-15%
ADHESIVES	Buffer material when mixing, excess material during lamination, repairs, squeeze-out during bonding, expired batches	85%	15%
POTTING	Buffer materials, excess for filling cores, material from repairs and expired batches	80%	20%
GEKOM & ROHMAT	Used as production aids (except in rare cases, they do not remain in the final product)	N/A	N/A

The data collection and reporting process were further supported Final reporting and verification by cross-departmental collaboration. FACC worked closely with various departments, including enviromental, Logistics, Purchasing, Production, Health & Safety, and Design.

Once all the data was gathered, the findings were consolidated into the final table below. Throughout its production processes, FACC ensures that nearly all SoC and SVHC are collected, monitored, and managed as waste in strict compliance with both internal quality and safety standards (FQS). These standards, accessible to our workforce via the corporate network, outline precise handling, storage, and disposal measures to minimize environmental and human health risks while ensuring full regulatory compliance. While the internal methodology provides a structured approach, the data has not yet been verified by a third party.

Table: Substances of (very high) concern

	2023 (t)	2024 (t)	
otal amount of substances of concern that re generated or used during production or hat are procured	43,389	521,938	
otal amount of substances of concern that eave facilities as emissions, as products, or s part of products or services	343,306	347,247	
eave facilities as emissions	64,051	67,051	
eave facilities as products	4,413	1,623	
eave facilities as part of products	274,842	278,573	
eave facilities as services	0	0	
otal amount of substances of very high oncern that are generated or used during roduction or that are procured	29,081	26,23	
otal amount of substances of very high oncern that leave facilities as emissions, as roducts, or as part of products or services	33,948	41,482	
eave facilities as emissions	5.6	5.52	
eave facilities as products	4,932	7,655	
eave facilities as part of products	23,416	28,307	
eave facilities as services	0	0	

2.4. ESRS E5: Resource use and circular economy

The future of mobility heavily depends on innovative technologies and materials. FACC is pushing beyond previous limits by developing and utilizing new materials, driving forward more sustainable, cost-effective, and efficient production technologies for fiber-reinforced components.

To enable the integration of aircraft parts into a circular economy, FACC is conducting intensive research on novel processing and manufacturing techniques. While FACC's products are designed for long-term use, the goal is to recycle them or their components at the end of their lifecycle. In recent years, the company has increasingly focused on developing and implementing circular economy principles to promote sustainability in aviation.

2.4.1. DR E5-1 - Policies related to resource use and circular economy

Impacts, risks and opportunities (IROs)

FACC has identified the following impacts, risks and opportunities (IROs) within the ESRS E5 standard to manage resource inflows, outflows, and waste management within the company.

Negative Impacts

- · Resource Inflows Value Chain: The supply chain also experiences significant raw material demand, contributing to resource depletion across the production lifecycle.
- · Resource Inflows Own Operations: FACC's manufacturing processes require substantial raw material consumption, leading to high resource utilization.

Risks:

· Waste Management - Own Operations: The generation of hazardous waste can lead to increased disposal costs and regulatory compliance expenses.

(E5-1.14): Policies

(ESRS 2.62): FACC has not yet established a specific standalone circular economy policy addressing the material impacts, risks, and opportunities identified in the materiality assessment; the reason for this is our focus on integrating circular economy principles within our existing systems and processes. This approach allows us to better understand and optimize resource use and waste management practices as a foundation. FACC will actively be working on developing a more structured and comprehensive circular economy policy, which we plan to formalize in the next 1-2 years.

2.4.2. DR E5-2 – Actions and resources related to resource use and circular economy

(E5-2.19 a-b): Description of the key actions

Key action 1 - Transition to thermoplastics

The transition to thermoplastics enables a 2% product recycling rate until the next products generation. In this key action, efforts in the evaluation of thermoplastics efficiency such as closed-loop recycling, the advancement of lightweight materials, and the exploration of new technologies play a crucial role in this process. This initiative also addresses the two negative impacts identified in the materiality assessment. Specifically, FACC aims to mitigate high resource utilization in the value chain and own operations by reducing raw material consumption in its manufacturing processes.²

² Closed-loop processes in thermoplastics involve recycling and reusing production scrap or end-of-life components to reduce waste and reliance on virgin materials.

Key action 2 - Product separability and embedding circularity

FACC is advancing the development of modular products to enhance end-of-life reuse. By implementing design-for-recycling, this key action also contributes to the 2% recycling target for thermoplastics, as the focus on recyclable thermoplastics and modular designs will increase the overall separability of the components.

This key action addresses a risk identified in the materiality assessment by reducing hazardous waste generation through improved product separability. By enhancing end-of-life reuse and optimizing component design, FACC minimizes material waste, lowers disposal costs, and mitigates regulatory compliance expenses related to hazardous waste management.

Key action 3 - Training on circularity awareness

This action is a key action based on a voluntary basis since FACC is dedicated to advancing employee awareness and training to meet its sustainability objectives. The completion of the e-learning platform for employee training by 2026 will be pivotal to reduce the risk of not educating staff correctly on the significance of recycling best practices and upcoming regulations, ensuring they are wellprepared for future requirements. Ultimately, trainings should be

reachable for the own workforce.

None of the three above mentioned key actions do not require significant CAPEX or OPEX

starting latest in 2027 and be ongoing since the platform should be The table below outlines the scope of key actions, including their coverage in terms of activities, upstream and downstream value chain impact, geographic reach, the stakeholder groups affected and the progress of the actions.

Key actions	Time horizons	Value chain scope	Geographical scope	Affected stakeholders groups	Progress
Transition to ther- moplastics	Next-products ge- neration ³	Own operations: FACC Group	Austria, Croatia	Own workforce	FACC is still in the research phase, evaluating the viability
		Upstream	Global	Suppliers	tics. As a result, the necessary
		Downstream	Global customer markets	Customers	product designs remain still in-
Product separability and embedding cir-	Next-products ge- neration ³	Own operations: FACC Group	Global	Own workforce	 tegral to the research process.
cularity		Downstream	Global customer markets	Customers, Waste ma- nagement partners	_
Training on circula- rity awareness	2027 - ongoing	Own operations: FACC Group	Global	Own workforce	FACC is still finalizating the e- learning platform for em- ployee training to be com- pleted by 2026.

³ FACC is still unable to define a specific year for the launch of the next-products generation, as the development of thermoplastics and their integration into aircraft design is still under research.

2.4.3. DR E5-3 – Targets related to resource use and circular economv

FACCs goal is to establish lightweight thermoplastic composites as a sustainable business standard, move them from pre-development to serial production for next-products generation, and achieve a 2% recycling rate through closed-loop processes that support circular economy principles.

By reducing raw material consumption in the value chain and own operations, this target helps minimize resource inflows (negative impact). Additionally, achieving a 2% recycling rate through closedloop processes supports circular economy principles, helping to minimize hazardous waste generation and associated disposal costs and regulatory risks. ⁴

⁴ Closed-loop processes in thermoplastics involve recycling and reusing production scrap or end-of-life components to reduce waste and reliance on virgin materials.

(E5-3.23) Relationship of the goal to the policy: FACC has not yet adopted a policy (see (E5-1.14)), for that reason, the relationship has not been made yet.

Defined target level

- Transfer thermoplastic composites to serial production to the next-products generation.
- Achieve a 2% recycling rate through closed-loop processes.

Scope of target: The scope of FACC's target mainly focuses on its own activities, aiming to achieve a 2% recycling rate through closed-loop processes within its production operations. This target applies to FACC's manufacturing facilities and is integrated into its broader waste management and resource efficiency strategies. While the primary focus is on internal processes, upstream suppli-

ers and downstream customers are also considered where applicable, particularly in material selection and end-of-life recycling initiatives. Geographically, the target encompasses all FACC production sites, ensuring a standardized approach to circular economy principles. By using lightweight, recyclable materials, FACC seeks to lower production costs, reduce transportation emissions due to decreased material weight, and meet growing customer demand for eco-friendly solutions.

Baseline value: 0%, Base year: 2024, Target period: next product neneration ³

³ FACC is still unable to define a specific year for the launch of the next-products generation, as the development of thermoplastics and their integration into aircraft design is still under research

Period and milestones: FACC aims to transfer thermoplastic composites from pre-development to serial production as part of the next-product generation. ³ Within this long-term target, the company also targets achieving a 2% recycling rate through closedloop processes, supporting circular economy principles.

Description of methodologies and significant assumptions used to define target: To establish a clear basis for the 2% recycling target, FACC expects a scrap rate of approximately 5% once thermoplastic processes are fully implemented. However, not all waste can be recycled due to limitations such as lightning protection, paints, or impurities on components, which reduce the share of recyclable material. Additionally, not all polymers are suitable for recycling. The assumed recycling potential is based on current technological capabilities, material availability, and processing feasibility, which can contribute to achieving the feasible 2% target under the following conditions: First, securing the initial thermoplastic contract at FACC is essential to establish a consistent raw material flow. Second, material qualification for a press or injection molding material with recycled content is necessary, as this is not yet industry standard. Third, introducing recycled-based components into aircraft cabins requires ensuring that the material properties meet

performance standards. Lastly, the business case must be viable, as processing recycled material incurs costs and is not financially neutral.

Scientific evidence

- COMPASS Project: In collaboration with industry partners, FACC is researching the re-manufacturing of thermoplastic materials to produce high-quality second-life components. This project aims to enhance the sustainability of aerospace components by extending their lifecycle.
- A2LT Initiative: FACC is involved in the A2LT project, focusing on automated thermoforming and injection molding processes for thermoplastic sheets. This initiative seeks to improve the cost-effectiveness and resource efficiency of thermoplastic composite manufacturing.
- The COMPASS Project and A2LT Initiative focus on exploring the potential of thermoplastic composites in aerospace manufacturing. While these projects aim to enhance sustainability and efficiency, they are not based on established scientific evidence but rather on a potential-driven approach. Their outcomes depend on ongoing research and industry collaboration, making them promising but not yet scientifically validated solutions

Stakeholder involvement: For the target setting, only FACC's own workforce has been involved in the process. The internal R&D team played an important key role with its expertise.

Changes in targets and methodologies: No changes in targets have occurred. Methodologies are reviewed for accuracy and alignment with evolving scientific and regulatory standards.

Performance against targets

- · Monitoring: We will track the volume of thermoplastic composite products produced and the recycling rates achieved, using integrated environmental management systems to collect and analyze data.
- Review: Annual reviews assess progress against sustainability targets, with adjustments made based on performance trends and operational developments.
- · Performance Analysis: While specific performance data is not detailed yet because the project is still in the research phase, the commitment to research and development is evidenced by FACC participation in projects like COMPASS and A2LT.

(E5-3.24/a): The target specifically addresses the enhancement of circular product design, focusing on the integration of lightweight thermoplastic composites as a sustainable standard in FACC's production process. Due to their inherent recyclability and potential for reprocessing, thermoplastic composites are a key material for enabling closed-loop manufacturing systems. Transitioning these materials from the pre-development phase into serial production for next-products generation represents a significant step toward implementing circular economy principles. By introducing closed material cycles that achieve a recycling rate of 2 %. FACC reduces waste, reuses valuable materials, and decreases its dependency on primary resources. This aligns with FACC's environmental policy

objective to minimize environmental impact by limiting the consumption of natural resources and reducing industrial waste.

(E5-3.25): Target relates to the hierarchy layer "recycle".

(E5-3.27): All of the mentioned targets related to resource use, waste and circular economy are set on voluntary basis.

2.4.4. DR E5-5 - Resource outflows

Product durability and reparability

One of the main focuses at FACC is producing lightweight components that enhance buy-to-fly ratios while ensuring durability and repairability. Most of its components are designed to last over 20 vears, aligning with the typical service life of an aircraft. The aftersales activities include replacing spare parts and providing global maintenance, repair, and overhaul (MRO) services to support the longevity of its products. However, at present, there is no established rating system available to assess the reparability of the products, and recycling of these products is currently not possible due to material composition.

Recyclable content in products and packaging

Currently, FACC does not incorporate recycled content into its products. The percentage of recyclable content in its products and their packaging is therefore 0%. However, continuously its being explore future possibilities for integrating sustainable materials where feasible without compromising performance and safety standard.

Products pro segments and sales overview

In terms of products and materials sold, FACC focused on three key segments that significantly contribute to overall business performance. Data is presented based on the total number of series shipsets sold, as these represent the most impactful products in terms of production and market presence.

Each shipset comprises multiple components and materials, with complexity varying by segment. To provide a clearer and more accurate representation of sales data, reporting is structured around shipsets rather than individual parts or materials.

The breakdown of the three key segments is as follows:

egment	Amount serie shipsets sold in 2024
abin Interiors	2,771 pieces
erostructures	4,409 pieces
ngines & Nacelles	1,635 pieces

Circular design and resource optimization

In recent years, FACC has been actively contributing to sustainable aviation through research aimed at reducing emissions in the next generation of aerospace products. As part of this commitment, FACC participated in the Wing of Tomorrow program—an ambitious research initiative focused on developing advanced wing technologies. Within this project, FACC supported delivering data to conduct lifecycle assessments and better understand the environmental impact of using lighter composite materials and a folding wingtip, which enhances aerodynamic efficiency and reduces fuel consumption.

In addition, FACC continuously optimizes materials from research and development (R&D) to operational deployment, integrating circular economy principles into its production processes. One key area of focus is the ongoing optimization of the aileron—a hinged flight control surface located on the wings, responsible for controlling an aircraft's roll movement. Through lifecycle assessments, the evaluation of the environmental impact of various materials, such as thermosets and thermoplastics, aids in identifying key hotspots for optimization. Furthermore, Cabin Interior products—such as overhead bins and cabin walls—remain a crucial segment to advance in alternative solutions.

Overall total weight of materials used

The total overall weight of materials used during the reporting period was not accurately determined as part of resource usage. As a result, the required calculation could not be conducted.

Social Information

3. SOCIAL INFORMATION

3.1. ESRS S1: Own workforce

DR related to ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with the strategy and business model

(S1.SBM-3.10): FACC integrates social sustainability targets into its strategic planning by implementing initiatives aimed at promoting diversity, inclusion and fair working conditions. This includes professional training and development programs (such as the "Expert Career") aimed at continuously improving employees' skills and expanding their career opportunities.

The company attaches great importance to creating a safe and healthy working environment, supported by the implementation of health and safety guidelines based on international standards such as ISO 45001. Measures include regular training and safety drills.

In addition, FACC promotes an open corporate culture that encourages staff to give feedback and actively participate in shaping the working environment. This is supported by regular employee surveys and feedback loops to ensure that the needs and expectations of the workforce are taken into account. The same applies to our employee representatives (works council).

(S1-SBM 3.13a) (S1-SBM 3.13b): FACC identifies and assesses its material impacts, risks and opportunities with regard to its workforce in accordance with the guidelines set out in ESRS 2 IRO-1. The following aspects of FACC's strategic business model have a significant impact on its employees while contributing to the adaptation of the corporate strategy and business models.

i. Origin and connection to the strategy and business models:

Job security and quality at the FACC locations

FACC greatly values safe and high-quality workplaces. This strategy ensures that workplaces are secure and safe, resulting in higher efficiency and motivation among employees. Safety standards and continuous improvement programs ensure that accidents and injuries do not occur in any work environment. The ISO 45001 certification, which is performed externally each year, further underscores FACC's commitment in this area.

Working conditions promoting greater flexibility and a better worklife balance:

The strategy FACC is pursuing to promote flexible working models allows employees to achieve a better work-life balance. This includes (where feasible) options to work from home, flexible working hours and part-time models. These measures improve job satisfaction and long-term employee retention.

Reconciling family and career

FACC offers its employees programs and support services to achieve a better work-life balance. These include more flexible working hours, special working time arrangements for parents, and company childcare. These initiatives aim to increase the company's attractiveness as a family-friendly employer, thereby retaining talented staff in the long term.

ii. Informing and contributing to the adaptation of the strategy and business model:

Increasing employee satisfaction through inclusion and diversity

The promotion of a DIE culture (Diversity, Inclusion & Equality) is an essential component of FACC's corporate strategy. Initiatives such as mentoring programs, the International Café (a language exchange program for employees) and the FACC women's network Wings for Women contribute to creating an inclusive working environment. These measures are continuously evaluated and adapted in order to maximize their effectiveness.

Making workplaces more attractive through equal opportunities, training and inclusion

Through targeted training programs and initiatives to promote equal opportunities and inclusion, FACC supports the skills development and career opportunities of its employees. These measures improve FACC's competitiveness and help to attract and retain top talents.

Equal treatment of men and women in the salary structure

A transparent pay structure based on equal treatment is a cornerstone of FACC's company policy. Regular reviews of salary structures ensure that gender-specific income differences are eliminated. These efforts contribute to the creation of a fair and motivating working environment.

FACC analyzes and reports on the relationship between material opportunities and risks arising from the impacts and dependencies of its own staff and their relationship to the company's strategy and business models.

Risks and opportunities arising from impacts and dependencies:

Risks:

· Cost increases due to higher-than-expected salary increases under collective bargaining agreements: Collectively agreed salary increases may lead to substantial cost increases, which could jeopardize the company's financial stability. FACC continuously analyzes and forecasts such risks to proactively develop cost control measures. This has been a major issue over the past two years, particularly in Central Europe.

Opportunities:

- · Lower staff turnover through flexible working hours and a healthy work-life balance. Flexible working models and measures to improve the work-life balance reduce the fluctuation rate and generate substantial cost savings when recruiting and training new staff.
- · Lower staff turnover through fair remuneration. A fair and Information technology: IT specialists competitive remuneration structure strengthens employee loyalty and reduces staff turnover, thereby lowering recruitment Supply chain and procurement: procurement and supply chain costs in the long term. manager
- · Lower staff turnover through training and development oppor-Sales & marketing: sales and marketing staff tunities. FACC promotes the professional development of its employees by investing in training and further education pro-Legal & compliance: legal experts, compliance managers grams, thereby increasing their satisfaction and loyalty and reducing staff turnover. Non-employee workers:
- · Lower staff turnover through access to fair healthcare. Addi-Contractors tional health benefits that go beyond legal requirements promote the well-being of employees and contribute to a reduction · Consultants: management and technical consultants, etc. in staff turnover rates.
- · Lower staff turnover through measures to combat violence and harassment in the workplace. Preventive measures and targeted support programs create a safe working environment that strengthens employee loyalty and reduces staff turnover.
- Lower staff turnover through a diverse management and workforce. A diverse workforce and management team fosters a Academia & research institutions: academic and research instimore inclusive culture, which increases employee satisfaction tutions and loyalty and reduces staff turnover costs.

Conclusion

FACC considers the impacts on its workforce as to be important aspect of its strategic and operational planning. By continuously analyzing and adapting its business strategies, FACC ensures that positive effects such as job security, a healthy work-life balance and inclusion are maximized while risks are minimized. At the same time, FACC makes efficient use of the opportunities arising from this to achieve lasting success and strengthen its competitiveness.

(S1-SBM 3.14): All people in the company's own workforce who could be materially affected by the company are included in the scope of disclosure in accordance with ESRS 2.

(S1-SBM 3.14a): Types of employees and non-employees in the company's own workforce who could be significantly affected by the company's business activities include (but are not limited to):

- General employees
- Executive management: CEO, CFO, etc.
- Engineering & technical staff: engineers, technicians, etc.
- · Health, Safety and Environment (HSE): HSE managers, environmental scientists, etc.
- · Project management: project managers, project coordinators,
- Finance & accounting: financial analysts, accountants, etc.
- Human resources: HR managers, recruiters, etc.

- Freelancers
- Vendors & suppliers: equipment providers, etc.
- Joint venture bodies: government inspectors, industry regulators, etc.
- Labor unions
- Insurance companies
- · Investors & analysts: institutional investors, equity analysts,
- Community & stakeholders: NGOs, local community representatives, etc.

These groups include both salaried employees and self-employed people as well as persons who are dispatched by third parties and are primarily involved in contract work.

(S1-SBM 3.14b): No material negative impacts were identified in the course of the DMA (Due Diligence Management Approach). This assessment is based on the results of the DMA, which is conducted on a regular basis to analyze potential risks and impacts on the workforce. As part of the DMA, extensive discussions were held with department heads and assessments were carried out, showing that FACC's existing measures and strategies are proving effective in minimizing negative effects on the workforce.

The DMA includes a systematic collection of data and feedback from employees as well as a review of working conditions and company practices. These processes have confirmed that FACC has no significant negative impacts on its workforce, which can be attributed to its proactive measures and continuous improvements of the working environment.

(S1-SBM 3.14c): Description of activities that produce significant positive effects:

1. Working conditions within the company providing employees with health security:

- Activities: Implementation of comprehensive health and safety programs, regular training and safety checks.
- · Affected groups: Health, Safety and Environment (HSE), Engineering & Technical Staff, Contractors.

2. Working conditions within the company that lead to increased employee involvement and thus to greater job security:

- · Activities: Introduction of employee participation programs and regular feedback sessions.
- Affected groups: Project Management, Human Resources, Executive Management.

3. Working conditions within the company that provide employees with greater flexibility:

- Introduction of flexible working time models and opportunities to work from home.
- Affected groups: Information Technology, Finance & Accounting, Sales & Marketing.

4. Working conditions within the company that make it easier for employees to reconcile their family and career:

- Activities: Providing childcare and flexible working hours.
- · Groups affected: Human Resources, Executive Management, Engineering & Technical Staff.

5. Working conditions within the company that increase employee satisfaction:

· Activities: introduction of employee recognition programs and improving the working environment.

Groups affected: all employee groups, in particular Sales & Marketing, Supply Chain and Procurement.

6. Working conditions within the company that improve health or safety at the workplace:

- Activities: regular health checks and safety inspections.
- · Groups affected: health, Safety and Environment (HSE), Engineering & Technical Staff. Contractors.

7. Increasing the attractiveness of the workplace through equal opportunities, diversity, training and inclusion within the company:

- · Activities: training courses on diversity and inclusion, promoting equal opportunities.
- Groups affected: Human Resources, Legal & Compliance, Executive Management.

8. Increasing the attractiveness of the workplace through a nondiscriminatory salary structure within the company:

- · Activities: Introduction of transparent salary structures and regular reviews of salary equity.
- · Groups affected: Finance & Accounting, Human Resources, Executive Management.

9. Safeguarding the privacy of employees within the company by ensuring compliance with the GDPR:

- · Activities: Implementation of data protection guidelines and regular training on the GDPR.
- · Groups affected: Information Technology, Legal & Compliance, Human Resources.

(S1-SBM 3.14d) (S1-SBM 3.16): Examples of material risks:

Cost increases due to higher-than-expected collectively agreed salary increases

Collectively agreed salary increases that are higher than expected can significantly increase operating costs and affect the financial stability of the company. This risk affects, in particular, all employees in tariff-bound positions. To mitigate this risk, the company continuously monitors collective bargaining negotiations and plans appropriate budget reserves.

Specific examples of the proactive measures that FACC has developed to manage the risks of collectively agreed salary increases:

· Efficiency improvement programs: FACC has implemented programs to increase its operational efficiency in order to reduce costs and offset the effects of salary increases. These include process optimization in production and the use of automation technologies.

- Flexible working time models: By introducing flexible working time models, FACC is able to better respond to fluctuations in production and manage personnel costs more efficiently.
- · Negotiations with suppliers: FACC conducts regular negotiations with its suppliers in order to obtain better conditions and thus partially offset the increase in personnel costs.
- Investments in further training: Through targeted investments in further education and training. FACC increases the productivity of its employees, which contributes to cutting costs in the long term.

(S1-SBM 3.14e): FACC is committed to making a contribution to limiting global warming to a maximum of 1.5 degrees Celsius by reducing its greenhouse gas emissions in accordance with the re-Connection to the implemented DMA (Due Diligence Management guirements of the Paris Climate Agreement. These transition plans Approach) include key measures such as switching to renewable energies, the introduction of energy-efficient technologies and the optimization FACC integrates these measures into its Due Diligence Manageof production processes.

ment Approach by continuously analyzing and evaluating risks arising from collectively agreed salary increases. The DMA comprises Material risks regular risk analyses to assess the financial impact of salary in-The switch to renewable energies and the introduction of new creases. The aforementioned measures are developed and implemented on the basis of these analyses in order to safeguard FACC's technologies could necessitate a restructuring of production profinancial stability. The connection to the DMA is reflected in the cesses, potentially leading to job losses in some areas. This particsystematic recording and assessment of risks and the proactive ularly affects Engineering & Technical Staff, Contractors and Project Management. development of risk mitigation strategies.

Examples of material opportunities

Lower staff turnover (lower recruiting costs) by allowing for flex-At the same time, these measures offer opportunities for creating ible working hours and a healthy work-life balance and promoting new jobs and retraining the existing workforce. Introducing new diversity: technologies and switching to renewable energy sources can lead to greater job security and new career opportunities. This applies The introduction of flexible working hours and the promotion of a in particular to the areas of Information Technology, Human Rehealthy work-life balance and diversity can increase employee satsources and Engineering & Technical Staff.

isfaction and loyalty, particularly among parents and caregivers. This leads to lower staff turnover rates and reduces the cost of recruiting and training new employees. FACC therefore implements flexible working time models and actively promotes a diverse and inclusive corporate culture.

Lower staff turnover (decreasing recruiting costs) through appropriate and fair remuneration:

The introduction of flexible working hours and the promotion of a thus meeting the company's long-term targets and the requirehealthy work-life balance and diversity can increase employee satisfaction and loyalty, particularly among parents and caregivers. ments of the Paris Climate Agreement. This leads to lower staff turnover rates and reduces the cost of recruiting and training new employees. FACC therefore imple-(S1-SBM 3.14f) (S1-SBM 3.14g): Detection of high-risk sites ments flexible working time models and actively promotes a dithrough identification: verse and inclusive corporate culture.

Lower staff turnover (decreasing recruiting costs) through further education and training opportunities:

Investing in further education and training increases the skills and satisfaction of employees, which leads to lower staff turnover, particularly among younger employees and those in technical positions. FACC offers extensive training and further education opportunities to promote the professional development of its employees and strengthen their loyalty to the company.

Lower staff turnover (decreasing recruiting costs) by providing access to adequate health care (over and above legal requirements):

Additional healthcare benefits improve the health and well-being of the workforce, which strengthens loyalty to the company and reduces staff turnover, especially among employees in physically demanding roles. In order to promote the health of its workforce, FACC offers healthcare programs and benefits over and above legal reguirements.

Material opportunities

In order to take advantage of these opportunities and minimize the associated risks. FACC is planning extensive retraining and further training programs for the employees concerned. This is intended to ensure that the workforce acquires the necessary skills and knowhow to be successful in a low-carbon economy.

By implementing these measures. FACC is pursuing a holistic decarbonization strategy that focuses both on direct emissions from its own operations and on emissions along the entire value chain,

- 1. Geographical risk factors (regional or country level):
- · Regions with increased risk: Southeast Asia, Sub-Saharan Africa, Middle East
- 2. Sector-specific risk factors:
- production sites
- construction and infrastructure development
- supply chain operating sites

Example

FACC also operates sites in Southeast Asia. This region is exposed to a greater risk of forced labor and child labor due to the poor enforcement of labor laws. However, all FACC sites in these regions are merely office facilities and not production plants. FACC monitors these sites very closely to ensure that all facilities meet the highest ethical standards and do not engage in forced labor or child labor.

In addition, FACC has implemented measures to minimize the risk of forced labor and child labor in its supply chain operating sites. These include regular audits and inspections and, where necessary, cooperation with local authorities and non-governmental organizations to ensure compliance with labor laws.

With these measures, FACC ensures that all of its global operating sites meet the highest ethical standards and do not engage in forced or compulsory labor.

(S1-SBM 3.15): Identification of risk groups:

- Gender: Women may face a higher risk of discrimination or harassment in certain work environments.
- Age: Older employees may be exposed to a higher risk of injury in physically demanding activities.
- · Disability: Employees with disabilities may be at higher risk of accidents or discrimination in certain work environments and when performing certain tasks.
- LGBTQ+: LGBTQ+ staff may be exposed to a higher risk of discrimination or harassment.
- Ethnicity: Employees from ethnic minorities may be at higher risk of discrimination or harassment.

Methodology for identifying risks:

Employee surveys and feedback: FACC performs regular surveys and feedback sessions to collect the experiences and concerns of its employees.

Data analysis: FACC regularly analyzes employee data to identify patterns and trends that could be indicative of increased risks.

Incident reporting systems: FACC has incident reporting systems in place to identify risks and problems at an early stage.

Risk mitigation measures:

Guidelines and governance: FACC has implemented guidelines on diversity and inclusion as well as anti-discrimination and anti-harassment policies.

Training and awareness-raising programs: FACC has established programs on leadership development and raising awareness of diversity and inclusion issues.

Support systems and resources: FACC offers mentoring and sponsoring programs to support vulnerable groups.

Complaint mechanisms and reporting systems: FACC has introduced mechanisms for the protection of whistleblowers and systems for submitting complaints.

Monitoring and continuous improvement:

Regular assessments: FACC conducts regular workplace audits and collects employee feedback to assess the effectiveness of its measures.

Reporting and transparency: FACC makes its progress and challenges transparent by publishing annual reports and involving its stakeholders.

Impact, risk and opportunity management

3.1.1. DR S1-1 – Policies related to the own workforce

(S1-1.19):

Policy 1 – Code of Conduct (CoC)

Policy 2 – Data Protection Policy

Policy 3 – Health and Safety Policy

Alongside the topics of corruption and bribery as well as human rights issues (e.g. fair working conditions), the Code of Conduct covers the following areas: general conduct, health and safety, company property, conflicts of interest, ban on cartels, insider information, export control, environmental protection and quality policy. The company also expects its customers and suppliers to adhere to certain values and principles of conduct. This is essential as FACC wishes to work with partners who share the same values and follow the same principles.

Relevant TROS:

- · Increasing the attractiveness of the workplace by reducing violence and harassment.
- Increasing the attractiveness of the workplace through a nondiscriminatory salary structure within the company.
- · Lower staff turnover (decreasing recruiting costs) through measures to prevent violence and harassment in the workplace.

The Data Protection Policy serves to strengthen the trust of stakeholders by making the company's data processing practices transparent and ensuring that personal data is handled responsibly and in compliance with the law.

Relevant IROS:

· Ensuring that the privacy of employees is protected within the company through compliance with the GDPR.

In accordance with ISO 45001, the Health and Safety Policy deals with creating a safe and healthy working environment by following a systematic approach to managing occupational health and safety.

Relevant IROS:

· Creating working conditions within the company that improve health and safety in the workplace.

Scope of the policies:

The FACC Code of Conduct applies to all members of staff of FACC.

More than 300 different working time models in the company underscore the flexibility that FACC offers its employees when it comes to organizing their working hours. The focus is on creating an environment that is particularly responsive to the needs of families. This includes a focus on job sharing - also for management positions. This enables mothers or fathers working part-time to continue their careers without interruption. In addition to flexitime The Data Protection Policy, on the other hand, applies to all FACC and working from home, parents are offered the opportunity to coemployees at locations within the European Union. ordinate their working hours. This option is also available to production staff by working opposite shifts.

The Health and Safety Policy also applies to all employees at the Austrian sites

Only the Code of Conduct is publicly accessible via the FACC home-Measures to promote diversity and family-friendliness are key page or intranet. All other aforementioned policies are only availawhen competing for the best employees - also in light of the ongoble to FACC employees, who can access them at any time via SAP ing shortage of skilled workers. FACC's successful positioning as a family-friendly employer is also reflected in a large-scale study or the company's intranet. conducted by the personnel service provider Randstad, which ranked FACC among the six best employers in Austria. First place also went to Upper Austria. Receiving the Leading Employer Award The General Counsel is responsible for the implementation and en-2024 further underscores FACC's standing as one of Austria's TOP forcement of the Code of Conduct and the Data Protection Policy. employers.

Responsibilities at FACC:

They report directly to the Chief Financial Officer (CFO) and the Chief Sales Officer (CSO) of FACC. The Health and Safety Manager, on the other hand, is responsible for the Health and Safety Policy.

They report directly to the Chief Operating Officer (COO). FACC embraces open and transparent communication with its workforce and cultivates an environment based on mutual respect The Health and Safety Policy is reviewed regularly as part of the and cooperation. To this end, FACC maintains open communication external ISO 45001 audit. channels through regular meetings and feedback mechanisms in order to understand and address the concerns of its workforce. In Possibilities to access the policies: addition, FACC supports employee representation (works council) and promotes an inclusive corporate culture. Preventing discrimi-The Code of Conduct is available on the FACC company website. nation against individual employees, e.g. through unequal treat-FACC also disseminates the policy via internal channels to ensure ment in terms of recruitment, remuneration, promotion opportunithat all employees are informed of, and comprehend, its content. ties or training and further education, increases the attractiveness The Health and Safety Policy is accessible on the FACC intranet of the workplace and is therefore of key importance to FACC. Conand is communicated via training courses to also ensure that all sequently, FACC is strongly committed to equal opportunities, inemployees are informed of, and comprehend, its content. clusion and actively practiced diversity.

(S1-1.20): (S1-1.20a): Respect for human rights, including labor (S1-1.20c): FACC is committed to addressing human rights imriahts pacts arising from its operations, providing effective remedies and ensuring that affected individuals receive appropriate support.

FACC is committed to respecting the human and labor rights of all employees, as enshrined in the conventions of the International Labor Organization (ILO). FACC has a zero-tolerance policy against discrimination based on race, skin color, gender, age, religious beliefs, sexual orientation, national origin, disabilities or other protected characteristics. Moreover, FACC is committed to fair remuneration, equality and diversity with numerous initiatives in these areas.

FACC was thus awarded the state seal of approval for familyfriendly employers in recognition of its wide range of measures to (S1-1.21) (S1-1.22): Alignment of policies with internationally reconcile work and family life. recognized instruments

At FACC, flexible working time models and all-day childcare offers have been making a significant contribution to improving the reconcilability of work and family life for many years. The founding of the FACC Winas for Women network two years ago marked another important milestone when it comes to supporting women throughout their careers, thereby also creating more equal opportunities.

More than 300 working time models:

FACC as one of the most attractive employer brands in Austria

(S1-1.20b): Engaging with the own workforce

FACC has established robust complaint mechanisms (whistleblower system, which are available to all employees, to ensure that complaints and concerns are dealt with promptly and fairly. Furthermore, FACC fosters an open communication culture, encouraging every employee to seek direct communication with their superior. The FACC employee representatives can also be contacted at any time. Any reports (anonymous or not) will be handled and investigated by the responsible employees in Compliance.

FACC's human rights and labor rights policies are aligned with the conventions of the International Labor Organization (ILO) and the ISO 45001 standard. The ILO conventions form the basis for FAC-C's commitment to fair working conditions and respect for labor rights. The ISO 45001 certification supports FACC in its efforts to ensure a safe and healthy working environment. FACC integrates these standards into its policies through a structured review process that ensures that all new policies conform to international labor law and safety standards. Moreover, FACC provides training and awareness-raising measures and operates comprehensive monitoring and reporting systems to continuously monitor and improve compliance with these standards. These initiatives strengthen FACC's commitment to the safety, health and rights of its workforce. In addition, FACC provides mandatory training within the company to increase knowledge and awareness of these issues. The corporate policies explicitly address human trafficking. forced labor and child labor. FACC strictly rejects all forms of forced and child labor and undertakes to ensure that no human trafficking practices occur along its supply chain. These commitments are anchored in the company's codes of conduct and supplier guidelines. In addition, FACC performs regular audits and training to ensure compliance with these standards.

(S1-1.23): In accordance with FACC's Health and Safety Policy and the ISO 45001 standard, accidents and near-accidents as well as their causes are analyzed in detail. FACC is committed to continuously improving work routines and safety through extensive theoretical and practical training. FACC has thus invested in a new training center in order to continuously improve the onboarding of new staff and to better accommodate the international composition of its workforce. In addition, new safety videos have been introduced throughout the Group, in which employees are taught the correct application of skin protection and proper conduct inside the company's plants. The videos are displayed on screens on the shop floor and are available in several languages to ensure that they can be understood by all employees. Occupational safety and accident prevention instruments established at FACC include processes such as a group-wide reporting platform for near-accidents and unsafe conditions, a structured process for dealing with occupational accidents and taking appropriate measures, safety walks attended by staff up to the Management Board, and regular zero-accident gate meetings at which managers and specialists in prevention define measures and proactively monitor their implementation.

(S1-1.24a): To eliminate discrimination, FACC has specific policies in place that are embedded in its Code of Conduct. These policies include the advancement of equal opportunities, the prevention of harassment, non-retaliation, and diversity and inclusion initiatives. FACC's objective is to create a work environment that is free from discrimination and harassment and provides equal opportunities for all.

(S1-1.24b): The FACC Code of Conduct specifically addresses various grounds of discrimination such as racial and ethnic origin, skin color, gender, sexual orientation, gender identity, disability, age, religion, political opinions, national origin or social background. These policies ensure that all employees receive fair and equitable treatment in accordance with local laws and international standards. No further measures going beyond the legal requirements are currently being taken.

(S1-1.24c): As of the reporting date, FACC had no specific policy commitments relating to inclusion or affirmative action for particularly vulnerable groups within the workforce.

(S1-1.24d): Disclose whether and how these policies are implemented through specific procedures to prevent, mitigate and act upon discrimination, and to advance diversity and inclusion in general·

As of the reporting date, FACC had no specific procedures in place to implement such policies, as there are currently no specific policy commitments

In developing the Health and Safety Policy, the Data Protection Policy and the Code of Conduct, FACC took into account the interests of its key stakeholders:

Health and Safety Policy

Internal stakeholders: The needs and safety requirements of employees were assessed through regular consultations with occupational physicians. This ensures that the working environment is safe and conducive to good health. Feedback from employees is, of course, included in this process and considered very important.

External stakeholders: FACC also considered the expectations of regulatory authorities and customer requirements to ensure that the policy meets the highest standards.

Data Protection Policy

Employees and customers: The policy was developed with due regard to privacy and the protection of personal data.

Regulatory authorities: Compliance with legal requirements and the protection of data integrity were the prime focus when developing the policy.

Code of Conduct (CoC)

Employees: The Code of Conduct was developed by incorporating feedback from employees, represented by the Works Council, to ensure that the policies are practicable and comprehensible.

Business partners: The expectations and requirements of customers and suppliers were incorporated to ensure that the Code of Conduct is also applicable when working with external partner.

(ESRS 2.62): For all IROS not mentioned in S1-1.19, FACC does not yet have any policies in place.

FACC is continuously reviewing and adapting its strategies and processes. In the course of the first DMA, FACC became aware of the lack of written processes. The corresponding policies are to be developed in the short to medium term.

3.1.2. DR S1-2 – Processes for engaging with the own workforce and workers' representatives about impacts

(S1-2.27) (S1-2.27a-e): FACC involves its staff both directly via decisions. the workforce, and indirectly via employee representatives (works council), who report on their views in the course of the DMA, but FACC assesses the effectiveness of its employee involvement by analyzing employee feedback obtained from surveys, meetings, also in other (partly external) audits. Information, requests, suggestions and complaints are also communicated directly to HR in committees, audits and personal conversations. The company desome cases. Here too, the information obtained is reported in the velops measures as required, based on this feedback, and pursues course of the DMA, but also during other (partly external) audits. a continuous improvement process to ensure that the involvement management reviews, etc. There are currently no employees (outis effective. side the works council) specifically assigned to this task.

(S1-2.28): FACC identifies "at-risk" groups, such as women or mi-The effects of the transformation process aimed at reducing CO₂ grants, and implements tailored inclusion initiatives. These include emissions are currently too small to have an actual impact on the cooperation with employee representatives, training and awareworkforce, or to necessitate the implementation of measures. ness-raising programs as well as special events to ensure that the viewpoints of these groups are adequately taken into account.

Employee involvement takes place at various levels, including through regular surveys and feedback meetings (employee ap-(S1-2.AR-25): praisals), employee forums and committees, as well as events a) FACC is committed to supporting vulnerable or marginalized in-(e.g. FACC Wings for Women, works meetings), but also through training and reporting systems. These activities take place annudividuals by adopting specific approaches and paying particular atally, quarterly, or as required. Employee appraisals, for instance, tention to potential obstacles. take place once a year, while Wings for Women events are held b) The company takes into account potential barriers such as lanquarterly.

Responsibilities at FACC

The head of the Human Resources department (Vice President HR), c) FACC strives to provide the workforce with comprehensible and who reports directly to the Chief Executive Officer (CEO), is reaccessible information by offering and using suitable communicasponsible for monitoring this involvement and ensuring that the retion channels in both German and English. sults are utilized.

Policies

As a global framework agreement with employee representatives. the FACC Code of Conduct, in addition to its initiatives and plate) The company is committed to respecting the human rights of all forms, enables the company to gain insights into the viewpoints of stakeholders involved, including their rights to privacy and freedom its own workforce through: of expression.

- Regular consultations: The Code of Conduct is regularly evaluated and adapted if necessary. This requires meetings and consultations with employee representatives (the works council). during which the concerns and viewpoints of the workforce can be discussed directly. These meetings provide a platform for open exchange and help to identify current issues and challenges.
- · Whistleblower system: The whistleblower system is an integral component of the Code of Conduct and enables employees to anonymously report violations of human rights, or other concerns. This helps to ensure that FACC obtains a comprehensive picture of the challenges and needs of the workforce.

With these measures, the Code of Conduct ensures that FACC is able to gain continuous insights into the viewpoints of its workforce and incorporate these into its corporate strategy and

guage and cultural differences and gender balances, as well as divides within a community or group.

d) If conflicts of interest arise within the workforce, attempts are made to resolve them by means of transparent processes and discussions.

3.1.3. DR S1-3 – Processes to remediate negative impacts and channels for its own workforce to raise concerns

(S1-3.32): (S1-3.32a): FACC has implemented processes to identify, report, evaluate and remedy negative impacts on its workforce. These processes include:

- · Identification and reporting: Employees are encouraged to report issues through various channels, including direct supervisors, Human Resource, or anonymously via the FACC hotline.
- Assessment and investigation: Reported issues are assessed and investigated by a trained team to determine the causes and scope of the negative impacts.

- Resolution and remediation: Following an investigation, appropriate measures are taken to resolve the issues and remediate the negative impacts.
- Follow-up and feedback: The effectiveness of the remedial measures is monitored through follow-up and feedback from employees to ensure that similar problems do not occur again.
- Evaluating effectiveness: FACC evaluates the effectiveness of the remedial measures deployed by monitoring employee feedback, tracking resolution dates and assessing whether similar issues occur again.

(S1-3.32b): FACC offers several channels through which employees can raise their concerns and have them addressed:

Direct communication: Employees can discuss their concerns directly with their supervisors, department heads or designated HR representatives.

Anonymous reporting: An anonymous hotline (whistleblower hotline) is available for employees to report concerns without disclosing their identity.

Open-door policy: Managers, HR representatives and the works council can be approached any time to discuss concerns and problems.

(S1-3.32c): FACC has established a formal mechanism for handling grievances:

Designated Persons: Trained HR and legal staff oversee the grievance process and ensure that all grievances are handled consistently and fairly.

Defined procedures: The FACC Whistleblower Policy sets out clear procedures for submitting, investigating and resolving grievances.

Documentation and tracking: All grievances are documented and their progress tracked, from submission to their resolution, to ensure transparency and accountability.

(S1-3.32d): FACC supports the availability of these channels through:

Training and awareness: Providing training for employees and managers on the use of grievance channels and raising awareness of the importance of open communication.

Accessibility of the channels: Ensuring that all FACC employees have easy access to the grievance channels, regardless of their position or location.

Awareness-raising campaigns: Employees are made aware of these opportunities through posters displayed in the buildings, desktop notifications on work devices, or in the Employee Space App. **(S1-3.32e):** FACC uses the following methods to track and monitor any issues raised:

Tracking mechanisms: use of tracking systems to monitor the progress of grievances, from submission to resolution, and ensure transparency and accountability.

Feedback loops: regular review of employee feedback to assess the effectiveness of grievance channels and implement continuous improvements.

(S1-3.33): FACC assesses whether its own workforce is informed about, and trusts in, the structures and processes for raising concerns through the following means:

Employee surveys and feedback mechanisms: regular surveys and feedback sessions to assess employee awareness and trust.

Training and awareness programs: training and awareness-raising programs on the available channels and how to use them.

Using and analyzing the channels: monitoring the use of grievance channels and analyzing the grievances received.

(S1-3.33): The FACC Code of Conduct explicitly encourages reporting via the FACC Whistleblower Hotline. The company regards reports as an opportunity for further development and assures its staff that reports will not be followed by retaliation.

3.1.4. DR S1-4 – Taking action on material impacts on the own workforce, and approaches to managing material risks and pursuing material opportunities related to the own workforce, and the effectiveness of those actions

(S1-4-37): Work and Family certification: FACC is currently in the process of obtaining Work and Family certification. This Austrian certification improves employee satisfaction and loyalty, increases the attractiveness as an employer, boosts productivity, strengthens the company's reputation, and enables customized solutions for a better work-life balance.

Wings for Women: The program to empower women within the company offers mentoring and career development opportunities to promote gender equality.

International Café: An initiative to promote intercultural cooperation and exchange between international and local members of staff.

Working time models: Introduction of flexible working time models to cater to the different needs of employees and improve their work-life balance.

Onboarding journey starting in January 2025: Introduction of a novel onboarding process in which new employees receive important information via the Space App and can provide feedback through opinion surveys at the end of the process.

Measures

Implementation throughout the company: All measures apply to all employees and locations of FACC in Austria, with a particular

focus on promoting diversity and inclusion as well as a healthy work-life balance.

Focus on diversity and inclusion: Special programs such as Wings for Women and the International Café aim to strengthen diversity within the company and promote an inclusive corporate culture.

Time horizons for implementing the most important measures

Work and Family certification: The certification process was completed in January 2025; the action plan will subsequently be implemented at FACC.

Wings for Women and International Café: These programs have been continuously running, with regular evaluations of improvement potential.

Working time models: Flexible working hours have been introduced and are continuously adapted.

Onboarding journey: kick-off in January 2025 with continuous updates based on feedback from the opinion surveys conducted.

(S1-4-38a-d): Health and safety: implementation of strict safety protocols and regular training to safeguard the health and safety of its staff.

Flexibility and work-life balance: Introduction of flexible working time models and supporting the reconciliation of work and family life to increase employee satisfaction.

Health and safety measures: Immediate action is taken in case of incidents, including medical support and adjustments to the work-place to minimize future risks.

All aforementioned measures: Career development and training: Providing further training and development opportunities to increase job attractiveness.

Diversity and inclusion: promoting equal opportunities and a nondiscriminatory salary structure.

Protecting privacy: compliance with the GDPR to ensure the protection of employee data.

Regular monitoring: conducting regular safety inspections (e.g. daily safety walkthroughs and continuous evaluation of work-places by occupational physicians) and audits.

Employee feedback: use of surveys and feedback mechanisms to assess employee satisfaction and well-being. FACC has implemented a comprehensive health and safety management system to ensure that all workplaces are safe and healthy. This system includes policies, procedures and inspections to prevent accidents and health risks.

Independent audits: performing independent audits to ensure compliance with policies and to identify opportunities for improvement.

(S1-4-39): FACC involves stakeholders in order to identify appropriate measures to respond to specific negative impacts, actual or potential, on its own workforce. By collaborating with its employees, employee representatives and trade unions, the company gains valuable insights into potential negative impacts and an understanding of the viewpoints and concerns of its stakeholders. In addition, the company ensures compliance with legal and regulatory requirements by aligning its internal practices with relevant labor legislation, regulations and international human rights standards.

(S1-4-40) (S1-4-40a): Cost increases due to higher-than-expected collectively agreed salary increases: To reduce this risk, FACC plans to introduce long-term salary strategies and regular market analyses in order to better predict and budget for salary increases. The effectiveness of these measures will be monitored through regular financial analyses and budget checks.

(S1-4-40b): Lower staff turnover through flexible working times and a healthy work-life balance: In order to exploit this opportunity, FACC relies on flexible working time models and promotes a healthy work-life balance, which results in higher staff retention and lower recruiting costs.

Lower staff turnover through adequate and fair remuneration: FACC ensures fair and competitive remuneration structures in order to increase employee satisfaction and reduce staff turnover.

Lower staff turnover through further education and training opportunities: FACC offers extensive further education and training opportunities to promote the professional development of its employees and strengthen their loyalty to the company.

Lower staff turnover through access to healthcare services: FACC offers health benefits over and above the legal requirements in order to promote the well-being of its employees and increase their loyalty to the company.

(S1-4-41): Disclosure of whether and how the company ensures that its own practices do not cause, or contribute to, material negative impacts on its own workforce:

FACC has implemented various measures to ensure that its own practices do not cause, or contribute to, material negative impacts on its own workforce. These measures include:

1. Robust health and safety management system

2. Regular safety audits and inspections

FACC conducts regular safety audits and inspections to ensure that all workplaces meet the highest safety standards. These audits help to identify and eliminate potential hazards at an early stage.

3. Staff training and development

FACC offers its employees regular training and development programs to ensure that they have the necessary knowledge and skills to work safely and efficiently. These training courses cover topics such as occupational safety, health protection and professional development.

4. Cooperation with industry and regulatory authorities

FACC works closely with industry associations and regulatory authorities, such as the European Aviation Safety Agency (EASA) and the International Air Transport Association (IATA), to ensure that all practices comply with legal requirements and industry standards. This collaboration supports the sharing of best practices and encourages continuous improvement.

5. Grievance mechanisms and feedback channels

FACC has put in place mechanisms through which employees can voice concerns and grievances. These channels are designed to identify and resolve issues quickly in order to minimize any negative impacts on the workforce.

6. Data protection and data use

FACC ensures that all practices related to the handling of employee data comply with data protection legislation. This includes the implementation of data protection policies and regular GDPR training to protect the privacy of employees.

Managing the tensions arising from avoiding or mitigating material negative impacts, on the one hand, and other business constraints:

FACC recognizes that avoiding or mitigating material negative impacts may occasionally conflict with other business constraints. In such cases, FACC follows a balanced approach that includes the following measures:

- Transparent communication: FACC fosters open and transparent communication with its employees to ensure that they are informed of decisions made and their impacts. This includes regular meetings and information events.
- Compromise solutions: FACC seeks compromise solutions that allow negative impacts to be avoided or mitigated while fulfilling business requirements. This may include adapting work processes, introducing new technologies or redesigning workplaces. Currently, in the first reporting year after ESRS, assessments/impacts/results have not yet been analyzed as to how our activities have impacted our own workforce.

There is currently no interaction between risk management and the IROs analyzed with regard to the company's own workforce. Consequently, external dependencies have also not yet been evaluated.

(S1-4-43): FACC currently earmarks resources for employee training and development in order to improve the understanding and management of significant impacts. In the past year, many working hours of our employees were spent on occupational health and safety and professional development training. In addition, FACC continuously invests in health and safety programs, including the provision of protective equipment and regular safety inspections. A team of trained HR employees monitors the implementation of these measures and ensures that all workplaces meet the highest safety standards. Independent investigation teams handle reports of negative impacts and retaliatory measures to ensure impartiality and fairness in the resolution process.

Through these measures, FACC ensures that its own practices do not cause, or contribute to, material negative impacts on the workforce while ensuring that business requirements are fulfilled.

3.1.5. DR S1-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

(ESRS 2.62) (ESRS 2.81): Certified according to ISO 45001, FACC recorded a Lost Time Injury Frequency Rate (LTIFR) of 11.4 at its Austrian sites in the 2024 financial year. This is below the target of 12.0 and marks a further improvement on the previous year's figure of 12.4. For the 2025 financial year. FACC aims to further reduce its LTIFR to 10. The causes of work-related accidents and near misses are analyzed in detail at FACC, and extensive training and education measures are implemented to continuously improve work routines and safety. FACC has thus invested in a new training center in order to continuously improve the onboarding of new staff and to better accommodate the international composition of its workforce. In addition, new safety videos have been introduced throughout the Group, in which employees are taught the correct application of skin protection and proper conduct inside the company's plants. The videos are displayed on screens on the shop floor and are available in several languages to ensure that they can be understood by all employees. Occupational safety and accident prevention instruments established at FACC include processes such as a group-wide reporting platform for near misses and unsafe conditions, a structured process for dealing with occupational accidents and taking appropriate measures, safety walks attended by staff up to the Management Board, and regular zero-accident gate meetings at which managers and specialists in prevention define measures and proactively monitor their implementation.

This key figure is analyzed monthly with the help of software (PlanRadar) and regularly communicated to the Management Board in management meetings. Accidents and near misses are analyzed and the causes eliminated after discussions with the people affected in order to prevent further incidents.

Currently, FACC sets this goal on an annual basis, and has not included it in its Health and Safety Policy. We wish to change this in the next one to two years by developing a "SMART_Target" for this objective and embedding it in the relevant policy

(S1-4-47a-c) Neither FACC employees nor their representatives are involved in the development or pursuit of the aforementioned objectives. However, the results are reported to the works council (employee representatives) in the management meetings held several times a year, and to the entire workforce via the annual nonfinancial statement.

3.1.6. DR S1-6 – Characteristics of the undertaking's employees

(S1-6.50a): For all key figures reported here under ESRS S1-6 MDR-M and subsequently S1-8 MDR-M, S1-9 MDR-M, S1-10 MDR-M. S1-14 MDR-M. S1-16 MDR-M. S1-17 MDR-M. it applies that FACC applies all applicable social standards to all internal or external employees, regardless of location, which are also monitored and partially verified by local authorities!

(S1-6.50d-e) (S1-6.50c) (S1-6.AR.59): To calculate staff turnover, we used the total number of employees leaving the company, either voluntarily, due to dismissal, retirement or death in service. The number of employees was reported as a headcount. The average number of employees was calculated as an average over 12 months

Furthermore, all recorded key figures on the topics are analyzed from FACC's SAP system and have not been verified by any other entity. The following table shows the total headcount of FACC worldwide:

Table: Employees broken down by gender

Gender	Number of employees (headcount) on		Departures, 1.1 31.12.2024 in heads	Staff turnover rate as per 31.12.2024 in %
	31.12.2024	Austria	486	15.00
Male	2,780	Canada	14	14.89
Female	1,259	· · · · · · ·	-	
Other		USA	29	29.59
Not reported		Croatia	74	17.41
Total	4,039	India	3	2.40
		China	0	0.00
The following table shows the down by country in which the	e total number of employees, broken company employs 50 or more mem-	Slovakia	6	9.38

bers of staff who account for at least 10% of its total workforce:

Table: Employees broken down by country

Country	Number of employees (headcount) on 31.12.2024
Austria	3247
Croatia	425

(S1-6.50b): The following table shows the total number of employees (headcount), broken down by gender and type of employment, as of December 31, 2024.

Table: Employees broken down by gender and type of employment

Financial year 2	2024			
Female	Male	Other	Not dis- closed	Total
Number of emp	oloyees (headcount)		
1,259	2,780	-	-	4,039
Number of peri	manent employees	(headcount)		
1,259	2,780	-	-	4,039
Number of tem	porary employees	(headcount)		
0	0	0	0	0
Number of emp	oloyees with non-gu	aranteed hour	s (headcount)	
0	0	0	0	3

(*) Gender as specified by the employees themselves

The definitions used in the tables are all derived from the national legal requirements, which do not differ from each other.

(S1-6.50f): The figures for the total number of employees, broken down by gender and country, are identical to those in chapter 9 of the Annual Financial Statements.

(S1-6.51) (S1-6.52):

Table: Employee data broken down by region

Reporting pe	riod				
Austria	Rest of Eu- rope	Middle East and Africa	Rest of world	Total	
Number of e	mployees (headcou	unt)			
3,247	496	125	171	4,039	
Number of p	ermanent employe	es (headcount)			
3,247	496	125	171	4,039	
Number of te	emporary employe	es (headcount)			
0	0	0	0	0	
Number employees with non-guaranteed hours (headcount)					
0	0	0	0	0	
Number of fi	ull-time employees	(headcount)			
2,896	494	125	167	3,682	
Number of p	art-time employee	s (headcount)			
351	2	0	4	357	

3.1.8. DR S1-8 – Collective bargaining coverage and social dialogue

(S1-8.60a-c)(S1-8.61)(S1-8.62)(S1-8.63a-b): For our employees at the "significant locations" according to ESRS, namely in Croatia, there is currently no collective agreement or own works council. There is also no collaboration in this regard with the EWC or similar local associations. All reported key figures have not been verified by any other entity.

(S1-8.AR 70) All employees at the Austrian locations are subject to the collective agreement of the "wood industry." Both workers and employees are represented by a works council, which can be approached directly at any time.

Table: Own workforce in the region (within the EEA) covered by collective agreements and social dialogue agreements, by coverage level and region:

	Collective Barg	Collective Bargaining Coverage		
Coverage Rate	Employees - EEA	Employees – Non-EEA	Workplace repre- sentation (EEA only)	
0-19%	Croatia		Croatia	
20-39%				
40-59%				
60-79%				
80-100%	Austria		Austria	

3.1.9. DR S1-9 – Diversity metrics

(S1-9.66a): All key figures relating to these topics are analyzed in our SAP system.

Table: Top management level employee data

Number of employees top management level	2024
Female	6
% of top management level	14.63
Male	35
% of top management level	85.37
Other gender	n/a
% of top management level	n/a
No data	n/a
% of top management level	n/a
Total	41 persons

(S1-9.AR 71): When disclosing the gender distribution in top management, FACC took the following levels into account: Level 1 = Management Board, and Level 2, which operates directly below the Management Board level.

(S1-9.66b): Table: Employee data by age groups

3.1.7. DR S1-7 – Characteristics of non-employees in the undertaking's own workforce

(S1-7.55a) (S1-7.55b): Table: Data on non-employees in the own workforce

	2024
Total number of non-employee workers in the own work- force	42
Total number of non-employee workers in the own work- force – self-employed workers	1
Total number of non-employee workers in the own work- force – workers provided by undertakings primarily en- gaged in employment activities	4

The figures were generated from the HR information system of our SAP and correspond to the number of "heads".

Number of employees	2024
Under 30 years old	961
% of employees under 30 years old	23,79
Between 30 and 50 years old	2445
% of employees between 30 and 50 years old	60,53
Over 50 years old	633
% of employees over 50 years old	15,67

3.1.10. DR S1-10 – Adequate wages

(S1-10.69) (S1-10.70): (S1-10.71): FACC ensures that all its employees receive a fair wage that meets applicable benchmarks and does not offer salaries below the local legal minimum wage. Regarding all individuals who are not directly employed by FACC (including subsidiaries), we cannot fully assess this. However, we place great importance on ensuring that all our business partners adhere to our Code of Conduct and Supplier Code of Conduct. To date, FACC is not aware of any instances where minimum standards (within the EEA as well as outside the EEA) have not been upheld.

All recorded key figures on the topics are analyzed from FACC's SAP system and have not been verified by any other entity.

3.1.11. DR S1-11 – Social protection

Country	White-collar	Blue-collar	Non-employee workers
Austria			
(S1-11.74a): sickness	у	у	у
(S1-11.74b): unemployment coverage starts upon employment	у	у	у
(S1-11.74c): employment injury and acquired disability	у	у	у
(S1-11.74d): parental leave	у	у	у
(S1-11.74e): retirement	у	у	у
India			
(S1-11.74a): sickness		n	n
(S1-11.74b): unemployment coverage starts upon employment		n	n
(S1-11.74c): employment injury and acquired disability	у	у	у
(S1-11.74d): parental leave	у у	у	n
(S1-11.74e): retirement		n	n
Canada			
(S1-11.74a): sickness	у	у	у
(S1-11.74b): unemployment coverage starts upon employment	у у	у	у
(S1-11.74c): employment injury and acquired disability	у	у	у
(S1-11.74d): parental leave	у	у	у
(S1-11.74e): retirement	у	у	у
USA			
(S1-11.74a): sickness	у	у	N/A
(S1-11.74b): unemployment coverage starts upon employment	у	у	n/a
(S1-11.74c): employment injury and acquired disability	у	у	n/a
(S1-11.74d): parental leave	n	n	n/a
(S1-11.74e): retirement	у	у	n/a
Croatia			
(S1-11.74a): sickness	у	У	у
(S1-11.74b): unemployment coverage starts upon employment	у	У	у
(S1-11.74c): employment injury and acquired disability	у	у	у
(S1-11.74d): parental leave	у	у	у
(S1-11.74e): retirement	у	у	у
China			
(S1-11.74a): sickness	у	у	у
(S1-11.74b): unemployment coverage starts upon employment	у	у	n
(S1-11.74c): employment injury and acquired disability	у	у	n
(S1-11.74d): parental leave	у	у	у
(S1-11.74e): retirement	у	у	Y
Slovakia			
(S1-11.74a): sickness	у	У	у
(S1-11.74b): unemployment coverage starts upon employment	у	У	у
(S1-11.74c): employment injury and acquired disability	у	У	у
(S1-11.74d): parental leave	у	у	у
(S1-11.74e): retirement	у	у	у

FACC complies with all applicable social standards with regard to all internal and external employees, regardless of their location!

3.1.12. DR S1-12 – Persons with disabilities

(S1-12.79) (S1-12.80) (S1-12.AR 76):

Persons with disabilities	Women	Men	Other	Unknown	% of the total
	%	%	%	%	workforce
	1.19	1.94	n/a	n/a	1.7%

3.1.13. DR S1-13 – Training and skills development metrics

(S1-13.83a-b (S1-13.84) (S1-13.85):

Table: Career development, performance reviews and training hours

	Women 2024	Men 2024	Other 2024	Unknown 2024	Total 2024
Percentage of employees and (or) non-employ- ees that participated in regular performance and career development reviews	100%	100%	n/a	n/a	100%
Average number of training hours per employee and (or) non-employee	31.35 hours	27.80 hours	n/a	n/a	29.58 hours

3.1.14. DR S1-14 – Health and safety metrics

(S1-14.88a-e) (S1-14.89): All key figures for these topics are analyzed with our SAP or H&S tool. These are reviewed by the auditor, and also within the scope of the annual ISO 45001 audit.

Table: Health and safety metrics

	Employees	Non- employees
	2024	2024
Percentage of own workers who are covered by the health and safety management system based on legal requirements and (or) recognized standards or guidelines	100%	n/a
Number of fatalities in the own workforce as a result of work-related injuries and work-related ill health	0	n/a
Number of fatalities in the own workforce as a result of work-related injuries	0	n/a
Number of fatalities in the own workforce as a result of work-related ill health	0	n/a
Number of fatalities as a result of work-related injuries and work-related ill health of other workers working on undertak- ing's sites	0	n/a
Number of fatalities as a result of work-related injuries of other workers working on undertaking's sites	0	n/a
Number of fatalities as a result of work-related ill health of other workers working on undertaking's sites	0	n/a
Number of recordable work-related accidents for own workforce	67	n/a
Rate of recordable work-related accidents for own workforce in Austria	2.2	n/a
Rate of recordable work-related accidents for own workforce in Canada	5	n/a
Rate of recordable work-related accidents for own workforce in Croatia	1.41	n/a
Number of cases of recordable work-related ill health of own workforce	4	n/a
Number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatali- ties from ill health	1,506	n/a

3.1.15. DR S1-15 – Work-life balance metrics

Table: Family-related leaves

Percentage of entitled employees that took family-related leaves	2024
Female	25.81%
Male	14.57%
Other gender	n.A.
No data	n.A.
Total	18.00%

Throughout the Group, a total of 649 women and 401 men took advantage of the opportunities listed under S1-15.93a in the 2024 financial year The percentages shown in the table were calculated for each gender in relation to the total workforce.

3.1.16. DR S1-16 - Remuneration metrics (pay gap and total remuneration)

(S1-16.97a-c) (S1-16.AR 98): The calculation was based on the exact specifications provided by the ESRS. The exact figures for the calculations derive from the SAP system.

Table: Gender pay gap

	Male-female pay gap white- collar in %	Male-female pay gap blue- collar in %	Renumeration ratio according to S1-16.97b
Country			
Austria	13.25	3.08	8.13
India	16.40	n/a	12.61
Canada	12.87	2.86	2.68
USA	29.1	12.6	4.64
Croatia	7.38	7.17	7.10
China	0	0	5.21
Slovakia	15.00	n/a	2.86

Further details for better understanding the table:

 The Canadian government requires the creation of a study on gender pay equality. This study is conducted every five years and aims to ensure pay equity between men and women. The current version of our study was conducted in September 2024. The study shows that there is pay equality at FACC Canada. Our salaries are based on work experience, skill development, and specific training. The definition emerging from the ESRS could reveal distortions in the gender pay gap, which can be explained by the fact that a larger group of women was recently hired, resulting in their tenure, experience, and skills being lower than those of their male colleagues, who have more tenure, experience, and skills.

- · At our locations in India and Slovakia, only employees are employed as "staff."
- In the key figures for Austria, the entire management board was excluded from the calculation of the gender pay gap.

3.1.17. DR S1-17 – Incidents, complaints and severe human rights impacts

(S1-17.103a-d) (S1-17.104a-b) (S1-17.AR-103) (S1-17.AR-106):

Table: Incidents, complaints and severe human rights impacts

	2024
Number of incidents of discrimination	0
Number of complaints filed through channels for own workers to raise concerns	0
Number of complaints filed to National Contact Points for OECD Multinational Enterprises	0
Amount of material fines, penalties, and compensa- tion for damages as result of violations regarding so- cial and human rights factors	0
Number of severe human rights issues and incidents connected to the own workforce	0
Number of severe human rights issues and incidents connected to the own workforce that are violations of UN Global Compact Principles and OECD Guidelines for Multinational Enterprises	0
Amount of material fines, penalties, and compensa- tion for severe human rights issues and incidents con- nected to the own workforce	0
Number of severe human rights cases where under- taking played role securing remedy for those affected	0

FACC complies with all applicable social standards with regard to all internal and external employees, regardless of their location. This is also monitored, and in some cases verified, by the local authorities! The analysis included all possible types of harassment, discrimination and threats, etc.

(S1-10.75) We believe that the existence of social standards and the possibility for our employees to use them is conducive to greater employee satisfaction and safety at the workplace.

3.2. ESRS S2: Workers in the value chain

(S2.SBM-3.10): FACC integrates sustainability into its business model through the use of eco-friendly materials and low-emission processes in the production of aircraft components. The company has developed a sustainability strategy that is based on international standards and covers the entire value chain. A key component of this strategy is close cooperation with suppliers to ensure that social and environmental criteria are met. This is ensured through regular audits and the application of stringent due diligence processes.

Within the company, FACC promotes a sustainable corporate culture through training programs that raise awareness of ESG issues among employees. The company is also investing in CO₂-reducing technologies in order to minimize its ecological footprint and comply with EU climate regulations.

With these measures, FACC ensures that sustainability is firmly anchored in its business strategy, thus contributing to the continuous improvement of the social and ecological impacts of its business operations.

(S2-SBM 3.11) FACC has included all employees in the value chain. who are materially affected by the company, in the scope of disclosure under ESRS 2.

(S2-SBM 3.11a): FACC has identified the following groups of employees in the value chain that could be materially affected:

- Employees who work on the company's premises but are not part of the company's own workforce.
- · Employees who work for companies in the upstream value chain, e.g. in metal or mineral extraction.
- · Financial penalties/litigation costs/loss of sales due to labor incidents of business partners: There is a significant risk of labor law violations by business partners leading to considerable fi-· Employees who work for companies in the downstream value nancial burdens for FACC, including financial penalties and litichain, e.g. in logistics or sales. gation costs. Moreover, this can damage the company's reputa-· Particularly vulnerable workers, such as migrant workers, tion and lead to a loss of sales.
- women or young workers.

(S2-SBM 3.11b): FACC generally acknowledges the significant risks of child labor in certain regions, particularly in countries with weak labor laws. Forced labor is also a well-known issue in regions such as Asia. Although FACC has locations in these regions, it only operates offices where highly skilled workers are employed, and not production facilities.

(S2-SBM 3.11c): The DMA performed by FACC revealed the following two negative impacts:

- · Working conditions within the value chain that lead to precarious employment: These negative impacts are widespread/systemic as they can occur in different parts of the value chain and are often linked to structural problems with regard to employment security.
- · Systematic discrimination of people within the value chain: These negative impacts are also widespread/systemic as they can be indicative of deep-rooted discrimination and inequalities in various regions and business relationships.

(S2-SBM 3.13): At present, FACC has not identified any specific (S2-SBM 3.11d): The DMA performed by FACC revealed the followrisks or opportunities that relate exclusively to certain groups of ing positive impacts: workers in the value chain, such as certain age groups or workers in a particular factory or country. All risks and opportunities iden- Working conditions within the value chain that lead to increased tified are currently considered relevant for the entire workforce job security. within the value chain.

- Activities producing positive effects: With its COMPETE program, FACC improves workplace safety through targeted training and further education measures, and by raising awareness of CSR issues among FACC's suppliers through questionnaires, as well as on-site and desktop audits. In addition, FACC's ISO 45001 certification contributes significantly to increasing workplace safety. FACC also offers its employees a comprehensive training matrix with numerous specialist training courses. All these activities are designed to strengthen employees' skill sets and prepare them for technological changes in a safe working environment.
- Types of workers who are positively affected: Production staff and technical specialists, who are directly involved in FACC's manufacturing processes, are among those most positively affected. These workers benefit from training and further education measures that promote their professional development and increase their job security.

(S2-SBM 3.11e): FACC analyzed the following risks as part of the DMA:

- Financial penalties/litigation costs/loss of sales due to incidents involving mental or physical health problems within the value chain: Health problems within the value chain can lead to legal repercussions and financial losses. Such incidents can impair productivity and increase the risk of fines and litigation costs.
- Financial penalties/litigation costs/loss of sales due to systematic discrimination of individuals within the value chain: Systematic discrimination can lead to legal disputes and financial penalties. Furthermore, this can lead to reputational damage, potentially resulting in a loss of sales if customers or partners avoid the company.

(S2-SBM 3.12): FACC has not yet developed a specific process to gain an understanding of how workers with certain characteristics, located throughout the value chain, may be at greater risk. There is no systematic identification of risk groups according to gender, age, disability, LGBTQ+ or ethnicity. Surveys and audits are performed for direct suppliers.

3.2.1. DR S2-1 – Policies related to value chain workers

(S2-1.16): The Supplier Code of Conduct sets out the values that FACC considers important for its own workforce. The code is binding for direct suppliers and is reviewed through regular supplier audits.

Relevant IROS:

- Working conditions in the value chain that lead to precarious employment.
- Working conditions in the value chain that lead to increased job security.
- Systematic discrimination of persons within the value chain.
- Financial penalties/litigation costs/loss of revenue due to labor law incidents involving business partners.
- · Financial penalties/litigation costs/loss of revenue due to incidents involving mental or physical health problems in the value chain
- · Financial penalties/litigation costs/loss of sales due to systematic discrimination of persons within the value chain.

In accordance with ISO 45001, the Health and Safety Policy is focused on creating a safe and healthy working environment through the implementation of a systematic approach to occupational health and safety management.

Relevant TROS:

- Working conditions in the value chain that lead to precarious employment.
- Working conditions in the value chain that lead to increased job security.

Scope of the policies:

Compliance with the FACC Supplier Code of Conduct is mandatory for all direct suppliers of FACC.

The Health and Safety Policy applies to all employees at the Austrian sites.

No regions are explicitly included or excluded; the same applies to stakeholders of any kind.

Responsibilities at FACC:

The General Counsel is responsible for the implementation and enforcement of the Code of Conduct. They report directly to the CFO and the CSO of FACC. The Vice President Procurement is responsible for the contents of, and compliance with, the Supplier Code of Conduct. They report directly to the COO. The Health and Safety Manager, on the other hand, is responsible for the Health and Safety Policy. They report directly to the COO.

The Supplier Code of Conduct reflects the views expressed in the International Labor Organization (ILO) standards.

The Health and Safety Policy is regularly reviewed as part of the external ISO 45001 audit.

Consideration of the interests of key stakeholders:

When defining the Supplier Code of Conduct, FACC took into account important concerns and interests of individual stakeholders and incorporated them into the document. These include partners within the value chain, particularly customers, but also authorities (legislators). This is to ensure that the policy considers the expectations and needs of stakeholders and promotes sustainable cooperation.

Availability of the policy to stakeholders:

All suppliers are provided with the Supplier Code of Conduct and are required to sign it. The Health and Safety Policy is accessible on the FACC intranet and is communicated via training courses so as to ensure that all employees are informed about, and comprehend, its content.

(S2-1.17) (S2-1.17b): FACC is committed to involving employees in the value chain through various methods and processes. These include the COMPETE system, which serves as a platform for exchange and further development. In addition, a whistleblower hotline enables employees to report grievances anonymously. FACC regularly conducts internal and external audits, including with customers and authorities, to ensure compliance with standards. Furthermore, the company is certified according to ISO 45001, which underscores its focus on occupational health and safety. Audits are also carried out at suppliers to monitor compliance with human rights and labor policies along the value chain.

With its Code of Conduct, FACC undertakes to comply with ILO standards.

(S2-1.18): FACC has established a (Supplier) Code of Conduct that includes compliance with ILO standards. This code explicitly prohibits any form of modern slavery, including human trafficking, forced or compulsory labor, and child labor.

(S2-1.AR-15) (S2-1.19): FACC's policies regarding workers in the value chain are aligned with the standards of the ILO Declaration of Fundamental Principles and Rights at Work. In addition, the company complies with the requirements of the ISO 45001 standard to promote occupational health and safety among its own workforce.

This is implemented through the Code of Conduct and specific management systems that ensure compliance with these standards. To date, no cases of non-compliance with ILO principles within the value chain have been reported.

3.2.2. DR S2-2 - Processes for engaging with value chain workers about impacts

(S2-2.22a-d): FACC engages directly with workers in the value chain or their legitimate representatives in order to include their perspectives in decision-making processes. This ranges from direct tral locations. contact with the own workforce or the works council to regular supplier audits. Likewise, FACC engages in regular exchanges with FACC supports the availability of these channels through: its customers.

FACC demonstrates its commitment to developing and updating policies through regular exchanges with its customers and suppliers. Although blue-collar workers in the value chain are not consulted directly, the requirements and concerns of these stakeholders are taken into due consideration through continuous dialog with customers and suppliers and are incorporated into the Supplier Code of Conduct where necessary.

Stages of engagement:

Early phase of policy formulation: In this phase, the information and feedback gathered in daily exchanges with customers and suppliers is used to shape policies.

Type of engagement:

(S2-3.28): FACC communicates its policies and processes in a clear Regular exchange: Continuous and informal dialogs with customand transparent manner to its suppliers, who in turn are responsiers and suppliers to ensure that the policies reflect current reble for relaying this information to workers within the value chain. guirements and concerns. This is achieved through regular meetings and written communication. As of the reporting date, FACC was examining the possibility Frequency of engagement: of offering training for suppliers in the future.

Daily exchange: FACC stays in constant contact with its customers Policies to protect against retaliation can be found in FACC's Code and suppliers, ensuring that the policies are continuously adapted of Conduct, through which the company undertakes to comply with and updated. them (see ESRS G1-1).

With this approach, FACC seeks to ensure that the policies reflect (S2-3.29): Channels are to be further expanded in the coming years the needs and expectations of the value chain, even without dito make them accessible to an even larger segment of the value rectly consulting blue-collar workers. chain.

Responsibilities:

FACC has not explicitly assigned responsibility for this topic to a specific person. Instead, the company collects information from the various departments, which use the feedback to draw up de-

(ESRS 2.62): As of the reporting date, FACC had not implemented partment-specific policies. any specific measures with regard to human rights violations As of the reporting date, FACC had no global framework agreewithin the value chain as a key sustainability issue. This is due to ments with global trade union federations. the fact that FACC is currently in the evaluation phase of this issue, with the aim of identifying the best approaches to implementing 3.2.3. DR S2-3 – Processes to remediate negative impacts and effective and sustainable measures. Thus, only potential negative channels for value chain workers to raise concerns impacts were analyzed as part of the materiality assessment, but no actual material negative impacts requiring remediation were (S2-3.27a-d): FACC follows a structured approach to remedy any identified. In order to meet these requirements, FACC plans to denegative impacts on employees within the value chain. This invelop a comprehensive strategy and implement appropriate cludes a confidential grievance mechanism through which issues measures over the next 15-24 months. These are to be based on can be reported (whistleblower hotline). Remedial measures are existing processes. To this end, the following measures are tailored to the specific grievances, and their effectiveness is asplanned: a larger number of suppliers audited on the topic of CSR, sessed through follow-up surveys. more extensive training on whistleblowing within the value chain (rather than just within the company's own workforce), and an increased focus on CSR in supplier audits. In the 2024 financial year. there were no indications of human rights violations within the value chain.

FACC provides various channels through which employees in the value chain can report their grievances, including:

- A whistleblower hotline, which can be used anonymously and is accessible to all workers, and physical suggestion boxes at cen-
- · Training and awareness raising: Employees and managers within the workforce receive training to encourage the use of grievance channels and to emphasize the importance of open communication.
- Accessible channels: Grievance channels are easily accessible, e.g. through multilingual instructions and flexible communication options.
- At FACC, gualified personnel process and monitor the progress of grievances received, from submission to resolution, to ensure transparency and accountability. Feedback loops are put in place to ensure continuous improvement, and affected stakeholders are included in the assessment of the effectiveness of the channels.

3.2.4. DR S2-4 – Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers. and effectiveness of those actions

3.2.5. DR S2-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

(ESRS 2.81): As of the reporting date, FACC had not set any specific targets in relation to the sustainability issue in question. This is due to the fact that FACC is currently in the evaluation phase of this issue, with the aim of identifying the best approaches to implementing effective and sustainable measures. As mentioned above, only potential negative impacts were analyzed as part of the materiality assessment, but actual material negative impacts requiring remedial action or the setting of targets were not identified. FACC plans to continue comprehensive and continuous evaluations in this area, but to date there have been no indications of actual violations or issues in this area within FACC's value chain.

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4. GOVERNANCE INFORMATION

4.1. ESRS G1: Business Conduct

4.1.1. DR G1-1- Business conduct policies and corporate culture

Business conduct policies and promoting the corporate culture

(G1-1.7) (G1-1.10b):

- Policy 1 Code of Conduct
- Policy 2 Supplier Code of Conduct

Policy 1 – Code of Conduct

General objectives

The Code of Conduct of FACC aims to establish a zero-tolerance policy towards bribery and corruption within the company. This is supported by regular training and self-assessments for high-risk areas such as procurement and logistics.

Significant Impacts, Risks, and Opportunities (IROs)

Based on the Code of Conduct, positive impacts include:

- Strengthening a positive corporate culture
- Greater involvement of shareholders.

Opportunities in this context include:

Increased revenue through attractive workplaces.

Identified risks for FACC include:

 Potential failures due to dealings with companies affected by regulatory changes.

Monitoring Processes

The Code of Conduct is monitored through training (part of the welcome training), annual self-assessments with varying focus, a whistleblower hotline, and supplier due diligence by FACC's compliance department. Starting in 2025, an annual internal "Compliance Newsletter" is planned to further raise awareness of corruption within the workforce.

Policy 2 – Supplier Code of Conduct

General objectives

The Supplier Code of Conduct aims to ensure compliance with social, environmental, and ethical standards by business partners. This is supported by a Responsible Business Partners program and FACC's C.O.M.P.E.T.E. system.

Significant Impacts, Risks, and Opportunities (IROs)

The positive impacts identified by FACC regarding the Supplier Code of Conduct (supplier management) include:

- · Ensuring compliance with social and environmental criteria for its own suppliers
- · Ensuring compliance with social and environmental criteria for companies in the value chain.

Identified opportunities for FACC include:

- Planning security/cost savings through long-term and trusting collaboration with suppliers
- · New customer acquisition through strict social and environmental criteria for suppliers.

Monitoring processes

Compliance with the Supplier Code of Conduct is ensured through annual audits (desktop and on-site) and the C.O.M.P.E.T.E. system, which focuses on cost awareness, operational excellence, market knowledge, development of partnerships, process efficiency, technology use and business ethics.

Scope of application of the policies

The Code of Conduct applies to all global operational units of FACC with a focus on upstream activities at production facilities, i.e. wherever transparency is crucial.

The Supplier Code of Conduct, on the other hand, is currently only applied at all Austrian locations.

Responsibility for the topic at FACC

The General Counsel is responsible for implementing the Code of Conduct and reports to the Chief Financial Officer (CFO) and Chief Sales Officer (CSO). They are supported by the Senior Manager CSR and Export Control and the Legal Counsel for Compliance. The Supplier Code of Conduct falls under the responsibility of the Vice President Procurement, who reports to the Chief Operational Officer (COO).

Governance structures and decision-making processes

(G1-1.9): FACC follows a structured approach to establish, develop, promote and assess its corporate culture with a view to creating a positive and sustainable working environment.

Establishment: FACC lays the foundations of its corporate culture by defining core values that are aligned with the company's vision and mission and are already enshrined in the Code of Conduct. This includes the dedication and commitment of management, which serves as a role model by actively practicing the company's values.

Our human values

Appreciation and team spirit.

Showing appreciation for our customers and colleagues, and for our work and responsibilities, forms the basis of our corporate philosophy. The FACC team spirit is built on this philosophy and is a defining feature of the company as a whole. Being part of the FACC team should be a source of joy, satisfaction and success.

Our corporate values

Performance and success.

Our FACC value compass guides us at all times to our human and corporate values.

Our customers must be able to rely on us completely. That is why we are committed to performance and success. Because there can be no success without performance. And no company can exist without success. As a team, we place a higher value on joint success than on the success of individuals.

Our ecological values

Sustainability.

Sustainability is in FACC's DNA. From the very first component produced, we have been making aircraft lighter, guieter and more efficient. We are making an effective contribution to reducing CO₂ emissions from aircraft and wish to demonstrate our commitment to sustainability by acting in accordance with the 17 Sustainable Development Goals (SDGs) of the United Nations.

A comprehensive onboarding program ensures that new members of staff understand, and identify with, these values right from the start. During the induction phase, they are introduced to the company's values and principles through various training courses.

Development: In order to continuously advance its corporate culture, FACC fosters the commitment of its employees through reg-Regular training and information events ensure that all FACC emular training sessions, workshops and events aimed at improving ployees are informed of the reporting channels. Statutory inforteamwork and personal development. Programs to promote divermation obligations are complied with. In addition, regular inforsity and inclusion are offered to ensure that all members of staff mation campaigns are organized within the company. These mechfeel valued and respected. Employee surveys and feedback tools anisms provide clear and safe channels for internal and external are key elements of FACC's strategy to ensure that the needs and stakeholders to report any concerns regarding unlawful behavior opinions of its workforce are incorporated into the further develor violations of internal policies and ensure that the results are inopment of the corporate culture. vestigated and communicated in a transparent manner.

Promotion: FACC promotes its corporate culture through effective All employees are introduced to the Code of Conduct, and familiarized with its content, during the FACC Welcome Training. internal communication that regularly emphasizes its values and objectives. Important communication channels include the intra-It provides an overview of the Code of Conduct with regard to ethnet, newsletters, the FACC Space App and regular meetings. In addition, events and activities are organized to strengthen the team ical business practices, the reporting of violations via the whistlespirit and keep the company's values alive. blower hotline and the possible consequences of failing to report a violation.

Evaluation: FACC evaluates its corporate culture through regular assessments and feedback mechanisms (such as the whistleblower hotline), which allow cultural strengths and weaknesses to be identified. This is achieved through measures such as employee surveys, regular feedback rounds and performance measurements. Based on the insights gained, FACC continuously adjusts its strategies to ensure that the corporate culture remains firmly rooted in all areas of the company and continues to develop.

Promoting the corporate culture and business practices

(G1.10a) (G1.10c) (G1.10g): Mechanisms for identifying, reporting and investigating concerns regarding unlawful conduct or behavior in violation of the Code of Conduct.

FACC has established mechanisms for identifying, reporting and investigating concerns regarding unlawful behavior or violations of the Code of Conduct. Employees and external stakeholders can report violations via a designated e-mail address and hotline managed by the Compliance department. Reports can also be submitted anonymously. If the whistleblower discloses their identity, appropriate identity protection is ensured through confidentiality, observing the principle of purpose, and technical measures. Data is not disclosed to third parties as a matter of principle, and appropriate access restrictions are implemented. Furthermore, the whistleblower is protected against retaliation, including through relevant instructions in internal company policies (the Code of Conduct and the Whistleblower Policy).

Once a report has been received, it is systematically recorded and first assessed by the Compliance Officer, followed by a comprehensive investigation in collaboration with the relevant departments and, if necessary, external experts. In this context, the Management Board grants the Compliance department the authority to act independently of instructions. A regulation on the reallocation of responsibilities applies in the event of conflicts of interest. The results of the investigation are presented to the Management Board, which then decides on appropriate measures, if necessary with the involvement of the HR department.

(G1-1.10h): FACC has identified the greatest risks of bribery and corruption in the following areas of the company: FACC, the ongoing work on good governance is a cross-sectional discipline in which various organizational units such as Communi-

- Procurement (e.g. bribery in exchange for favorable conditions or contract awards)
- Sales (e.g. bribery in order to obtain business or favorable conditions from customers)
- Logistics (e.g. bribery in order to obtain business or favorable conditions from special forwarding agents)
- Finance and accounting (e.g. employees who handle important financial transactions)
- HR (e.g. with regard to recruitment, promotions, contract negotiations)
- Top management (e.g. the authority to make important business decisions could lead to opportunities for bribery and corruption on a large scale)

4.1.2. DR G1-2 – Management of relationships with suppliers

Mechanisms for monitoring and ensuring compliance

(G1 2.62): Strategy for preventing late payments

FACC currently has no dedicated policy that explicitly addresses the prevention of late payments. However, we intend to build on existing guidelines and develop a policy on this topic in the next one to two years.

Standardizing and guaranteeing the timely payment of all suppliers is a top priority for FACC. The most important objectives in this regard include the implementation of standardized payment terms and the establishment of clear and consistent payment terms in all supplier contracts to ensure timely and foreseeable payments. Although this is currently practiced, the company has not yet recorded this in a written policy.

4.1.3. DR G1-3 – Prevention and detection of corruption and bribery $% \left({{{\rm{D}}_{\rm{B}}}} \right)$

Risk management and internal control systems

(G1-3.18) (G1-3.18a): Back in the financial year 2017/2018, FACC launched a communication initiative to raise awareness of the Code of Conduct, and of compliance in general, throughout the Group. As part of this initiative, the Code of Conduct was adapted and brought to the attention of all Group employees worldwide in a separate mailing by the Management Board.

Since then, FACC employees have received regular training (either annually or biannually, depending on external circumstances and events) on the overarching topics of compliance, anti-corruption, acceptance of gifts, money laundering and terrorism prevention, export control, supply chain compliance, and data protection. At

FACC, the ongoing work on good governance is a cross-sectional discipline in which various organizational units such as Communications, Legal, Business Strategy, Internal Audits, as well as IT Security and CSR are involved. The Legal department bears primary responsibility for the Code of Conduct and serves as the central point of contact for compliance issues within the company.

FACC's whistleblowing hotline is an internal system that enables individuals to report violations of the company's Code of Conduct. Whistleblowers can choose to remain completely anonymous; they are protected by law and can report grievances and concerns confidentially. The system, which has been in operation since 15 December 2021, can be used around the clock and is described in FAC-C's Whistleblowing Policy. There are no relevant CAPEX or OPEX to report in this regard.

(G1-3.18b): With regard to FACC's whistleblower system, the Compliance Department acts independently of instructions and internal reporting lines. A substitution arrangement has been put in place for cases where an employee of the Compliance department faces a conflict of interest; in such cases, an employee who is not subject to a conflict of interest shall take over the respective case.

(G1-3.18c): Once the investigations have been concluded, a standardized rereport is submitted to the Management Board, including a recommendation for action. The HR department is consulted in cases involving potential disciplinary actions.

With regard to investigations into corruption or bribery, there are (currently) no separate procedural rules in place. Reporting is also standardized in the event of an incident, as explained above.

Processes for identifying and assessing risks

(G1-3.20): FACC employees are made aware of the whistleblower hotline and its availability on the intranet, and of the Code of Conduct and training materials provided by FACC, as part of their welcome training. Furthermore, numerous information campaigns (via posters, desktop savers, etc.) are held throughout the year.

Risk mitigation and monitoring measures

(G1-3.21 a-c): FACC places great importance on the prevention of corruption and bribery and has therefore developed training programs to raise awareness and educate its employees in these areas. The programs are designed to enhance awareness of ethical business practices and ensure that employees understand and comply with company policies and legal requirements.

The training covers a variety of topics (see table below), including the recognition and avoidance of corruption and bribery, the importance of compliance and ethical behavior, as well as the specific policies and procedures of FACC.

The training is mandatory for all FACC employees to varying degrees (see table below), particularly for those in positions with a higher risk of corruption, such as in procurement, sales, and management. Training sessions are offered regularly (see table below) to ensure that knowledge remains current and that new employees are quickly integrated. Management Board: These training sessions aim to emphasize the importance of governance and compliance in corporate management for this participant group.

Upon completion of the training, participants' understanding is assessed through feedback sessions to ensure the effectiveness of the programs and enable continuous improvements. Supervisory Board: Members of the supervisory board are trained fulfill their supervisory function.

FACC ensures that members of the administrative, supervisory, and management bodies regularly (see table below) participate in anti-corruption and anti-bribery training. These sessions are designed to inform leaders about the latest developments, risks, and best practices in these areas and to strengthen their role in promoting an ethical corporate culture. **Executive Management:** The executive management team receives training focused on the practical implementation of anti-corruption policies and procedures. This training includes practical examples and scenarios that help leaders make ethical decisions in complex situations.

Table: Functions at risk covered by training programs

	At-risk functions	Managers	AMSB	Other own workers
Training coverage				
Total	473	255	15	2,515
Total receiving training	473 (100%)	255	15	2,515
Delivery method and duration				
Classroom training (hours)	0	0	0	lh
Computer-based training (hours)	0.5h	0.5h	0.5h	0
Voluntary computer-based training (hours)	0	0	0	0
Frequency				
How often training is required	12-18 months	annually	annually	once during onboarding
Topics covered				
Definition of corruption	Inappropriate offering or receiving of gifts and invitations			
Policy	Code of Conduct	Code of Conduct	Code of Conduct	Code of Conduct
OnBOARDING ("Welcome Training")	depends on the spe- cific case, in principle zero tolerance	depends on the spe- cific case, in principle zero tolerance	depends on the spe- cific case, in principle zero tolerance	depends on the specific case, in principle zero tolerance

The time window for training for "at-risk functions" of 12 to 18 months is determined based on the availability of our internal trainers, as well as the relevance of the topic itself. Additionally, individuals in "at-risk functions" receive this training at regular intervals (albeit in a shorter overall duration of about 30 minutes) because they are potentially more exposed to this topic in the course of their work. "Other workers," on the other hand, receive the training only once. We see little to no interaction with the topic for them, which is why we believe that a one-time training during onboarding is sufficient.

4.1.4. DR G1-4 – Incidents of corruption or bribery

Transparency and reporting on governance practices

(G1-4.24)(G1-4.24a): Number of convictions: 0

4.1.5. DR G1-6 – Payment practices

(G1-6.33) (G1-6.33a): On average, suppliers receive their payments from FACC within 52.6 days, which is within the agreed payment terms. This figure is determined by the controlling department and is part of the monthly reporting to the management board. The Working Capital Manager of FACC also uses this figure • Close to 15 % of FACC's suppliers obtain their receivables for internal analyses.

well as from development services and other services, is almost exclusively point-in-time based.

Receivables from deliveries and services typically have payment terms of up to 90 days, while receivables from customer-related development services and contract assets may have payment · Close to 12 % of FACC's suppliers obtain their receivables plans with milestone payments.

(G1-6.33b): FACC does not have standard payment terms. Payment terms are usually agreed upon with payments ranging from 30 days to 90 days (see below). However, these are always individual negotiation points that are negotiated with the suppliers (similar to price and/or Incoterms, etc.).

- (without deduction) within 14 days.
- At FACC, the realization of revenue from the sale of products, as · Close to 41 % of FACC's suppliers obtain their receivables (without deduction) within 30 days.
 - Close to 10 % of FACC's suppliers obtain their receivables (without deduction) within 60 days.
 - (without deduction) within 90 days.

The basis for calculating these values is the ratio of the total purchase value (excl. consignment) of materials. The remaining percentages result from minor variations in the payment terms (such as granting a discount of 1 % - 5 %).

(G1-6.33c): As of the balance sheet date, FACC had no pending legal proceedings due to late payments.

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