1.2 Non-Financial Information

1.2.1 The Company's Approach to Sustainability

Purpose

The Company's purpose is to pioneer sustainable aerospace for a safe and united world. It aims to lead the way in the decarbonisation of the aerospace industry, to unite and safeguard the citizens of the world, and continually expand human knowledge of our universe, from critical events on earth to the exploration of space. To this aim, the Company designs, manufactures and delivers aerospace products, services and solutions to customers on a worldwide scale bringing essential value to society and contributing to the UN Sustainable Development Goals ("**SDGs**") through its core business and how it runs it.

First of all, **the Company connects**. Connections are vital to making the world a better place. That's why the Company unites people and organisations across the globe; physically with its commercial aircraft and helicopters; and virtually with its connectivity solutions, allowing them to connect and understand each other.

The Company serves communities. Its satellites and tracking systems help make oceans safer with solutions that monitor and protect naval routes and maritime assets. Company-built aircraft are instrumental in firefighting, in maintaining energy systems and public safety. Its helicopters are the workhorses that carry out construction and infrastructure projects in hostile or inaccessible areas of local communities as they can often be the only tool able to transport heavy loads, building materials, supplies, cargo and more. Technology solutions from the Company protect many critical systems from cyberattacks.

The Company saves lives. When a humanitarian crisis arises, its aircraft help transport patients for urgent medical care, and they assist in search efforts to find those marooned at sea, stranded in the mountains, or isolated in remote regions. Its EO satellites are tasked to acquire images of the concerned area. This imagery is delivered to relevant authorities, together with archived data, to rapidly assess the extent of damage and support rescue planning by allowing actions to be prioritised, and identifying if roads, bridges and airport runways are still operational.

The Company protects. Its defence products and services help countries protect their citizens, values and vital infrastructure. In an unstable world, this security is a prerequisite of peace, the rule of law, political stability, democracy, environmental sustainability, human rights, economic development and prosperity, and scientific progress. The Company manufactures helicopters, fighter jets and military transport planes that allow nations to safeguard their airspace and respond to natural disasters. The Company supplies intelligence capabilities as well as terrestrial space and cyber security services. It provides secure communications to governments and organisations devoted to public safety. All help to make the world a safer place. Its defence activities contribute to diplomacy, conflict resolution and a multilateral approach to international relations. By supplying EU and NATO member states with advanced military equipment, it strengthens their diplomatic influence and credibility on the global stage – and in turn that of international institutions such as the UN and NATO, thereby contributing to SDG 16 – Peace, Justice and Strong Institutions.

The Company explores. It believes the exploration of our universe will enrich life for generations to come. Its space technologies and satellite imagery solutions continually expand human knowledge of our universe, from the ability to capture and analyse data on climate change and critical events on Earth, to providing the solutions that enable deep-space exploration. For decades, the Company has been at the very heart of space exploration. It's at the forefront of creating the technologies that allow mankind to send spacecraft to planets, moons and comets both near our sun and millions of kilometres away.

GENERAL	GRI	SDGs	Others
	102 General Disclosures	4, 5, 8, 9, 12, 13, 16, 17	Vigilance Plan
Highest governance body(ies) involved	Board of Directors / ECSC Executive Committee supported by topic-focused Committees		
Commitments to external frameworks	UN Global Compact, The Ten Principles, Sustainable Development Goals		
Add. ressources ⭢: this symbol indicates a link to an external website	Sustainability on Airbus.com⭢, Airbus Tax Strategy⭢ Innovation contributing to a more sustainable world on⭢ Airbus.com⭢, Earth monitoring and understanding⭢ (e.g. Climate change monitoring⭢, Application for sustainable agriculture)⭢, Example partnership for innovation: ANITI project⭢, Toulouse University (ANITI)⭢, The Future of Hydrogen by the IEA⭢, ATAG Benefits Beyond Borders fact sheet⭢, ASD Fact Sheet 2021⭢ UN Global Compact⭢		

Additional indirect contributions

The Company's contribution to a more prosperous and sustainable society goes well beyond what it offers directly through its products and services.

For example, as one of the most important players in the aviation industry, the Company contributes significantly to SDG 8 "Decent Work and Economic Growth" as highlighted through the 2020 ATAG Benefits Beyond Borders – global fact sheet, found on the ATAG website (figures reflect pre-COVID-19 situation, a "normal" year for air transport):

Economic benefits

87.7 million

Jobs supported by aviation worldwide

→ 11.3 million direct jobs in the industry:
- 648,000 at airport operators
- 5.5 million in other on-airport jobs
- 3.6 million at airlines
- 1.3 million in civil aerospace
- 237,000 at air navigation service providers

→ 18.1 million jobs supported through the aviation industry supply chain

→ 13.5 million jobs through induced benefits of industry and employee spending

→ 44.8 million jobs supported in the tourism industry

$3.5 trillion

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

4.3x

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

35%

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

17th

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

As a major European defence manufacturer, the Company also has significant economic impact across Europe. According to the AeroSpace and Defence Industries Association of Europe (ASD) the industry supports over 462,000 high-skilled jobs across the continent, all contributing to Europe's economic prosperity with €119 billion in annual revenue, €45.6 billion of which are dedicated to exports.

While the Company contributes to the global economy as a whole it also contributes to the economic development of the communities it operates in. Full aerospace ecosystems, often bringing together academia, research centers and corporations, all with high value-added jobs, often develop around the Company's sites such as those in Toulouse or Hamburg. This development is accelerated thanks to the Company's innovation ecosystem such as the recently launched Airbus Scale initiative, a new innovation unit that brings together corporate innovation, start-up engagement and company-building activities. In this approach, Airbus Scale will promote and identify internal corporate innovation opportunities that can be developed into solutions for the external world, bringing them to market and attracting external investments that could result in spin-offs. This generates value for the Company but also the local communities where these new companies will set foot and prosper.

There are many other examples of how, in the process of developing its products and services, the Company is stimulating innovations and developments across the aerospace ecosystem, benefiting society more broadly.

For example, as the Company prepares for its ZEROe aircraft, it is stimulating multiple innovations and development around the use of hydrogen from low carbon and renewable hydrogen production and storage to combustion and propulsion, all beneficial beyond aerospace. As an example, by committing to a hydrogen-powered aircraft by 2035 the Company is priming demand, stimulating low carbon and renewable hydrogen production capacity. Currently, less than 0.1% of global dedicated hydrogen production comes from water electrolysis according to the International Energy Agency (IEA)'s 2019 report The Future of Hydrogen. However, this is expected to rapidly change. The cost of renewable energies is falling at an unprecedented rate. Investment in electrolysers – the "clean" technology used to separate hydrogen and oxygen atoms in water – is expected to boom worldwide.

Sustainability Commitments

Furthermore, the Company understands that contributing to a sustainable society must be achieved not just through what it does but also how it does it, aiming at minimising negative impact and maximising the positive. In order to give direction and focus, in 2020 the Company updated its sustainability strategic framework around the below listed four sustainability priority commitments that apply across its entire value chain. These commitments are in close connection with the UN SDGs and contribute more specifically to eight of them.

The Company's **four Commitments**	Material topics	SDGs	Section
#1 **Lead the journey towards clean aerospace**	Environmental impact of our operations / Environmental impact of our products	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE / 12 RESPONSIBLE CONSUMPTION AND PRODUCTION / 13 CLIMATE ACTION / 17 PARTNERSHIPS FOR THE GOALS	1.2.2
#2 **Build our business on the foundation of safety and quality**	Product Safety / Cybersecurity / Health & Safety	8 DECENT WORK AND ECONOMIC GROWTH / 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	1.2.3
#3 **Respect human rights and foster inclusion**	Human Rights / Inclusion & Diversity / Labour Relations / People	4 QUALITY EDUCATION / 5 GENDER EQUALITY / 8 DECENT WORK AND ECONOMIC GROWTH / 16 PEACE, JUSTICE AND STRONG INSTITUTIONS	1.2.4
#4 **Exemplify business integrity**	Business Integrity	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	1.2.5

Across each commitment the Company has set key performance indicators ("**KPIs**") and targets enabling the Company to monitor progress towards these ambitions. These can be found in "– 1.2.8 ESG Data Board", which gathers all reported sustainability metrics. They can also be found in the related sections of this chapter which is structured around each of the four commitments above, completed by two sections which cut across all four commitments, "– 1.2.6 Responsible Supply Chain" and "– 1.2.7 Community Impact".

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

Stakeholder engagement

At a strategic level, the 2019 materiality assessment was a critical exercise in capturing the voice of 12 of the Company's most important stakeholder groups, helping it identify which ESG issues were most material to them, and integrating this into its strategy. These key stakeholder groups included:

Customers	NGOs	Authorities	MRO providers
Suppliers	Investors	Governments	Airports
Partners	Employees	Industry Associations	Community at large

The stakeholder viewpoint was captured *via* a mix of surveys and artificial intelligence (*via* analysis of reports, legislation and media sources). The materiality viewpoint of stakeholders was mapped against the actual or potential impact on the Company of identified environmental, social and governance ("**ESG**") issues, in addition to an analysis of which ESG issues the Company has, or could have, the most impact on. These were both captured *via* surveys sent to the Company's executives. Results led to the following three-dimensional materiality matrix, fundamental in establishing the Company's four commitments. The intention is to launch a new assessment in 2022.

Materiality matrix
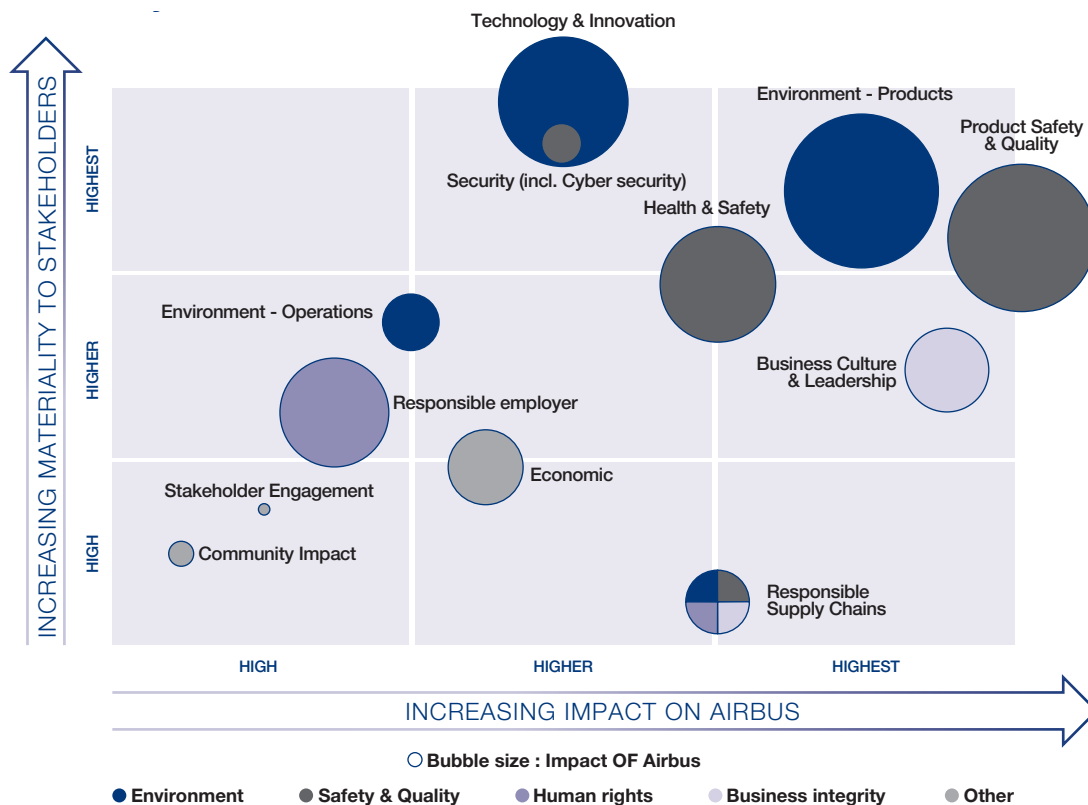
Source: Datamaran.

Governance

Conscious of the strategic importance of sustainability, the Company has defined an adapted governance and organisation at the highest level.

Hence, oversight has been established at the Board of Directors level with the Ethics, Compliance and Sustainability Committee ("**ECSC**"). For further information about the ECSC, see "– Corporate Governance – 4.1 Management and Control".

The ECSC is responsible for assisting the Board of Directors to oversee the Company's:
– Culture and commitment to ethical business, integrity and sustainability;
– Ethics & Compliance programme, organisation and framework for the effective governance of ethics and compliance, including all associated internal policies, procedures and controls; and
– Sustainability strategy and effective governance to ensure that sustainability-related topics are taken into account in the Company's strategy and objectives.

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

The Executive Committee is supported by several committees or boards linked to the Company's four sustainability commitments:
– the Environment Executive Steering Committee, the Inclusion & Diversity Board as well as the Product Safety Board, all chaired by EC members;
– the Steering Committees of the Human Rights and Sustainable Supply Chain Roadmaps, both sponsored by Executive Committee members.

Other sustainability topics such as Health & Safety and Business Integrity are brought directly to the attention of the Executive Committee.

Board of Directors

Ethics, Compliance & Sustainability Committee

Executive Committee

Environment Executive Steering Committee	Inclusion & Diversity Advisory Board	Product Safety Board	Health & Safety, Human Rights, Business Integrity, Sustainable Supply Chain Direct cascading of topics to the Executive Committee

The Company also believes the integration of sustainability criteria in its reward mechanisms is an important enabler for accelerating its sustainability ambitions. A sustainability component is integrated into the Common Collective Component of the CEO's variable remuneration, accounting for 20% of the payout, see "– Corporate Governance – 4.4 Remuneration Policy". This principle also applied to the other members of the Executive Committee who do not serve on the Board of Directors, and to a large extent to executives employed at the Company.

Organisation and policy framework

The Sustainability & Environment team put in place in January 2020 at corporate level has continued to develop and expand. Its mission continues to be to:

- Set the ambition level for the four sustainability strategic commitments.
- Identify the levers to achieve this ambition.
- Enable the business to deliver this ambition across the full value chain.
- Engage employees on sustainability.
- Provide clarity on ambition and progress to internal and external stakeholders.

While the Sustainability & Environment team has a Company-wide role to provide direction and check regularly on advancements across all sustainability topics, for each of those topics (*e.g.* Health & Safety, Inclusion & Diversity, Human Rights, etc.), there are related functions, departments or "roadmaps" (multifunctional teams addressing cross functional sustainability topics) driving their continuous improvement. These teams are for the most part supported by dedicated policies which are referred to in the Company's Code of Conduct, a single reference intended to guide daily behaviour and help employees resolve the most common ethical and compliance issues that they may encounter. The Code of Conduct applies to all employees, officers and directors of the Company.

1.2.1.1 Airbus' way forward: Vigilance Plan

The Company is determined to conduct its business responsibly and with integrity. The Company is convinced that promoting responsible business conduct within its value chain is key to sustainable growth. For the Company's Vigilance Plan for its supply chain, see "– 1.2.6 Responsible Supply Chain", which shall be deemed to be incorporated by reference and form part of this plan.

As far as its own operations are concerned, the Company has adopted internal policies and management tools to perform the assessment, monitoring, mitigation and reporting of risk and compliance allegations, which are embedded into the Company's culture and processes.

Enterprise Risk Management & Internal Audit: With regard to risk management, sustainability risks and opportunities are fully embedded in the Company's Enterprise Risk Management ("**ERM**"). For further information on ERM, see "– Corporate Governance – 4.1.3 Enterprise Risk Management System". For further information on the Company's risks, see "– Risk Factors". Internal audits are also performed regularly across the Company, including on sustainability topics. See "– Corporate Governance – 4.1.4 Internal Audit". External audits are also performed in line with certification requirements as detailed in the related material topic sections.

Sustainability competencies & employee engagement: Awareness-raising, competence development and employee engagement are essential to preventing and mitigating sustainability risks and maximising opportunities. To this aim, the Company offers employees over 400 training opportunities, online and in-person, linked to environment, human rights, inclusion & diversity, data privacy, cybersecurity, product/aviation safety, health & safety and ethics & compliance. Training courses linked to sustainability topics were integrated into the 2021 mandatory training list for Company employees. Specific information on training is covered in the related material topic sections.

Affiliates: All Company-controlled affiliates are expected to deploy similar internal policies by applying the Company's directives. A Company-wide single directive defines rules, processes and procedures applicable to the Company's affiliates and their respective boards, directors and officers. Its enforcement is supported by the Directors' training programme which, in 2021, was delivered to around 267 people over 18 full-day digital sessions. The single directive assists the Company's affiliates in effectively fulfilling their responsibilities while assuring the Company's ongoing commitment to high standards of corporate governance. It was built on the basis of Company-related internal policies including but not limited to: the Company's Code of Conduct, International Framework Agreement; Agreement on the European Works Council; Supplier Code of Conduct; Health & Safety Policy; Environmental Policy; the Company's Anti-Corruption Policy and related Directives. An online self-assessment is completed on an annual basis by the controlled affiliates to self-assess their internal controls, including how they relate to the environment, health & safety, human resources, governance, finance, procurement and compliance requirements in order to identify any gaps and define remedial action plans as required. Controlled affiliates can update the self-assessment on a quarterly basis based on their progression. Since 2019, affiliates have also been asked to regularly evaluate risks *via* the Company's ERM system, as well as to regularly monitor them as part of their risk assessment process.

Grievance & whistleblowing mechanism: The Company is committed to maintaining a "speak-up" culture by promoting an open and trusting dialogue with employees at all levels. All employees are encouraged to express their views, defend their opinions, and point out unacceptable behaviour – especially behaviour that violates the Company's Code of Conduct. Employees can raise concerns to their line manager, their human resources business partner, to a Legal & Compliance representative, or through the Company's "OpenLine" hotline (www.airbusopenline.com). The OpenLine is anonymous where legally permissible and also available to external stakeholders, including affiliates and suppliers, and covers all sustainability topics. The Company endeavours to ensure that the procedures to assess, investigate and manage allegations are well aligned throughout the Company. For further information about the OpenLine, see "– 1.2.5 Exemplify Business Integrity".

For further information on the Company's approach to the environment, see "– 1.2.2 Lead the Journey Towards Clean Aerospace – Environment". For further information on the Company's approach to human rights and health and safety, see 1.2.4 and 1.2.3 respectively.

A dedicated section also appears at the end of this report compiling key information related to the vigilance plan. See "– 1.2.9 Deployment of Vigilance Plan (*Devoir de Vigilance*)".

1.2.1.2 Reporting standards

The Company reports against the GRI (Core) standard. A GRI index is available in "– 1.2.12 GRI Index".

TCFD and SASB: Disclosed information is referenced in dedicated tables in sections "– 1.2.11 TCFD Correspondence Table" and "– 1.2.13 SASBI Correspondence Table" respectively.

1.2.2 Lead the Journey Towards Clean Aerospace

I.   Introduction

In line with the Company's purpose "**pioneering sustainable aerospace for a safe and united world**" and its aim to drive the transition of the air transport system towards climate neutrality, the Company's foremost ambition as an aircraft manufacturer is to bring the first zero exhaust CO_2 emission ("zero emission") commercial aircraft to the market by the middle of the next decade and to play a leading role in the decarbonisation of the aviation sector. The Company is investing major resources into examining and reducing the impact of its products in operation together with all actors within the aviation sector.

As a supporter of the Task Force on Climate-related Financial Disclosures ("**TCFD**"), the Company not only tracks and measures the environmental impact of its sites, products and services, but also works in cooperation with its worldwide supply chain to drive more effective environmental management, decarbonise its industry and foster circularity by optimising resource utilisation. To help the Company reach its vision, it places innovation at the core of this effort by investing in research, new technologies and sustainable solutions. The Company approach to address climate risks and opportunities follows the four pillars of the TCFD – governance, strategy, risk management, metrics & targets – as reflected in the Company reporting hereafter, and in its answers to the CDP questionnaire published on its website. The Company maintained its A- CDP rating in 2021.

The Company has identified climate change as its most material environmental impact and as such recognises its role in contributing to mitigating the global footprint of the sector and the importance of aligning and respecting the commitments of the Paris Agreement. Climate change may also affect the environmental conditions in which the Company's manufacturing activities and products are operated. Another main area of attention is the elimination or management of regulated substances. The Company is continually seeking technically-feasible sustainable solutions to reduce the environmental impacts of its products and operations, in cooperation with its suppliers and industrial stakeholders. Other environmental aspects such as the impact on water resources, the production of waste or the emission of air pollutants are also part of the Company's priorities.

To this end, the Company has set key environmental ambitions:
– lead the decarbonisation of the aerospace sector aiming to bring the first zero emission commercial aircraft to market by 2035;
– reduce the industrial environmental footprint at sites worldwide and throughout our supply chain;
– develop a more circular model, leveraging ecodesign and digitalisation to optimise material utilisation and reduce use of critical resources;
– enhance the current product and services portfolio contributing positively to climate change mitigation and adaptation.

ENVIRONMENT	GRI	SASB	SDGs	Others
	302 Energy 303 Water and Effluents 305 Emissions 306 Waste	– Energy Management – Hazardous Waste Mgmt – Fuel Economy & Emissions in Use-Phase	9-12-13-17	TCFD Vigilance Plan
Highest governance body(ies) involved	Board of Directors / ECSC Executive Committee / Environment Executive Steering Committee			
Related Corporate Policies	Environmental Policy			
Management system Relevant certifications	EMS – Environmental Management System ISO14001 -88% of workforce covered			

KPIs	Target 2030	Baseline 2015[8]	2020	2021	2021 *vs.* 2020	2021 *vs.* Baseline
CO$_2$e Scope 1&2[1] *(ktons)*	**-63%**[2] *in line with* *1.5°C pathway* "net zero Scope 1&2" by 2030[3]	1,116	882	827	-6%	-26%
Energy[4] *(GWh)*	-20%	3,107	2,665	2,728	+2%	-12%
Waste: Waste produced[5] *(tons)*	-20% produced *and 0% landfill* *and incineration w/o* *energy recovery*	107,967	74,898	69,660	-7%	-35%
Air emissions:						
VOC *(tons)*	0% increase	1,464	1,047	1,051	0%	-28%
NOx *(tons)*	0% increase	15	14	14	-3%	-8%
SOx *(tons)*	0% increase	247	239	222	-7%	-10%
Water:						
Water purchased *(m³)*	-50%	3,311,578	2,865,793	2,584,644	-10%	-22%
Water withdrawal *(m³)*	0% increase	3,754,503	3,371,030	3,078,590	-9%	-18%

Other key metrics (More metrics available in the ESG Data Board)	2020	2021	2021 *vs.* 2020
SCOPE 3 – Use of sold product – Commercial Aircraft[6][7] *(CO$_2$e kton)*	440,361	463,592	+5.3%
Delivered aircraft efficiency intensity *(gCO$_2$/km.pax)*	63.1	62.6	-0.8%
SCOPE 3 – Use of sold product – Helicopters[6] *(CO$_2$e ktons)*	1,085	1,137	+4.8%
SCOPE 3 – Purchase of Goods and Services[6] *(CO$_2$e ktons)*	11,346	NA	stable
CDP Rating	A-	A-	
Remuneration	CO$_2$ performance included in CEO and Executives variable remuneration. Targets (on TCO scope): -3% in 2021, -5% in 2022. 2021 performance: actual -7%; retained -6%, net of guaranteed origins in excess of amount planned for target setting.		
KPI assumptions	(1) Scope 2: location based with purchased guarantees of origin deduced. (2) Established following the Science based Target methodology in line with a 1.5°C pathway. (3) Neutralising residual emissions through permanent removal and storage solutions. (4) Total consumption from stationary sources. (5) Total waste excluding exceptional waste. (6) Scope 3 methodologies are detailed in the environment section hereafter. (7) 2020 figures restated, integrating refined emission factors. (8) Baseline was refined to reflect changes in scope, align with GHG protocol guidelines and rectify actuals for some entities.		
Additional resources	Environmental Policy Statement↘, Environment on Airbus.com↘, CDP Climate Change Questionnaire on Airbus.com↘ and on CDP website↘, ATAG Waypoint 2050↘, IEAG – GHG Reporting Guidance↘, ITAKA Initiative Towards sustAinable Kerosene for Aviation↘, Clean Sky initiative↘, SESAR initiative↘, Partnership on Smart Cities and Communities (EIP-SCC)↘		

II. Governance

Environmental policy

The Airbus Environmental Policy is the top level referential defining the guiding principles, mission, vision and associated top level Initiatives for environment. The policy applies Company-wide, including to affiliates where the Company owns more than one half of the voting rights or the right to appoint the majority of the Board directors to the extent that the shareholders agreement and/or the level of control in force in each relevant affiliate allows it. It covers the Company's employees and contractors whilst on the Company's sites or at work under the responsibility of the Company. The policy takes a holistic approach to measuring and acting upon the Company's environmental performance by assessing the environmental impact of internal operations as well as providing capabilities to the Company's customers to reduce the impact of the products in operation. This also means introducing a lifecycle perspective and mitigating the risks and impacts at all stages of the lifecycle, from the procurement of raw materials, through the design and manufacturing of products, to their in-service life until their retirement.

Organisation and responsibilities

Two main management structures are relevant for the governance in sustainability matters and climate change: the Board of Directors and the Executive Committee.

As mentioned above, the Board of Directors is supported by the ECSC. In practical terms, the ECSC as a committee of the Board of Directors oversees strategic decision-making and the execution of the approved sustainability strategy, including areas such as innovation and environmental and climate action.

In 2021, the ECSC reviewed and provided guidance on a number of environmental topics such as the Company's decarbonisation strategy for its direct operations, supply chain and products.

To support the Executive Committee in environmental matters, especially climate-related, an Environment Executive Steering Committee ("EnC") was established in 2019. The EnC is composed of members of the Executive Committee and senior executives Company-wide, responsible for environmental topics. It meets monthly to review the progress and take decisions on all matters related to the environmental strategy. The EnC reviews climate change related topics, including the progress on greenhouse gas ("GHG") emissions reduction objectives, the decarbonisation strategy and climate related risks.

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

The Company's EMS is based on ISO 14001:2015. Airbus was the first aircraft manufacturer to be ISO 14001 certified, and continues to show its commitment by having been recertified to ISO 14001: 2015 in November 2019, and confirmed by a certification surveillance audit in 2020 and 2021. The Company also monitors environmental regulatory developments to understand, evaluate and prepare for legal and regulatory evolutions applicable to its activities and products.

The Company's environmental strategy is implemented operationally by dedicated multifunctional teams at corporate and/or divisional level. These cover topics such as industrial and site impact, product operation, supply chain or chemical substances.

Disclosure of environmental indicators

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

As part of its transparency policy, the Company provides climate change related data and information to the CDP annually, providing its investors and other interested parties with the insight they need. In 2021, the Company has maintained the A- score obtained in 2020.

III. Risk Management

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

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

Risks and opportunities are reported quarterly to the Executive Committee of each Division and top risks, including climate-related risks, are consolidated at Company level to be brought to the attention of the Board of Directors and reviewed semi-annually.

Climate-related risks

Climate-related risks (adaptation and mitigation) are described in "– Risk Factors – 4 Environment, Human Rights, Health & Safety Risks" and shall be deemed to be incorporated by reference and form part of the Non-Financial Information.

IV. Implementation/Activities

1. Industrial operations

The Company has been working for many years on the reduction of its environmental footprint, not only its products and services but also its production and facilities. This started in 2006 with the Blue5 programme, supporting the 2020 Vision objectives for the reduction of the Company's industrial environmental footprint.

High5+ revised targets in line with a "1.5°C" pathway and neutralising residual emissions by 2030

In 2019, the Company continued with the 2030 vision and extended its programme in order to anticipate increasing environmental regulation, foster employees' engagement and provide answers to stakeholders' expectations for the coming decade.

Named "high5+", the programme is built on a set of ambitious reduction targets covering the five most material environmental impacts for the Company in order to reduce energy consumption, CO_2 emissions, water withdrawal, Volatile Organic Compounds (VOCs) emissions and waste production. These objectives have been set in absolute value, with 2015 levels as reference, as follows:

– **CO_2**: reduce direct (scope 1) and indirect (scope 2) net GHG emissions by -63% by 2030 compared to 2015. This target has been set by applying the relevant "Science Based Target Initiative" (SBTi) methodology for a near-term target in line with a "1.5°C" pathway. While the Company is working on a detailed pathway for a long-term target in line with the SBTi Net-Zero standard, it has committed to neutralise the scopes 1 and 2 residual emissions from 2030 by using only carbon removals;

– **energy**: reduce energy consumption from stationary sources by 20% by 2030;

– **waste**: reducing the amount of waste produced by 20% by 2030 and divert 100% of the waste from landfilling and incineration without energy recovery;

– **air emissions**: 0% increase of VOCs emissions by 2030;

– **water**: develop strong maintenance and rehabilitation programmes to reduce drinking (purchased) water by 50%, with no increase in overall water withdrawal.

Annual objectives and CEO / executives remuneration

In order to better embed this ambition into the Company's performance management, short-term targets are established consistently. The Executive Committee agreed in 2020 to include a reduction target for 2021 (compared to 2020) of -3% for CO_2 and -5% for purchased water (see table below) as part of the Company's top objectives.

In 2021, the Executive Committee agreed to include reduction targets of -5% for CO_2 for 2022 (compared to 2021) as part of the Company's top objectives.

As such, these annual targets form part of the CEO's and other Executive Committee members' remuneration, see "– Corporate Governance – 4.2.1 Remuneration Policy". In 2022, the CO_2 target will also be included as a non-financial KPI in the variable remuneration of executives.

For 2021, the CO_2 and water annual performance is described in the table below:

	Target	2020	**2021**	2021 v. 2020	Covered scope
CO_2 *(ktons)*	-3%	811	754	-7% (-6% retained[1])	91%
Water *(m³)*	-5%	2 101 229	1 791 662	-15%	69%

Data audited by EY®

Annual objective on CO_2. *Geographical scope: In 2021: **48 sites**. Scope of metrics: Scope 1 & 2 (including Oversize Transport) and excluding: refrigerant leakage, butane consumption, electricity on site from CHP, emissions due to processes. Scope 2 is location based with purchased guarantees of origin deduced.*
(1) Net of guaranteed origins in excess of amount planned for target setting.

Annual objective on puchased water. *Geographical scope: In 2031: **35 sites** in Europe, China, USA and Canada, excluded: subsidiaries and Airbus Helicopters sites. Scope of metrics: Volume of purchased water.*
*Scope: The TCO scope os reviewed annually. 2020 data were updated to reflect change in TCO scope accordingly.*

GHG emissions and energy reduction

Stationary sources (*e.g.* heating, cooling, manufacturing processes etc.) account for c.70% of GHG emissions at the Company's sites and mobile sources (ground vehicles, "Beluga" air transport operations, flight test, etc.) for c.30%. Action plans for reducing emissions from stationary sources mainly rely on increasing energy efficiency and using low carbon energy sources, while plans for reducing mobile sources emissions include switching to lower emission vehicles where possible and avoiding emissions through better planning of flights and logistics and using lower carbon fuels (*e.g.* sustainable aviation fuels (SAF)).

Fig. High5+ CO2 performance vs. revised ambition
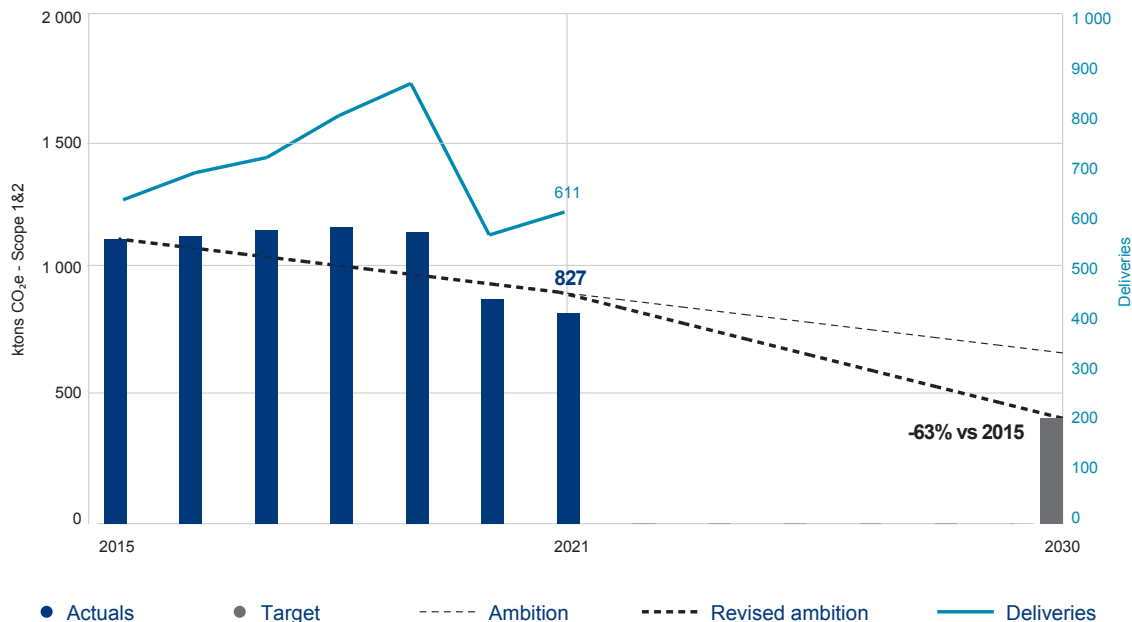
In 2021, scope 1 and 2 GHG emissions have decreased by around 6% (7% on TCO scope), primarily due to oversize transportation efficiency and operation improvements, reduced flight tests activities and European emission factors improvement that more than offset production ramp-up impact.

Since 2019, SAF is used in the operation of the Company's Beluga transport aircraft for the purpose of internal logistics. In 2022, flight test activities will also start using SAF as part of the Company's revised GHG emissions reduction plan. The share of SAF used in these activities will progressively increase to 50% by 2030.

In the same timeframe, the share of renewable electricity used in industrial operations in Europe will also progressively increase, starting with an increase of 10% of guarantee of origin (GoO) certificates per year and the incorporation of long-term power purchase agreements (PPAs). The PPA project was launched in 2020 and achieved a major milestone in 2021 with the validation of the requirements to purchase renewable and low-carbon energy as well as the selection of suppliers to be finalised in 2022. This will allow the Company to accelerate its ambition to secure 100% renewable and low-carbon energy supply to all sites in Europe by 2024. The Company is investigating opportunities in other regions (eg. US, China) to follow the approach applied to Europe.

In addition, the Company uses an internal carbon price to support investment with positive energy and CO_2 reduction impacts on operations. In 2021, this price was updated from 30 €/tCO_2 to 150 €/tCO_2, giving a clear signal to project leaders on the importance of CO_2 footprint reduction and enabling a strong acceleration of project portfolio implementation.

Carbon offsetting and neutralising residual emissions

Carbon offsetting: in 2019, the Company introduced a mechanism to compensate emissions of activities for which reduction measures and use of renewable energy are not sufficient to meet the internal targets, such as air and sea activities, as well as emissions from air business travel. This mechanism follows an approach of first avoiding and reducing GHG emissions in absolute value to later compensate for residual emissions. The Company built a rigorous procurement process based on the concepts of additionality, real (permanent) reduction, prevention of double counting, prevention of overestimation and no additional harm. As a minimum, the carbon offsets need to be certified by the Gold Standard or Verra or Verified Carbon Standard or Climate, Community and Biodiversity Standards and the supplier needs to show proof of how each one of the mentioned criteria were met. In addition, understanding that these carbon offsetting programmes may have gaps in their methodologies, additional proof was requested of how such gaps are managed by the provider. Moreover, societal aspects were considered, such as prevention of child labour, respect of human rights and the relation with the communities surrounding the projects. The volume of offsets required in 2021 is about 40ktCO_2e, procured through offset

producer South Pole in the form of a cluster of compensation and removal projects: aforestation (VCS), landfill gas and waste gas (GS-VER), forest conservation (VCS-CCBS).

Neutralisation of residual emissions: as part of 2030 road map, the Company is developing a plan to neutralise residual emissions. The plan will follow as a minimum the SBTi "Net Zero" standard and the current scientific understanding in its definition of neutralisation by including only permanent removal and storage of carbon from the atmosphere.

Water management
The Company's water usage is mostly linked to sanitation and general uses (around 85%), while the rest is used in production related processes.

In 2021, the purchased water volume followed a similar trend as CO_2, decreasing by 15%. This reflects the increase in remote working (reduced presence on site), also resulting from the COVID-19 situation, as well as an increased water-efficiency and leak repair campaigns. Increased focus is put on the local level of water stress: in 2021, an analysis was conducted based on the World Resource Institute's (WRI) Aqueduct Water Risk Atlas tool in order to understand where the Company's activities have the greatest impact on water resources. In 2022, the action plan will be adapted to reflect the priorities accordingly.

Air emissions
Air emissions, primarily referring to VOC emissions related to surface treatment, are mostly impacted by the number of deliveries. Substance substitution may also lead to the use of new chemicals with more VOC emissions which need to be monitored. Overall VOCs emitted are stable, reflecting the effort on product substitution even if production rate has increased compared to 2020.

Material consumption and waste management
The Company promotes the development of a circular economy model, and is proactive in seeking ways to recover, reuse and recycle materials beyond their initial life.

Not only does the Company send around 50% of its waste to be recycled, but already, through the TARMAC Aerosave joint venture, more than 90% of an aircraft's weight is recycled or reused through a selective dismantling (reverse manufacturing) process.

Regarding waste management, a multifunctional team is currently working in order to meet the high5+ ambition, gathering skills across the organisation such as engineering, information management, procurement, industrial operations and facility management.

The focus has been on standardising the existing practices towards waste collectors in order to take into account the involved regulatory framework and to enhance data monitoring and reporting needs. There are also strategic projects ongoing to clarify and enhance site monitoring strategy as well as on waste recycling.

Hazardous waste
In the Company's European operations, the main sources of hazardous waste are contaminated packaging and chemical waste, especially waste from surface treatment activities, oil, fuel and various chemicals. While chemical waste reduction remains

a priority, this is a topic also driven by chemical regulations, the evolution of which may impact the reduction roadmap's ambition and timing (see Chemical Substances section below).

Biodiversity
When building a new site or extending an existing one, the Company engages with local partners on conservation and remediation projects to preserve flora and fauna where impacted by the Company's industrial activities.

Digitalisation
The Company leverages digitalisation as an enabler to optimise and reduce its environmental footprint. For example, some applications target to improve design, material utilisation or to optimise critical resources usage.

At the same time, the Company strives to minimise the direct increase in the environmental footprint as a consequence of digital technologies development.

Life cycle thinking and conscious design
The Company invests in Life Cycle Assessment (LCA) for environmental impact accounting associated with a specific product in accordance with the requirements specified in the standard ISO14040. Detailed LCA studies have been completed for the A220, A320neo and A350XWB product lines, covering over 95% of the Company's deliveries of commercial aircraft products in 2021. These studies are currently being verified by a third party auditor.

In addition, this holistic approach is used to provide a framework for projects to make environmentally conscious design choices to reduce projects footprint and optimise aspects such as product end-of-life management and critical raw materials usage. As an example, as part of its Ecodesign initiative, the Defence and Space Division used LCA for the development of the Sentinel satellites that are built for the European Space Agency (ESA).

Chemical substances
Many substances used in the global aerospace industry to achieve high levels of product quality and meet stringent technical performance, airworthiness and reliability requirements are subject to strict regulations.

In the aerospace industry, regulations on substances impact key processes and products, such as surface treatments, paints and fire protection.

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

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

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

Currently, the Company is actively working to substitute 65 substances in its own design, and an additional 45 in its supply chain, over the next five years.

The Company invests substantial time and resources in research and development for technologies that use alternatives to regulated substances. When it can be demonstrated that these technologies meet the strict safety and reliability criteria required for aviation, the Company seeks to implement them in its aircraft design and manufacturing. For example, the Company is, in cooperation with its suppliers, developing, qualifying and progressively deploying on all its new aircraft, new Chromate-free corrosion protection and paint systems for aluminium

structures. Another example is the halon replacement project that researches alternatives to halon, a highly regulated ozone depleting substance, used for the fire extinguishing systems in engines and cargo areas.

Noise

Noise around the Company's sites can also be an important topic for neighbouring communities. The Company is actively engaged with local authorities and the affected population to minimise its impact, by adapting operating times and actively seeking to reduce the noise at the source. In Toulouse, Airbus has launched the Median initiative regrouping actors in charge of flight activities around the airport to find the most effective solution to reduce noise levels.

Light pollution caused by Airbus activities has been deemed to be non-material to the Company's value chain.

2. Product operations

According to "**Our World in Data**", air transport as a whole represents approximately 2% of global human-induced GHG emissions, and around 12% of the transport sector emissions – see graph 1.

Graph 1: Global greenhouse gas emissions by sector – source: Our World in Data with data from Climate Watch, the World Resources Institute (2020)
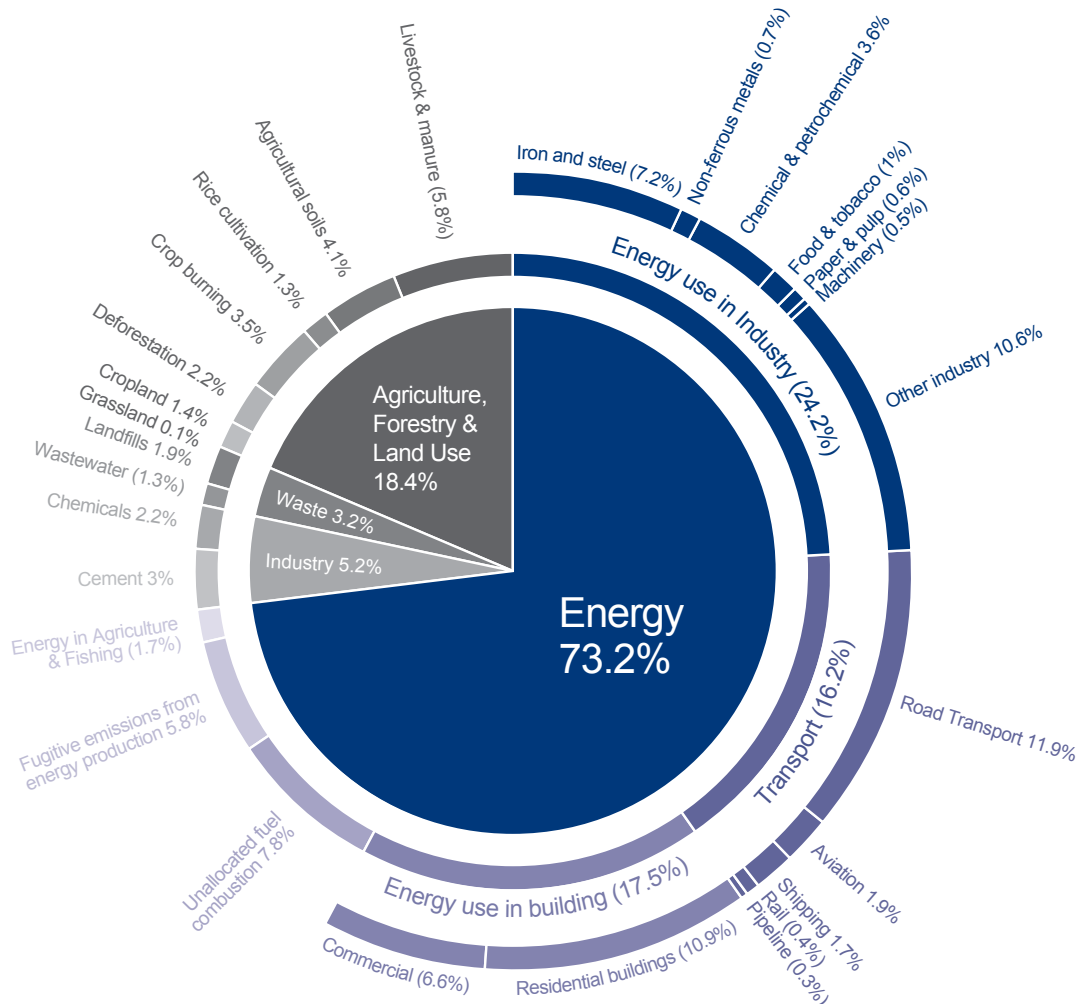
The Company is committed to contributing to meeting the Paris Agreement targets and taking a leading role in the decarbonisation of the aviation sector in cooperation with all stakeholders. The Company is convinced that aviation can achieve net zero CO_2 emissions by 2050. This is why the Company has the ambition to develop the world's first zero-emission commercial aircraft by 2035. In parallel, the Company is also developing a multifaceted climate-impact programme for commercial aircraft. This includes a focus on new aircraft technology development, sustainable aviation fuel (SAF), hydrogen, air traffic management (ATM) solutions and carbon removal solutions.
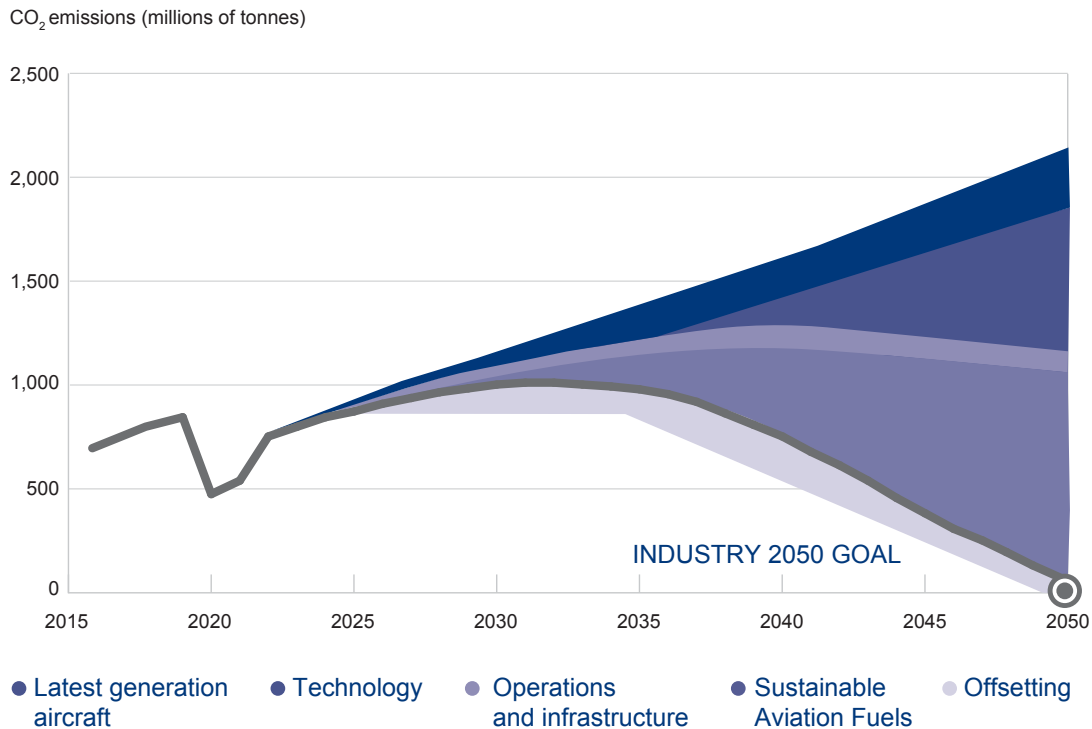
Aviation industry targets

The aviation sector's measures for reducing its environmental footprint started decades ago and significant achievements have been made. Since the 1990s, the sector has improved significantly the fuel and CO_2 efficiency of subsequent generations of aircraft, thereby reducing CO_2 emissions per revenue passenger kilometer by more than 50%.

In 2008, the aviation sector was the first to agree at sectoral level on ambitious CO_2 emission reduction goals through the Air Transport Action Group ("**ATAG**") by committing to an aspirational goal of reducing net emissions from aviation by 50% by 2050 compared to 2005 levels. In September 2021, ATAG updated its ambition and commitment with the 2021 edition of the "ATAG Waypoint 2050" report to reflect the industry's increased ambition to achieve net-zero carbon emissions by 2050 and contributing to the Paris Agreement goals.

Along with the revised ambition, ATAG provided several scenarios with ranges of improvement for each mitigation option (technology and design improvements, operational and ATM enhancements, SAF and hydrogen non-drop-in solutions, and International Civil Aviation Organisation's ("**ICAO**") Carbon Offsetting and Reduction Scheme). In the most ambitious scenario, a reduction of up to 40% of CO_2 emissions can be achieved through technological developments, as illustrated by Graph 2 below.

Graph 2: The aviation industry's roadmap to net zero carbon emissions by 2050

CO_2 emissions (millions of tonnes)

Source: Airbus based on ATAG Waypoint 2050 report (2021) – Scenario 3: "aspirational and aggressive technology perspective"

In Europe, the EU Green Deal creates conditions and opportunities for the Company and the European aviation industry to speed up the transition: the Company shares the ambition to reach a net-zero carbon aviation ecosystem in Europe by 2050, and will contribute to the EU's "2030 Climate Target Plan". At international level, the Company actively supports and strongly encourages ICAO to introduce a global ambition by setting a meaningful long-term aspirational goal to reduce CO_2 emissions from international civil aviation, whilst maintaining a global level playing field.

The Company's roadmap to reducing emissions

The Company believes that an approach which focuses on accelerating technological development, in complement to a dynamic deployment of SAF, should be pursued. This would form a strong basis for the development of hydrogen-powered aircraft and the associated infrastructure and minimise the recourse to offsetting to achieve the ambition.

The Company is investing in and focusing its efforts on five complementary strategic pathways to reduce its environmental footprint, in support of the overall sector ambition as highlighted above. In 2021, the total research and development spend of the Company amounted to €2.7 billion.

#### *Strategic pathway 1*. Renew current fleets with best in class aircraft

The Company is continuously improving its products through new designs, advanced materials, upgraded systems and more fuel-efficient engines. Thanks to significant investments into new aircraft technology and designs, the Company's commercial aircraft products have reached a rolling average of 2.1% fuel efficiency improvement annually over the past ten years, exceeding targets set by the industry through ATAG – see graph 3.

The Company's commercial aircraft portfolio includes the most efficient aircraft product line:
- A350 and A330neo offer 25% reduction in fuel burn and significantly reduced noise footprints *versus* the previous generation of aircraft;
- the A320neo family brings a 20% reduction in fuel burn, and nearly half the noise footprint compared to previous generation of aircraft;
- A220 offers 25% reduction in CO_2 emissions per seat *versus* previous generation of small single-aisle aircraft, 50% reduction in noise footprint and 50% fewer NOx emissions than the standards.

Graph 3: Average intensity metric (gCO_2e/pax.km) of sold products

The average emission intensity of delivered commercial aircraft has decreased by 21% in the last 10 years
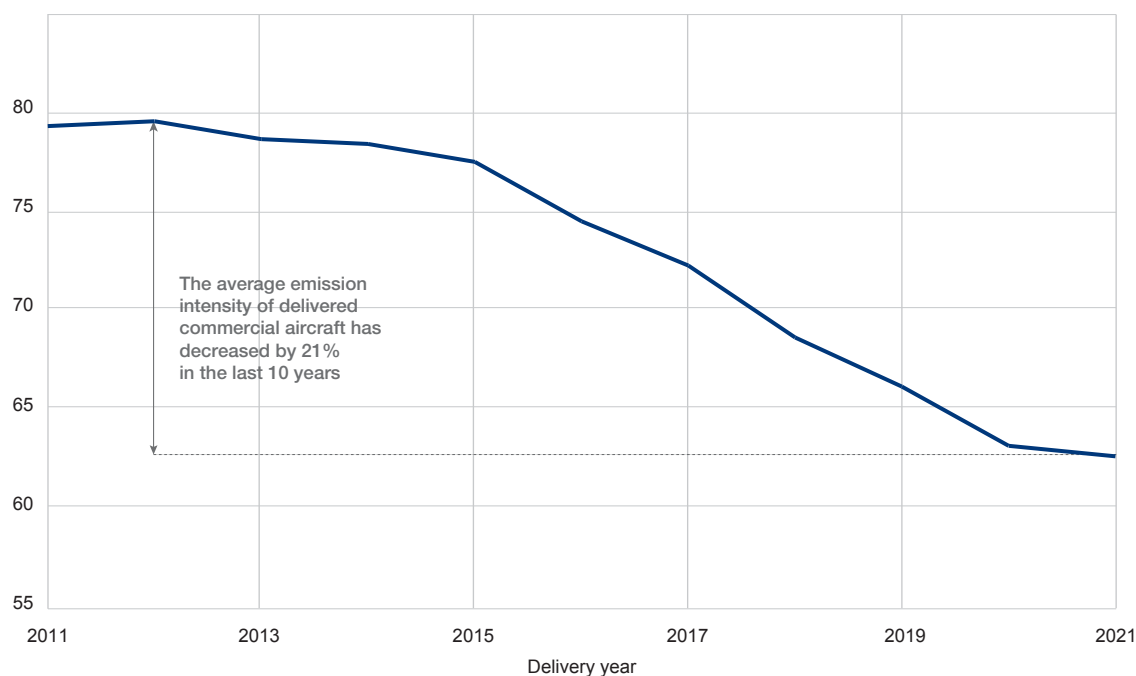
This continuous improvement is also reflected by the Company's contribution to Europe's CleanSky2 programme, with the use of new materials as well as the design and implementation of new aerostructures and technologies aiming to achieve CO_2, NOx and noise reductions. For this purpose a military aircraft C295 from the Company has been used as an in-flight technology demonstrator (flight test bed).

Strategic pathway #2. Investing in technologies enabling the Company to market zero-carbon vehicles

The Company is committed to contributing to developing, building and testing advanced technologies improving the aerodynamic and structural efficiencies combined with advanced propulsion systems– to enable the aviation industry to reduce CO_2 emissions of commercial aircraft, helicopters and future urban air mobility vehicles.

Zero-emission commercial aircraft ambition

The Company's work in electric flight has laid the groundwork for our future concept of zero-emission commercial aircraft.

The Company believes hydrogen is one of the most promising technologies to reduce aviation's climate impact. If generated from decarbonised electricity through electrolysis, it generates little-to-no CO_2 emissions and would essentially allow aviation to be powered by decarbonised energy.

Aviation will be an end use application of hydrogen. The Company sees two primary uses for hydrogen:
– Hydrogen can be combusted through modified gas-turbine engines, or converted into electric power *via* fuel cells. The combination of both would create an efficient hybrid electric propulsion chain powered entirely by hydrogen.
– Hydrogen used to create eFuels (power-to- liquid or power-biomass-to-liquid synthetic fuels in combination with carbon from biomass or enhanced carbon sink sources).

On 21 September 2020, the Company revealed three different hydrogen-powered "ZEROe" concept aircraft. Those illustrate the research that the Company is investing in, with the objective to bring a zero emission commercial aircraft to market in 2035. From hydrogen propulsion to hydrogen-based synthetic SAF, from pod configuration to blended-wing aircraft, the Company is evaluating, maturing and validating radical technological breakthroughs which could be hosted on its zero-emission aircraft by 2035.

The Company is also investing in the required facilities to test these new technologies. Inaugurated in October 2019, the E-Aircraft System House ("**EAS**") is, with more than 3,000m2, the largest test house dedicated exclusively to alternative propulsion systems and fuels in Europe. This means the Company can now test the latest electric motors and hybrid-electric engines directly on its own premises, and develop its own low-emission alternative propulsion units.

The Company goes beyond technology maturation by collaborating with the appropriate ecosystems. In 2019, the Company signed a Memorandum of Understanding with airlines such as SAS Scandinavian Airlines and easyJet to jointly research a zero-emission aircraft eco-system and its infrastructure requirements. The Company is also part of several major hydrogen alliances (such as the Hydrogen Council, Hydrogen Europe, European Clean Hydrogen Alliance etc.) and launched a joint-venture in 2020 with ElringKlinger in order to benefit from the huge cross-industry experience of other industries, and accelerate its ambition.

Zero-emission urban air mobility ambition

Since 2014, the Company has been exploring how recent technology advancements – from battery capacity and autonomy to electric propulsion – could help drive the development of new kinds of aerial vehicles with the potential for zero emissions when powered by renewable energies. In May 2018, the Company created the Urban Mobility entity to take its exploration into cutting-edge commercial urban air mobility solutions and services to the next level.

The idea for a compact "flying taxi" first came from the Company's desire to take city commuting into the air in a sustainable way. Airbus has learned a lot from the test campaigns with two demonstrators: CityAirbus and Vahana. The CityAirbus NextGen revealed at the Airbus Summit in September 2021 combines aspects of both, with the new architecture striking a balance between hover and forward flight. The prototype is paving the way for first flight in 2023 and certification expected around 2025.

Beyond the vehicle, Airbus is working with partners, cities, and city inhabitants in order to create the ecosystem that is essential to enabling this new operating environment to emerge in a true service to society.

Strategic pathway #3. Investing in smart ATM solutions and optimised operations

Improving the efficiency of air transport operations and infrastructure could contribute to emission reductions by around 10%. The Company therefore supports initiatives aimed at reducing ATM inefficiencies (such as the Single European Sky Air Traffic Management Research programme – SESAR), while working on disruptive practices, such as formation flying.

Through its subsidiary Navblue, the Company provides services helping its customers to minimise fuel consumption with best operational practices, innovative services and training. The Company also focuses on developing fuel saving procedures for airports and ground operations to minimise the use of engine power and auxiliary power units (APU) while the aircraft is on the ground.

In November 2019, the Company launched the fello'fly project which aims to demonstrate the technical, operational and commercial viability of two aircraft flying together for long-haul flights. Through fello'fly, a follower aircraft will retrieve the energy lost by the wake of a leader aircraft, by flying in the smooth updraft of air it creates. This provides lift to the follower aircraft allowing it to decrease engine thrust and therefore reduce fuel consumption in the range of 5-10% per trip. By end 2020, the Company's fello'fly had signed agreements with two airline customers; Frenchbee and SAS Scandinavian Airlines, as well as three Air Navigation Service Providers (ANSP) to demonstrate its operational feasibility; France's DSNA (Direction des Services de la Navigation Aérienne), the UK's NATS (National Air Traffic Services) and European Eurocontrol. In November 2021, two A350 test aircraft conducted the first-ever transatlantic fello'fly flight, confirming the potential for fuel savings of more than 5% during long-haul flights.

Strategic pathway #4. Developing and deploying SAF, with all aircraft types 100% SAF compatible before 2030.

Energy source is the main driver in the CO_2 emissions and CO_2 intensity of products coming from the Company's commercial aircraft activity. Although they only represent a small share of aviation's current fuel use, SAF (biomass-based or synthetic) are key in the air transport sector decarbonisation strategy.

Since 2008, the Company has acted as an important catalyst in the certification process, demonstration flights, partnerships and policy advocacy of sustainable jet fuel. Since 2011, over 360,000 commercial flights have used SAF and more than 1 million flights with SAF are expected by 2025 (source: IATA, flynetzero, 2021).

All the Company's commercial aircraft are already certified to fly with a fuel blend of up to 50% SAF. SAF produced by using most advanced pathways can provide CO_2 emission reductions of up to 80% throughout their life cycle. This means that already today the emissions from aircraft currently offered by the Company could be reduced by ~40% if their full blending capability was used. The Company's ambition is for its commercial aircraft to

be capable of being operated with 100% SAF before the end of the decade (third scenario on the chart below, "Full aircraft potential").

As detailed above (see "Aviation industry targets"), the Company supports decarbonisation scenarios which include an ambitious rollout of SAF using all possible pathways (HEFA, Alcohol to Jet, Fischer Tropsch, Power to Liquid, etc.). Under such scenarios, the Company estimates that products delivered in 2021 could see their life-time emissions reduced by around 17%, thanks to the gradual introduction of SAF during their operational life (second scenario on the chart below, "Anticipated SAF rollout").

The Company is involved in two main research projects: VOLCAN and ECLIF3, conducted in partnership with important actors of the industry. Both aim at assessing the impact of 100% SAF on engine and fuel systems whilst measuring the positive impact on aircraft's emission and fuel efficiency. First test flights took place in 2021 and the final outcomes will be publicly published by the project partners once available. Both projects will pave the way for going beyond current maximum blending levels for SAF (currently 50%). It will allow the Company to collect information and enable further research activities and technical work in order to reach the goal of gaining 100% SAF certification for commercial flights.

However, today the price and global production capacity remain the main constraints for operators, preventing large-scale incorporation of these types of fuels. The rapid scale-up of SAF plays a major role in aviation's decarbonisation scenarios, decreasing emissions of the Company's products in use. As of 2021, 36 countries have implemented SAF policies to support industry's ambition, according to IATA. The Company supports policies that would incentivise their production and usage at affordable costs and is engaged in many initiatives and partnerships promoting the development of SAF production and use (World Economic Forum Clean Sky for Tomorrow Coalition and First Movers Coalition as examples).

Strategic pathway #5. Encouraging temporary CO_2 emission compensation schemes

Finally, CO_2 emission compensation will be instrumental to stabilising aviation emissions in the medium term until disruptive solutions reach market maturity. For that reason, the Company supports ICAO's CORSIA as the only global market-based measure for international civil aviation.
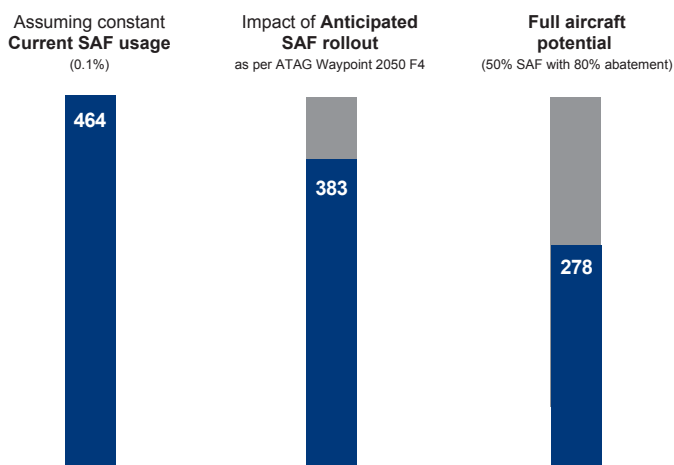
Reporting of emissions from value chain

Scope 3 Use of sold products

The main contribution of the Company's value chain on climate change comes from the use of sold products, especially related to its commercial aircraft activities.

In order to provide the level of transparency expected by stakeholders and following recommendations from the TCFD, the Company reports in-use emissions of the products it delivers (Scope 3 – Use of sold products). This started in 2020 with the disclosure of emissions from commercial aircraft products, and was extended to civil helicopters in 2021. The Company will continue to progressively extend the scope of reporting to other families of products, for which the calculation methodologies are still under development. Nevertheless, current results and advanced estimations have shown that the vast majority (over 90%) of the Scope 3 – Use of Sold Product impact of the Company's products is due to the commercial aircraft family of products, and that this situation is unlikely to change once all the product families will have been assessed.

Fig. Scope 3 emissions reduction levels in potential SAF scenarios, in My CO_2e

Assuming constant **Current SAF usage** (0.1%): 464

Impact of **Anticipated SAF rollout** as per ATAG Waypoint 2050 F4: 383

Full aircraft potential (50% SAF with 80% abatement): 278

Commercial aircraft products

In 2021, the Company delivered 611 commercial aircraft. Based on an average life-time in service of around 22 years (average life-times specific to each aircraft type were used in the calculation), the total CO_2 emissions for these products over their anticipated life-time is estimated at around 460MtCO_2e (of which around 80Mt are linked to upstream fuel production), which translates to an average efficiency of 62.6gCO_2e per passenger-kilometre. In 2020, the Company delivered 566 aircraft with resulting estimated life-time emissions of around 440MtCO_2e (of which 80Mt are linked to upstream fuel production) and average efficiency of 63.1gCO_2e per passenger-kilometre.

For the purpose of this calculation, the operating conditions of the aircraft were considered to be static over the whole service life. Therefore, the numbers above do not reflect the anticipated gradual introduction of decarbonisation measures such as SAF, and as a result constitute a "worst case scenario" in

terms of carbon intensity. As such they represent an unmitigated scenario that can only serve as a general basis to assess carbon emissions efficiency improvements over time.

In order to better understand the potential impact of SAF on scope 3 emissions, this chart shows three scenarios comparing the current SAF usage, an ambitious deployment scenario as envisaged by ATAG and the maximum reduction potential as allowed by the current 50% blend limit.

The Company calls for a sectoral alignment on these methodological aspects through the relevant international bodies, in order to provide consistency in the way such impacts are calculated and communicated throughout the air transport sector.

Civil helicopters

In 2021, for 192 civil helicopters delivered, the Company estimated a scope 3 "use of sold product" impact around 1.13 $MtCO_2e$, of which around 0.20 $MtCO_2e$ are linked to upstream fuel production. In 2020, for 201 civil helicopters delivered, the resulting scope 3 "use of sold product" impact was around 1.09 $MtCO_2e$, of which around 0.19 $MtCO_2e$ are linked to upstream fuel production. In 2021, the internal forecast of flying hours used for the calculation was updated, resulting in a slight increase in emissions despite the lower number of deliveries compared to 2020.

Methodology

- The Company's emission calculation methodology was developed by a team consisting of key personnel from the engineering and environment departments and is aligned with the guidance provided by the Greenhouse Gas Protocol. The external auditor performed a review of the calculation methodology applied by Airbus and assessed the reasonableness of the supporting assumptions.

- The Company has used a number of assumptions based on internal and external information including assumptions based on publicly-available data:
  - For commercial aircraft these assumptions include the aircraft load factor, the current penetration rate of sustainable aviation fuels, their CO_2 reduction potential and the indirect emissions index from jet fuel production, emission factors, as well as aircraft operational usage and average in-service lifetime. Primary data collected within the Company was also used, such as the type of sustainable aviation fuel considered or aircraft performance and configuration parameters;
  - For civil helicopters, these assumptions include feedback from the market in terms of helicopters operations such as flight hours per year and region where the helicopter is operated. Direct and indirect emissions are included over the product's entire service life. Emission factors are consistent with those used in the commercial aircraft methodology. Sustainable Aviation Fuel impact is not considered.

- Civil helicopters considered for Scope 3 calculations correspond to helicopters produced during the year having reached the "available for flight" status.

Key Hypothesis

- The estimation includes CO_2 emissions. Emissions related to CH4 and N2O were excluded given the very low levels produced by modern aircraft engines. Emissions related to NOx were estimated and excluded given the uncertainty related to the NOx emission factors and the relatively low contribution of this emission stream.

- Emissions related to commercial aircraft engine start and taxing have been included, however, emissions from the auxiliary power units (APU) and ground handling equipment have been excluded.

- For helicopters, the flight hours model is directly derived from in-service helicopters.

Scope 3 Purchased goods and services

In 2021 for the first time, the Company has published an estimate of the GHG emissions arising from the goods and services it purchases (Scope 3 – Purchased goods and service based on its 2020 spent). The Company estimates that the 2020 emissions of purchased goods and services were around 11.3 $MtCO_2e$.

Methodology

- This evaluation was performed using a dedicated tool developed by the International Aerospace Environmental Group (IAEG) offering a choice between two approaches: a "spend based" approach, allocating emissions to each amount spent in specific commodities and a "mass based" approach, allocating emissions to quantities of materials purchased. For this first evaluation, the Company has used the "spend based" approach. While this method embeds a certain degree of uncertainty, considered high by the IAEG on a certain number of emissions factors used in the methodology, it provides a relevant view of the sources of GHG emissions in the Company's supply chain and enables comparison of the various Company's scopes throughout its value chain. The calculation will be refined in future years as better quality data becomes available.

Sustainable space products

Beyond commercial aviation, the Company's Defence and Space Division delivers satellites and intelligence that informs decision making on significant environmental issues. Its aerial imagery of climatic and environmental changes around the planet reveals the scale of change and dependencies at work.

The Company is working to ensure a sustainable space environment to prevent space debris and protect valuable national assets, such as satellites, that are in orbit around the globe.

The Company through its Defence and Space Division is the first company to test technologies which clear out space junk and avoid spacecraft collisions. Three main debris-removal technologies have been tested in orbit: harpoon, net and vision-based navigation. As space law evolves, the Company is committed to ensuring its products meet these new regulations (such as the French Space Operations Law requiring to avoid satellite collisions and ensure the safe removal of spacecraft from useful orbit at the end of life) as it believes in the importance of promoting sustainable space

1.2.3 Build Our Business on the Foundation of Safety and Quality

a. Aviation and Product Safety

I.   Introduction

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

requirements to also focus on safety enhancement activities in products and services. This also extends to the products and services of the Company's Defence and Space Division that offer communication, collaboration and intelligence knowledge solutions to assist government authorities, emergency service providers and healthcare providers. For further information, see "– Information on the Company's Activities – 1.1.4 Defence and Space".

Aviation / Product Safety	GRI	SASB		SDGs	Others
	416 – Customer Health and Safety	Product Safety		12	
Highest governance body(ies) involved	Product Safety Board (PSB), involving several Executive Committee members				
Related Corporate Policies	Airbus Product Safety Company Policy (A67)				
Management system Relevant certifications	SMS	Corporate Safety Management System			
	Products	EASA regulation (Parts 21/145/147/M/ORA), EU 996/2010, EU 376/2014 (for Commercial Aircraft products), ECSS-Q ST-40-C (for Space Products) and Def-Stan 00-56 (for Defence Products) EN9100, EN9001, EN9110, AQAP 2110, AQAP 2210 and AQAP 2310			
	Operations				

Key metrics			2020	**2021**
Fatal accident rate Industry wide[1]			0.04(Gen4)	0.03(Gen4)
% SMS officers nominated			100%	100%
% SMS officers trained			92%	100%
Metrics assumptions	(1) 10 year moving average fatal accident rate (per million flights) per aircraft generation.			
Additional resources	Code of Conduct ⭦, Product Safety on Airbus.com ⭦, Safety in Operations on Airbus.com ⭦, Safety investigation on Airbus.com ⭦, Health Onboard ⭦, Accident Statistics website ⭦			

II. Governance

A dedicated safety organisation within the Company acts as an independent voice of safety. The Chief Product Safety Officer for the commercial aircraft activities of the Company reports directly to the CEO and is the Chairman of the Product Safety Board (PSB). Several Executive Committee members and senior executives are part of the PSB. This ensures proactive safety

decision-making is based on multidisciplinary assessments at the highest decision level of the Company. The PSB makes decisions regarding technical aspects, safety governance and strategy. Regular reviews with the Board of Directors are also performed.

Airbus Safety Management System

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

During 2020-21, Airbus Defence and Space evolved its Product SMS by adapting governance principles from established Airbus Commercial and Military Airsystems SMS to all of its programme lines, including cybersecurity systems, land communications, surveillance systems, drones and more. Programme Line Safety Boards and a shared online reporting tool have been established. Implementation is ongoing.

Airbus Safety Strategy

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

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

Regulatory Compliance

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

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

Commitment to "Just and Fair" Culture

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

III. Risk Management

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

IV. Implementation/Activities

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

For example, the Company is working with its supply chain to extend its safety enhancement principles with its suppliers. This includes specific SMS forums and initiatives with its suppliers, which reinforce the collaborative approach for optimising responses to in-service feedback and reports.

D10X (short for Air Transport Safety, Destination 10X Together) is another collaborative initiative with airlines. The aim of D10X is to propose pragmatic solutions, together with operators of Airbus aircraft, for the key safety issues identified within this network.

Sharing safety information is a key contributor to increasing the level of safety. There have been 25 flight safety conferences with the Company's customers since the first was held in 1994. Another means of sharing information is through "Safety first", the Company's safety magazine contributing to the enhancement of safety for aircraft operations by increasing knowledge and communication on safety related topics. It reaches over 1,000 aviation professionals daily *via* the website safetyfirst.airbus.com and the Safety first app.

In addition to these external safety promotion initiatives, the Company invests in internal safety promotion with the objective to continuously reinforce the safety culture of all employees. This is supported by different means including communication campaigns, training, safety awareness sessions, and development of a Safety Promotion Centre. SMS officers are nominated and trained in all key business functions to ensure implementation and operation of the SMS within the Company, including safety promotion. As of 31 December 2021, all SMS officers have been nominated and trained. The above-mentioned commitment to a just and fair reporting culture is another example of an initiative that promotes the Company's safety culture. These elements are integrated in the Company's SMS action plan.

Airbus also continues to innovate to benefit from technological evolutions to further enhance both operations and safety.

All of these initiatives lead to continuous improvement of the safety record. This is illustrated in statistics (below) showing that the latest fourth-generation jets are the safest. All Airbus Fly-By-Wire family aircraft (including A320, A330/A340, A380, A350, A220 fleets) are the latest fourth-generation aircraft.

10 Year moving average fatal accident rate (per million flights) per aircraft generation
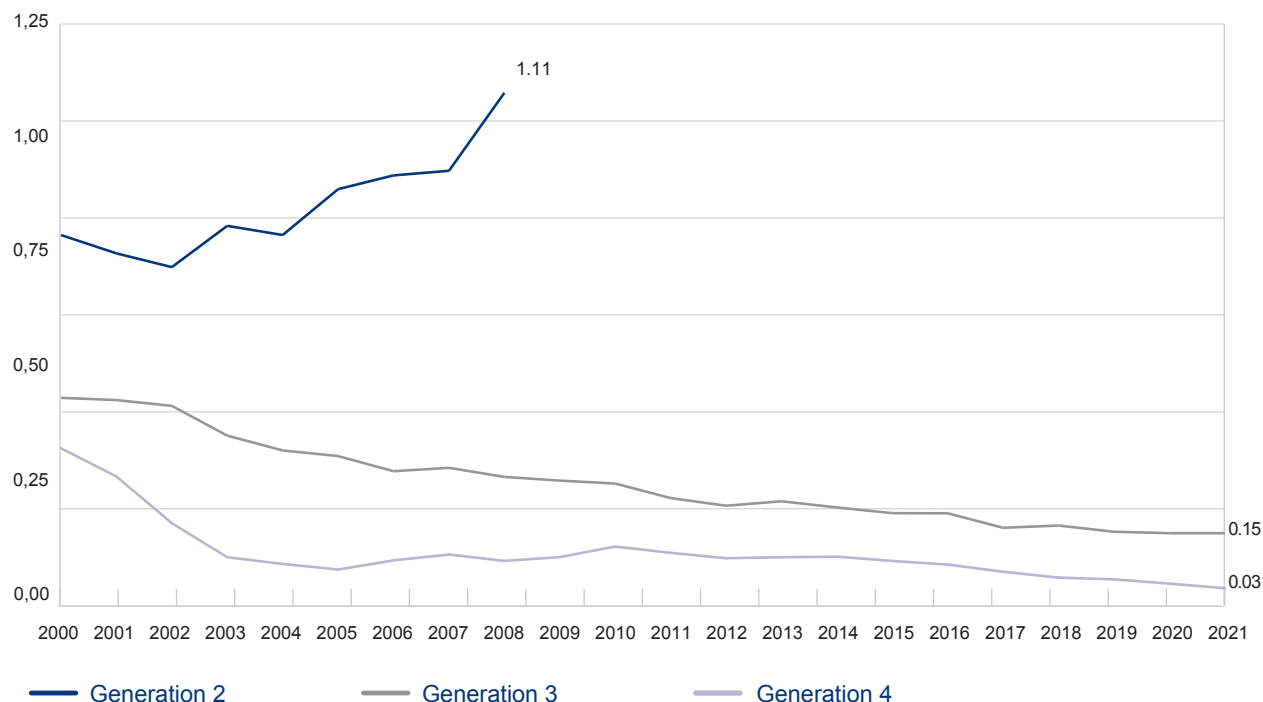
Fig. (above) 10 year moving average fatal accident rate (per million flights) per aircraft generation.

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

b. Cyber Security

I. Introduction

Cyber security risks have the potential to impact all business operations, employees, plus products and services if incorrectly managed – either in confidentiality, availability or integrity. As such, the company undertakes a continual process of cyber security risk identification and remediation, supplemented with significant cyber security capabilities for the prevention, detection and response to cyber threats and events.

Cyber security risk management is a core element of modern organisations, thus the Company has developed state of the art cyber capabilities for the defence, detection and response to emerging cyber threats. The cyber security paradigm adopts a compliance, regulatory and risk-based approach embedded across four asset bodies: IM, industrial, products & services, and people & workplace.

Developing cyber security as a function of the business, with the relevant capabilities and stakeholders, ensures an evolutionary approach for continued protection against emerging threats and to support the business in securely enabling its digital transformation.

Cyber security	CRI	SASB		SDGs	Others
		Data Security		9, 12	
Highest governance body(ies) involved	Corporate Security Council Digital Security Team (cyber Security Validation Body)				
Related Corporate Policies and Directives	A08 - Airbus Company Security Policy A1044 - Security Requirements for Company Information & Data Classification and Protection A1058 - Security Requirements for Information Systems Management A1043 - Security Requirements for Affiliates A 1664 - Security Requirements for Industrial Automation and Control Systems A 1666 - Requirements for Product Security A1015 0 - Requirements on Information Security for Suppliers A1015 1 - Specific Requirements on Information Security for IT Services Providers				
Management system	MC AS - Manage Airbus Company Security - aligned to ISO27001 standard MC AS 01: Monitor Identify & Report Company Asset Vulnerabilities MC AS 02: Assess & Treat Company Asset Security Risk				

Key metrics	2020	2021
Number of data breaches reported to data authorities	1	1
Percentage involving confidential information	100%	100%
Cyber security awareness training e-learning participation (started 1 Jan. 2020, reporting period 1 Oct.-30 Sep.)	10,328	67,475
Corporate & IM Cyber Security Headcount	216,5	290

II. Governance

The Company has undertaken a cyber security transformation since 2019 with the establishment of a federated model to digital security encompassing accountable leaders in respective organisational structures such as IT, engineering and operations. A dedicated team for security governance was established, reporting to the company Chief Security Officer (CSO), responsible for the definition and audit of cyber security directives and methods aligned to major industry standards such as ISO27001 or IEC62443. The company Chief Information Security Officer reports to the CSO with a direct reporting line to Airbus CEO. Such an approach ensures localised accountability and reactivity to cyber risks with centralised governance, reporting, technical standards, and processes. Cyber security governance scope encompasses all Divisions and global operations plus affiliates.

Corporate Security Council

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

Security governance directives

Security directives are published and audited to ensure the company business, including affiliates and subsidiary companies, follows the same standards for data protection and systems security. Key cyber security directives include:
– A08 – Company Security Policy;
– A1044 – Security Requirements for Company Information & Data Classification and Protection;
– A1058 – Security Requirements for Information Systems Management;
– A1043 – Security Requirements for Affiliates;
– A1664 – Security Requirements for Industrial Automation and Control Systems;
– A1666 – Requirements for Product Security;
– A1015.0 – Requirements on Information Security for Suppliers;
– A1015.1 – Specific Requirements on Information Security for IT Service Providers.

III. Risk Management

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

In terms of cyber security, risk management is the aggregation of continual risk reporting, cyber security validation processes embedded within security by design principles for projects, applications and infrastructures – in addition to the implementation of digital security controls aligned to the Airbus enterprise security architecture standards.

Risk mitigation measures follow the principle of people, process, and technology controls to reduce likelihood and/or impact from cyber incidents. The Company incorporates mandatory cyber security training and awareness for all employees with additional engagements for employees in higher risk categories or where additional regulatory stipulations apply. Security processes are fixed through security governance directives, business management processes (*e.g.* MC.AS.01 Vulnerability Management), and operating models. Technical security controls are implemented and measured in accordance with ISO27001 and other industry standard information security management standards.

The Company implements a number of key technical security controls in the reduction of cyber incident likelihood including the rollout of endpoint protection and data loss prevention tools, the implementation of multi-factor authentication, plus the adoption of enterprise security architecture approaches. To reduce impact from cyber events Airbus operates in-house security operations centers, covering both commercial and national activities; plus a Computer Emergency Response (CERT) team analysing cyber security threat intelligence and activating to rapidly investigate and contain cyber security incidents.

Cyber security risk management is under regular internal and external audit, confirming processes and implementation to both Airbus and Industry standards. Technical audits are also conducted regularly on applications, systems and infrastructures in the form of cyber security penetration testing.

IV. Implementation/Activities

During the course of 2021, a number of key initiatives have been undertaken to improve the cyber security position, reduce associated risks and decrease the likelihood of successful cyber attacks, including:

– 100% coverage of core Divisional Company-issued laptops deployed with Endpoint Detection & Response (EDR) tools;
– 100% of employees now able to access Google client side encryption tools for encryption of the company data in Google suite;
– 35 of 35 high risk supplier connections now successfully migrated to the new standard secured supplier architecture;
– Restricted CERT extension devised to ensure cyber incident response coverage across both commercial and national infrastructures.

Such activities have successfully reduced the Company's overall cyber security risk picture, and specifically related to the increasing threat from ransomware.

V. Outlook

There are no signs globally that the threats of cyber attack will dissipate or slow; therefore it is critical that the Company maintains ongoing improvement and response activities in order to reduce associated risks. A number of key initiatives are central to this including:

– Ransomware resilience: as one of the major risks, efforts continue with major investments into ransomware prevention in order to reduce both the likelihood of an incident, but also to significantly increase the resilience and reduce the time to recover critical applications and systems;
– International localisation: extending the federated model of security to encompass international localisation of affiliates with enhanced risk reporting;
– Secure digital transformation: enable digital transformation *via* the design development and deployment of updated security standards for cloud security, application hardening and zero trust networking;
– Security Operations Centre (SOC) 2025 strategy: detecting and rapid response to cyber incidents is a key part of any security practice: thus Airbus will maintain and continue to scale the SOC activities to the needs of the business.

c. Health and Safety

I. Introduction

The Company considers health and safety as a top priority that is non-negotiable. Our goal is to enable an environment that's safe and healthy for all. Risk prevention and the promotion of safer and healthier conditions in the workplace are key to enable us to improve the health and well-being of our employees and anyone else who works inside Airbus. By focusing our attention on this, it also helps to improve the nature of the task, working conditions, competitiveness, quality, engagement and sustainability.

Health and Safety	GRI	SASB	SDGs	Others
	403 Occupational Health and Safety		8, 12	Vigilance Plan
Highest governance body(ies) involved	Board of Directors / ECSC Executive Committee			
Related Corporate Policies	Occupational Health and Safety Policy A41, Airbus Code of Conduct			
Management system	Formal Health and Safety Management Systems			
Relevant certifications	ISO45001: certified sites cover~ 25% of employees			

Key metrics (More in the ESG Data Board)	2020	2021
Lost-Time Injury Frequency Rate	3.81	3.21
Lost-Time Injury Frequency Rate – Commercial Aircraft	5.12	4.31
Near-miss – Commercial Aircraft		19,305
Total health and safety training hours delivered	103,070	128,795
Number of employees who received health and safety training	37,599	28,144
Number of employees having attended "EH&SCertificate" modules 1&2	418	1,309
Core entities with ISO 45001 or similar certification		~ one third
% of the company-wide workforce covered		25%
Remuneration	The Lost Time Injury Frequency rate at group level included in the variable remuneration for the Company CEO and executives. 2021 target was achieved.	
KPI assumptions	Metrics are reported Company-wide (FISH perimeter) unless stated otherwise. Reporting period for training-related metrics: 1 October to 30 September	
Additional resources	People Safety on Airbus.com⭨; Code of Conduct – incl. Health and Safety commitment⭨	

II. Governance

The Airbus Occupational Health and Safety Policy is a group-wide foundation for the management of health and safety within the workplace. The Policy applies to the Company's commercial aircraft activities, to the Airbus Helicopters and Airbus Defence and Space Divisions, and also to the Company's affiliates.

In 2021, an Airbus Occupational Health and Policy Statement was signed by Guillaume Faury, Airbus CEO, to enhance and reinforce the Policy principles.

The health and safety organisation is part of the Human Resources and Workplace Department under the ultimate responsibility of the Company's Chief Human Resources Officer.

The organisation is called Environment, Health and Safety (EHS). The Head of EHS reports to the Chief Human Resources Officer, and is supported by local EHS business partners. There are also regional EHS business partners in China, North America and APAC. Cross-organisation expertise, support and coordination is provided by centres of expertise, including safety, industrial hygiene, ergonomics and operational environment and occupational health and wellbeing. The EHS organisation is responsible for the health and safety management system and for the operational application of the corporate environment and sustainability management system in the entities.

Approximately one third of the Company's core entities in home countries are now certified to the ISO45001 Standard for health and safety management systems or have a similar certification. Company wide, this means that nearly 25% of employees work on sites where the health and safety management system is certified to ISO45001. Other sites have formal management systems that are not yet formally certified, but operate to the standards required by our health and management systems.

III. Risk Management

The role of the Airbus' health and safety organisation is to anticipate, identify, evaluate and prevent or mitigate risks to safety, health and well-being, and the business, arising as a consequence of the Company's work activities.

Health and safety requirements have been defined in a directive that applies company-wide, including to the Company's affiliates. The Company's affiliates report on their health and safety management status through the Internal Controls Self Assessment (ICSA) exercise.

Occupational health and safety risks are managed using the framework provided in the Company Methods for "Health and Safety Risk Management" and "Incident Management". Those risks that are considered to have a high potential impact,

including in Airbus affiliates, are monitored by the Company's Enterprise Risk Management (ERM) system.

In 2021, the Company-wide method for risk assessment and control was updated. This method consists of a sequence of logical steps to identify significant hazards, evaluate the risks and prevent, eliminate or mitigate them, following the hierarchy of control principles: elimination, substitution, engineering control, administrative controls and, as a final measure, personal protective equipment.

The method for reporting and managing incidents and near misses has also been refreshed. It harmonises incident reporting between countries, taking into account applicable local regulations. The investigation and root cause analysis process described in this method supports the identification of risks and related mitigation actions.

The principle health and safety concerns in 2021 consisted of the following topic areas:
– COVID-19 and the necessary adaptation of work activities;
– Working environment including for example, work at height; slip, trip and fall risks; site roads and infrastructure.
– Machinery and equipment, such as hand held powered tools, cranes and jigs.
– Physical agents, including noise, vibration and electricity.

– Substances and materials, such as those addressed in REACH regulation.
– Psychological risk, including from the impact of COVID-19 confinement and the related Company adaptations.
– In-situ contractors, including competence, interfaces and site transport.

The impact of the ongoing COVID-19 pandemic is a continuing challenge. However, the main causes of occupational injury in 2021 were once again related to slip, trip and fall accidents, ergonomic incidents, and the use of hand tools and equipment. These represented the majority of injuries recorded on the FISH (Federated Information for Environment, Safety and Health), global environment, health and safety platform. In fact, slip, trip, and fall accidents resulted in 25% of the lost time injuries included in the lost time injury frequency rate.

Employees and others on Airbus sites can raise health and safety concerns in a variety of ways. Employees can raise a near miss or incident declaration in FISH using a computer or mobile device. Line managers can share warnings and good practices using a red, amber, green flash alert process. A "go-look-see" process helps managers to identify risks and related mitigation actions. To support the promotion of a "speak-up" culture, the Company has the OpenLine to provide employees and third parties with an avenue for raising concerns.

IV. Implementation/Activities

The overall incident management harmonisation process is enabling improvements in data collection, analysis and the production of reports. This supports the Company-wide key performance indicators.

Airbus and its Divisions rolling 12 months employee lost time injury frequency rate
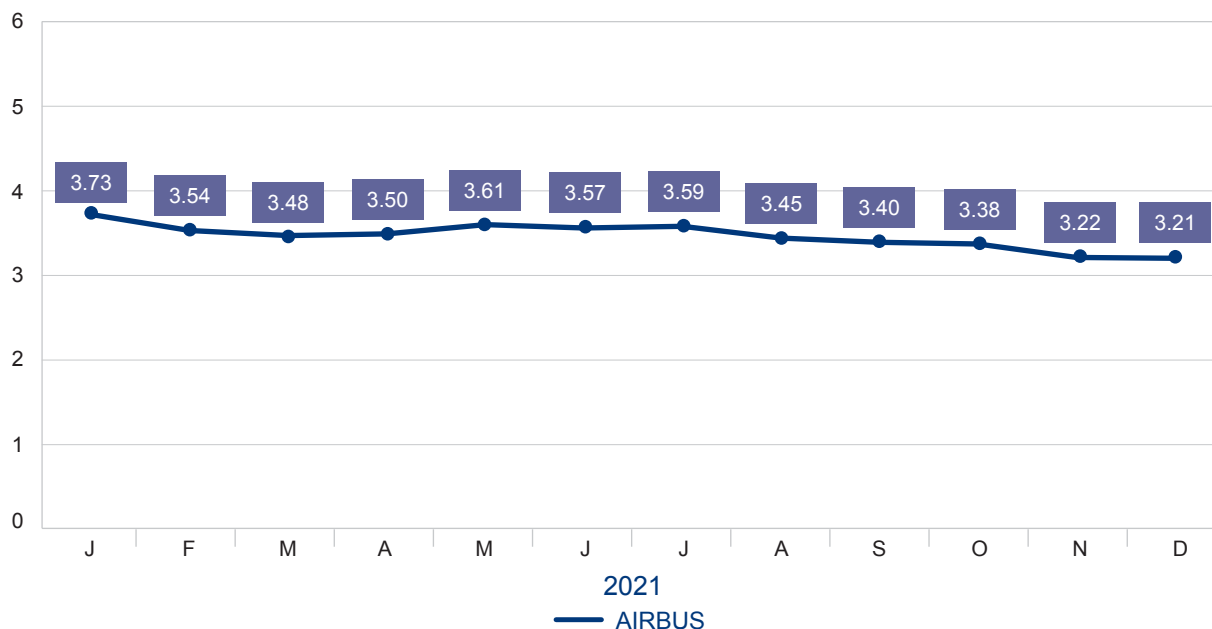
The rolling year of the lost time injury frequency rate end of year figure amounts to 3.21 Company-wide and to 4.31 in Airbus, excluding the Divisions. Company-wide Airbus experienced a more than 15% improvement in frequency rate. It has been positively impacted in 2021 as a result of the various safety activities and actions taken linked to the pandemic. Frequency rate figures are reviewed monthly by the CEO and the Executive Committee and the data shared with all executives and senior managers in a monthly webinar.

The FISH incident management module already covered all main sites in Airbus and its Divisions in France, Germany and Spain, and in the UK the Airbus commercial aircraft and the Airbus Defence and Space Division sites. It also covered the Airbus commercial aircraft plants in Mobile, US and in Tianjin, China. This year the FISH incident management module has been extended to cover the Airbus Defence and Space Division in Poland. Around 80% of the Company employees including the active workforce, the apprentices and the temporary employees are estimated to be covered under the FISH platform. The FISH perimeter continues to be progressively extended.

The work on incident management has reinforced the reporting of near misses. This has led to a total of 19,305 near misses being declared on FISH in the Airbus commercial aircraft activities. The investigation of near misses identifies cause agents and mitigation actions that support incident prevention measures.

Activity to mitigate risks is promoted and deployed through different channels. Most importantly, the Company stimulates behavioural change, in particular through its "People Safety @ Work" (PS@W) project in Airbus commercial aircraft, the "We Care initiative" in Airbus Defence and Space Division and the "Safe Together" initiative in Airbus Helicopters Division. This embeds a culture of continual improvement in workplace health and safety performance. Examples of particular campaigns include:

– "Team Talk" packages enable managers to discuss safety with their teams.
– Videos illustrating our safety golden rules.
– Campaigns to support a safe return to work after a long break such as summer holidays.
– Site Safety Awards to motivate and engage employees.
– Mindset and behaviour workshops.
– Safety weeks and safety mobilisation days, often topic specific and led by senior managers.
– 'Safety Box' (safety activities) and "Safety Lab" (safety discussions) sessions, in both face to face and virtual meeting modes due to COVID-19.
– Testimonies by employees who have suffered accidents at work.
– Transparent sharing of safety related information, such as frequency rates and "Flash Alerts".
– Mandatory EHS training.

The Company "Safety Ambassadors" knowledge, competences and roles have been reinforced. This network comprises around 1,900 members, and is a significant enabler for culture change. They spread best practices and support activities such as the implementation of COVID-19 measures.

At the operational level, the Airbus commercial aircraft operating system (AOS) includes an assessment grid to evaluate the environment, health and safety maturity level in operational areas. This reinforces the activity to reduce risk, driving the implementation of initiatives such as the PS@W trip hazards

removal, mobile steps safety and site traffic infrastructure improvements.

In 2021, the virtual classroom portfolio was further developed, in particular to cover some of the elements of statutory training such as First Aid, and we will continue to develop more digital enabled learning solutions. Consequently, despite the challenging environment of the ongoing pandemic, over 128,795 hours of dedicated health and safety training were delivered to 28,144 individual employees between October 2020 and September 2021.

Managers at all levels are required to attend the "Airbus Environment and Health & Safety (EHS) Leadership Certificate". This intensive course has four modules, which, if completed within a certain timescale, lead to an externally validated "Environment, Health and Safety Certificate". The EHS Leadership modules 1 and 2 were therefore prioritised for the virtual classroom format in 2021. The development of modules 3 and 4 will take place in 2022. A total of around 2,300 employees have now attended these modules since 2019; 1,309 of which in between October 2020 and September 2021.

The "Executive Environment and Health & Safety Masterclass" ensures that the Company top leaders are equipped to drive the strategy of continual improvement in health and safety culture and performance. Overall some 451 executives and senior leaders have completed the Masterclass from October 2020 to September 2021. In the same period some 82 executives, mainly from the plant and final assembly lines, have attended the practical and hands-on "Back to the Floor" training, which enables leaders to proactively and positively engage on safety issues on the shop floor.

Occupational health and wellbeing are key priorities for the Company, as evidenced by the construction of purpose-designed occupational health facilities at Broughton, UK, and at Getafe, Spain, which were completed in 2021.

Naturally COVID-19 has continued to be a critical risk to people and the Company. Mitigation activities have included:

– Providing and maintaining guidance on the core barrier measures, supported by awareness campaigns and material including posters, videos and e-learning modules.
– Supporting national vaccination programmes, where possible. Around 19,500 people were vaccinated on Airbus sites in France, Germany, Spain, UK, the USA and China.
– More than 17,900 COVID-19 tests have been performed on employees in Germany and France, with particular hygiene and testing procedures for delivery teams.
– An employee "COVID-19 Hotline" and case management has been provided by Occupational Health teams.

Whilst certain health initiatives and check-ups were impacted by the COVID-19 situation, key monitoring campaigns were maintained. Psychological health continues to be a focus. In addition to the employee helpline services and the availability of psychologists, training was provided for topics such as mental health awareness and addiction prevention. Support material has also been made available on the Company intranet pages.

With regard to substances, the "REACH-IT" project has continued in Airbus' commercial aircraft business, together with similar initiatives deployed in the Divisions. Manufacturing processes, tools and workstations have been reviewed in light of the REACH authorisation measures for the protection of health, safety and the environment. Now there is a progressive transfer

of this work into operational management systems, to ensure the ongoing maintenance of conformity. A compliance surveillance programme will be launched in 2022.

V.   Outlook

As part of the health, safety and operational environment "2030 Flightpath" vision, we aim to promote and provide standards that are above our minimum legal compliance requirements. Consequently, in 2022 the Company will continue to reduce risk of work-related injury, ill-health and environmental impact, by improving management system elements, monitoring and data analysis.

The Company will therefore continue to increase the geographical deployment and technical scope of the FISH platform to support a strategy of data-driven risk analysis and mitigation. In particular the incident management module is planned for deployment in sites in North America and the Asia Pacific region.

As the corporate ISO45001 based occupational health and safety management system matures, a company Health and Safety Governance Board is planned, to maintain clear oversight and steer the "zero harm" ambition. At national level, occupational health review panels are also planned, to address topics such as occupational disease cause analysis, risk mitigation strategies and emerging competency requirements. The Company will continue to strengthen its efforts to enhance wellbeing and mental health protection.

Further key performance indicators (KPI) are to be introduced, including health KPIs. The FISH platform will enable a wider use of the all injuries frequency rate and the leveraging of near miss data.

1.2.4   Respect Human Rights and Foster Inclusion

a.   Human Rights

I.   Introduction

A commitment to respect human rights

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

"Respect for human rights" was prioritised by the Company as one of the four sustainability commitments agreed by the Executive Committee and the ECSC at Board level during 2020.

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

Human Rights	GRI	SASB	SDGs	Others	Others
	412 Human Rights Assessment		4,5,8,16		Vigilance Plan
Highest governance body(ies) involved	Board of Directors / ECSC Executive Committee				
Related Corporate Policies and Reference Documents	Code of Conduct; International Framework Agreement; Airbus Supplier Code of Conduct				
Commitments to take into account external standards and frameworks	International Bill of Human Rights, ILO's Declaration on Fundamental Principles and Rights at Work and its Core Labour Standards, OECD Guidelines for Multinational Enterprises, United Nations Guiding Principles				

KPIs	Target	Target year	2020	**2021**	2021 v. 2020
% of investigations completed or in progress[1]	100%	Permanent	100%	100%	-
% of sites having undertaken a social assessment[2]	100%	2026	6%	14%	+8pp
% of findings closed within 18-months[3]	100%	Permanent	100%	100%	-

Other key metrics	2020	**2021**	2021 v. 2020
Number of participants to human rights trainings – Cumulative, reporting period: 1 Oct -30 Sep[4]	4,943	5,789	+846
Number of alerts of human rights concerns[5]	5	4	-1

KPI and metrics assumptions:
(1) Following reports of concerns linked to forced and child labour and other labour rights.
(2) % of the Company's sites with over 100 employees, cumulative since 2020, undergoing a social assessment including human and labour rights.
(3) Following social assessments including human and labour rights, carried out on the Company's sites.
(4) Cumulative number of participants who have completed e-learning modules on human rights and modern slavery since 2018.
(5) Including forced labour and labour rights (received *via* OpenLine and other means) from internal sources or through the Company's supply chain

Additional resources	Code of Conduct ⬎, Supplier Code of Conduct ⬎, Modern Slavery Statement ⬎, Human Rights on Airbus.com ⬎, OECD Guidelines for Multinational Enterprises ⬎, ILO Declaration on Fundamental Principles and Rights at Work ⬎

II.   Governance

The EVP Communication and Corporate Affairs has top level accountability for human rights at Executive Committee level. During 2021, following formalisation of the Company's governance arrangements for human rights in 2020, the Company held a number of meetings and presentations to support and advance respect for human rights. These included:

Governance	Number of meetings during 2021	Key responsibilities
Human Rights Multi-Functional Team, chaired by the Global Lead for Human Rights	Target 6 Achieved 6	Ensuring the development and delivery of the human rights roadmap, including actions against agreed targets and support for awareness raising and capacity building.
Human Rights Steering Committee, chaired by the Head of Sustainability and Environment	Target 3 Achieved 3	Providing strategic guidance to support decision making and prioritisation, as well as providing guidance and support on progress.
Specific presentation on human rights at the Executive Committee	Target 2 Achieved 3	Agree and guide the strategic direction of the Company's human rights ambition, agree and guide the prioritisation of initiatives and resource allocation for implementation and review the status and effectiveness of actions in progress (including roadmap/targets/KPIs).
Specific presentation on human rights at the ECSC	Target 1 Achieved 2	Make and support decisions on identified salient issues and emerging significant risks, make and support decisions on key trends / legislation and provide feedback and steering as required.

The Company will review its governance on human rights as it moves from policy-setting into implementation.

Human rights policy

Building on the human rights commitments and expectations that have existed in various key documents for many years (including within the Airbus International Framework Agreement signed in 2005, the Company's Code of Conduct and Supplier Code of Conduct), a key focus for 2021 included efforts to consolidate commitments to human rights standards and principles as well as expectations in this respect (aligned to international human rights standards and principles including the United Nations Guiding Principles for Business and Human Rights, the ILO Core Conventions on Labour Standards and the OECD Guidelines for Multinational Enterprises), into a specific internal human rights policy. The Company expects to finalise the policy in 2022.

In addition a number of internal and external stakeholders have supported the creation of the policy including divisional and functional representatives of the Human Rights MFT and Steering Committee and members of the Legal & Compliance team. When finalised, the Company intends to have the policy endorsed by the SE-WC which represents The Company's European social partners. Externally the policy has been reviewed by representatives from specialist expert human rights organisations, academics and civil society.

The human rights policy will help further embed due diligence throughout the Company through the creation of a specific Human Rights Management System and associated Directive. A key focus for 2022 will also include the development of methods and guidelines to support policy adherence as well as communication and associated training prioritising high risk functions.

III. Risk Management

Risks related to the salient issues were embedded into the Company's risk portfolio in the frame of the Company's ERM system and an associated action plan developed to identify, assess and address identified impacts. Actions are reviewed regularly by the Human Rights MFT and any salient issues requiring particular focus are escalated to the Human Rights Steering Committee as well as the Executive Committee and ECSC as required. An update of actions related to the Company's salient issues follows, with further actions progressing throughout 2022. Taking into account that salient issues may change over time due to internal and external influences, the Company is committed to reviewing them annually.

Salient Human Rights Issues

Salient Human Rights Issues
- Impact of products and services on the rights to life and liberty (*passengers and citizens*)   - Data privacy (*individuals and their personal data*)   - Transition to decarbonisation (*supply chains*)   - Forced and child labour and labour rights (*contractors and supply chains*)   - Diverse and inclusive workplaces (*Airbus workforce and contractors*)

The Company's salient human rights issues (see box with impacted groups in parenthesis) were initially identified through a human rights impact and gap analysis carried out in 2019. This identification was based on a benchmark of industry peers and companies in similar industries and an analysis of stakeholder expectations, including consideration from a rights-holder perspective. These issues were reviewed, updated and validated during 2020 through the Human Rights MFT and engagement with a number of key external stakeholders, including human rights NGOs, academics/researchers and industry groups.

– **Impact of products and services on the right to life and liberty (passengers and citizens):** Actions are ongoing. A multifunctional and cross-divisional team is currently reviewing how to integrate risk-based human rights due diligence through existing processes and tools.

– **Forced and child labour and other labour rights (contractors and supply chain):** Key activities to mitigate the risk of forced and child labour and other labour rights in the Company's supply chain included the roll out of the Company's revised Supplier Code of Conduct, with strengthened expectations on forced and child labour as well as other human and labour rights and a requirement for suppliers to formally confirm adherence to the Supplier Code of Conduct and to cascade the principles throughout their supply chain. In addition, the Company took actions to strengthen its supply chain due diligence including updated risk mapping (country and activity) and a review of its risk identification and alert management process. For further information, see "– 1.2.6 Responsible Supply Chain".

– **The transition to decarbonisation (supply chain):** 2021 was dedicated to identifying the key areas of risk that the Company's transition to decarbonisation may create, affecting in particular human rights. The identified areas include the potential impact on local communities of the production of Sustainable Aviation Fuels (SAF), offset initiatives or specific minerals required in the development and manufacturing of new technology. The Company is already engaged in various coalitions (*e.g.* the Roundtable for Sustainable Biomaterials and the International Sustainability and Carbon Certification) to ensure that human rights dimensions are considered in these areas.

– **Inclusion and diversity:** During 2021 actions to progress this salient issue included agreeing a "25 by 25" gender diversity ambition to increase female representation at executive levels of the Company, creating a robust pipeline including specific leadership programmes for women, such as "MyWay" and, to support inclusive leadership, a mandatory Unconscious Bias training module was rolled out for all employees (with a target to achieve 100% by end of 2021). For further information, see "– 1.2.4b Inclusion and Diversity".

– **Data privacy:** During 2021, the data privacy team continued to implement and improve the data privacy programme throughout the Company. Actions were taken to ensure that the international transfer of personal data is completed in line with new requirements. Further steps were taken to ensure that, prior to contracting, suppliers processing personal data on behalf of Airbus are vetted and the appropriate mechanisms put in place to ensure they process data in line with legal requirements.

Due diligence

During 2021, the Company began to strengthen its risk-based human rights due diligence taking into account the OECD Due Diligence Guidance for Responsible Business Conduct. This focus, which will continue throughout 2022, included:

– supply chain due diligence;
– due diligence within the Company's own operations;
– product and service due diligence (focused on the Company's Defence Division).

Social assessments (focused on human and labour rights)

During 2021, the Company conducted a number of onsite social assessments focused on human and labour rights covering its own sites. These onsite assessments were carried out using an independent third-party social assurance provider consistent with the assessments carried out in the Company's supply chain.

Building on the initial pilot carried out during 2020, eight sites (against a target of four) undertook a social assessment during 2021 in countries including Germany, Belgium, US, France, Italy, Malaysia, China and the Philippines. The sites were selected based on an analysis of country risk using publicly available indices (including child labour, forced labour and labour rights), the type of activity (prioritising production facilities) and the number of employees. In addition, any alerts relating to human rights coming from other sources, including the ICSA process, and upcoming legislative requirements were also taken into account.

The Company has a target to ensure that all findings are closed within an 18 month period following assessment. In addition, in order to strengthen its due diligence process, the Company has set a target to ensure that 100% of its sites with over 100 employees are assessed for human and labour rights risks by the end of 2026.

Supply chain

The Company continued to assess its supply chain for any concerns related to human rights, including forced and child labour and other labour rights, throughout 2021. For further information, see "– 1.2.6 Responsible Supply Chain".

Grievance and remediation

During 2021, the Company continued to promote its "speak-up" culture for human rights concerns, including reinforcement of the use of its OpenLine confidential reporting system, within its revised Supplier Code of Conduct (see "– 1.2.6 Responsible Supply Chain").

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

During 2021, the Company investigated four alleged cases of concern related to forced labour and other labour rights from within the Company's supply chain. All of the cases are closed as either unsubstantiated or with a consequential action. The Company will continue to investigate any new alerts during 2022.

IV. Implementation/Activities

Awareness raising and training

During 2021, the Company continued to raise awareness of human rights including through the promotion of its dedicated training on human rights and modern slavery which is available to all employees in four languages. During the period October 2020– September 2021, 846 participants undertook this training (5,789 in total since its launch), which included information on how to identify the signs of human rights abuse and what to do if anybody has concerns. In addition, two dedicated virtual awareness sessions were run for the heads of subsidiaries (attended by 140 people) to raise awareness of human rights which included practical examples of how to identify and report risks. The sessions were recorded so that those not able to attend directly could review the recording.

A dedicated e-learning module on human rights, targeting senior managers, including the heads of subsidiaries and controlled affiliates, was produced in 2021 and will be rolled out during 2022. In addition a new e-learning module will be created for all employees to raise awareness of human rights with the intention that this becomes mandatory to all employees from 2023.

Additional topic-based training relating to human rights is also available to all employees of the Company, a number of which are mandatory, including data privacy and inclusion and diversity topics such as unconscious bias.

Stakeholder engagement and collaboration

During 2021, the Company joined the Global Business Initiative on Business and Human Rights (GBI), a specialist peer learning group focused on advancing respect for human rights throughout the world. As part of its membership, the Company also took part in two dedicated workstreams: downstream due diligence and tracking and measurement, the progress of which were shared with other GBI members.

The Company is also a member of a number of industry trade associations which during 2021 held focused discussions on progressing human rights within the aerospace and defence industry. These include the BDSV (German Industry Association for Security and Defence), ASD (the Aerospace and Defence Industries Association of Europe), GIFAS (French Aerospace Industries Association), ADS (UK Industry Association for Aerospace, Defence, Security and Space) and TechUK (the UK's technology trade association).

The Company also engaged with a number of external stakeholders on human rights in order to advance the topic through external collaboration. These included academics, researchers, civil society organisations, officials and peers. A number of discussions with the Company's investors on the topic of human rights also took place during 2021, including on the topic of forced labour.

In addition, an update of the human rights roadmap was also presented to key internal stakeholder groups including the *Societas Europaea* Works Council ("SE-WC") and the European Committee for Airbus Defence and Space ("ECADS") comprising social partners from across the Company's European sites.

During 2021, the Company's Defence and Space Division continued to work with the UK's University of Nottingham Rights Lab on a project to monitor supply chain human rights challenges across sectors including maritime, agriculture and mining. Analysis of EO satellite imagery helps to identify supply

chain human rights issues, such as flagging suspicious activities for further investigation, or can act as additional evidence for reported supply chain issues. The Division has also started to scope its own supply chain risk assessment tools for the Company by integrating satellite imagery derived intelligence with additional reported data from third parties on potential supply chain human rights risks.

Regulatory compliance

During 2021, the Company undertook an analysis of current legislation related to human rights including the French *Devoir de Vigilance* Law and the Modern Slavery Acts in the UK and Australia. In addition, the Company undertook an analysis of relevant upcoming legislation including the German Act on Corporate Due Diligence Obligations in Supply Chains. Actions to fill any identified gaps will be undertaken throughout 2022.

During 2021, in accordance with the UK Modern Slavery Act and the Australian Commonwealth Modern Slavery Act, the Company published a Modern Slavery Statement outlining the actions it had undertaken to mitigate modern slavery risks in its global business, operations or supply chain. This Statement was published on the UK Government and Australian Government websites as well as the Company's website. In addition the Company completed the UK Ministry of Defence (MoD) Modern Slavery Assessment Tool.

V.   Outlook

During 2022, the Company will continue its focus on embedding and advancing its commitment to respect human rights throughout its business, operations and supply chain. Specific ongoing actions include:
– finalisation of the Company's human rights policy;
– embedding human rights commitments throughout the Company;
– further progressing risk-based due diligence within the Company;
– prioritising actions based on the Company's Identified salient human rights issues (to be reviewed in 2022);
– progressing social assessments focused on human and labour rights throughout the Company's sites;
– capacity building with key teams including development of training, communication and awareness raising;
– ensuring alignment of actions with current and upcoming legislation.

b. Inclusion & Diversity

I.   Introduction

"Respect Human Rights and Foster Inclusion" is one of the four sustainability commitments. This priority reflects the focus the Company puts on Inclusion & Diversity ("**I&D**") and is illustrated by the 137 nations and 20 different languages that its employees represent.

An I&D position statement outlines the Company's commitments to creating a safe and inclusive culture, including zero tolerance to discrimination and harassment, whilst the Company's Code of Conduct and Supplier Code of Conduct expresses the expectations towards both employees and suppliers in this respect.

In line with the Company's values, a comprehensive I&D strategy drives the Company's approach to embedding I&D focusing on intergenerational, ethnic, social and cultural diversity as well as gender equality, LGBTQ, neurodiversity and disability-friendly policies and hiring practices. The I&D strategy aims to ensure that the Company:
– creates a safe environment and inclusive culture where collaboration, empowerment, continuous learning and accountability are promoted and valued. The Company has zero tolerance for harassment or discrimination of any kind;
– attracts, recruits, develops and retains a large and diverse pool of talent. This talent is a reflection of our customers and suppliers base as well as the communities around us;
– develops a thriving work environment supported by its values system, leadership model as well as a Code of Conduct understood and practiced by all;
– is committed to have a positive long-term sustainable impact not only in the aviation sector but also in the communities we work in by being signatories to the SDGs.

1

Inclusion & Diversity	GRI	SASB	SDGs	Others
	405 Diversity and Equal Opportunity 406 Non-discrimination 408 Child Labor 409 Forced or Compulsory Labor		4, 5, 8, 16	Vigilance Plan
Highest governance body(ies) involved	Board of Directors / ECSC Executive Committee / Inclusion & Diversity Board			
Related Corporate Policies and Documents	Human Resources Airbus Company Policy Airbus Code of Conduct, Airbus Supplier Code of Conduct			
Airbus commitments to take into account external standards or frameworks	Universal Declaration of Human Rights, OECD Guidelines for Multinational Enterprises, ILO Conventions			

KPIs	Target	Target horizon	2020	**2021**	2021 v. 2020
% of external hires to be female	33%	yearly	26%	22%	-4%

Other key metrics (More in the ESG Data Board)			2020	**2021**	2021 v. 2020
Women in active workforce			18%	19%	1%
Board of Directors			25%	25%	stable
Executive Committee			16%	25%	+9%
Executives			13%	14%	+1%
Senior Managers			14%	16%	+2%

Additional resources	Code of Conduct – incl. non-discrimination commitment⬎, Inclusion and Diversity on Airbus.com⬎, Airbus International Framework Agreement – incl. Equal Opportunities commitment⬎ UN Women's Empowerment Principles – CEO Statement⬎, AD CEO statement⬎, LGBT+ Charter with L'Autre Cercle Association for an inclusive work environment for LGBTQ+ people France Gender Pay Gap Statement 2020⬎, UK Gender Pay Gap Report⬎, Airbus UK I&D Agreement⬎, Women in Aviation and Aerospace Charter⬎; Women in Defence Charter⬎ Partnerships supporting people with disabilities (Atouts pour tous⬎, Handisup⬎, Handiproconseil⬎)

II. Governance

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

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

In addition, local I&D (including disability) steering committees, championed by senior leaders and executives in the regions, provide additional support to embed and advance the I&D strategy locally and provide valuable input to the I&D team and Advisory Board. The steering committees are supported by a network of diversity Business Champions embedded in the business and who advocate for inclusive leadership.

III. Risk Management

Any identified risks related to I&D are recorded in the Company's ERM and appropriate action plans agreed. Progress is reviewed quarterly.

In addition, any alerts related to I&D raised *via* the Company's "speak-up" culture, including its OpenLine reporting system, are investigated in accordance with the Company's investigation process.

IV. Implementation/Activities

The Company supports various national and international initiatives such as International Women's Day and since 2018 we have committed to the UN Women's Empowerment Principles aimed at empowering women to participate fully in economic life. The Company has also led the "Women in Aviation and Aerospace Charter" and has been instrumental in the development of the "Women in Defence Charter" which demonstrates the commitment of a growing number of organisations across the industry to build a more balanced and fairer industry for women. In addition, in 2020 the Company launched a "Management Basics & Leadership Foundations Programme" to ensure that inclusive leadership becomes the norm at all levels. In addition our Corporate Gender diversity leadership development launched a cohort dedicated to 50 women leaders of tomorrow. To date this programme has trained over 170 women, including the current cohort.

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

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

The annual *Ability Weeks* campaign aims to raise awareness on disability across the Company and worldwide. This includes a series of workshops and awareness sessions on topics such as: digital accessibility, workplace adaptations, mental health care. During 2021 more than 1,600 employees participated in live workshops, and over 50 events were organised worldwide. Our Airbus Humanity Lab also showcased prosthetic blades made from recycled carbon from our production lines.

Highlighting that being unique is valued and that difference is welcome, the Company ran an awareness campaign during 2021 to promote awareness of the importance of digital accessibility for employees with disabilities as a means for inclusion.

The Company also engaged in various social diversity programmes during 2021 in partnership with a number of different associations to promote quality education and mentorship for young people from underprivileged areas. For example, the Company participated in the *"La France, une chance. Les entreprises s'engagent!"* initiated in 2018 by the French government to encourage business to get involved in helping everyone find their place in society by, for example, recruiting from underprivileged areas promoting education learning and responsible purchasing and creating a link between these underprivileged areas and businesses.

During 2021, the Company disclosed its gender pay gap as required through both French and UK legislation and continues to put measures in place to ensure gender pay parity worldwide.

V. Outlook

Priorities for 2022 include continuing the Company's focus on gender parity. Upcoming actions on I&D include:
- eliminating systemic barriers during talent recruitment, development and management;
- agreeing on targets for external recruitment of women, external recruitment from non-EU countries and external recruitment of people with disabilities;
- extending leadership development programmes to include a focus on I&D and in particular on gender diversity;
- increasing awareness and training on inclusive leadership and unconscious bias;
- leveraging and reinforcing business ownership and accountability through the Company's network of diversity champions;
- continued support to encourage STEM studies for young women in schools and universities through mentorship, tutorship, directly or through the associations sponsored by the Company.

c. Labour Relations

I. Introduction

In 2021 again, the Company has continued its numerous discussions, consultations and negotiations with its social partners, sometimes on a daily basis in order to discuss company transformation projects aiming at adapting to the evolving situation partly resulting from the health and economic crisis.

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

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

Labour Relations	GRI	SASB		SDGs	Others
	402 Labor / Management Relations			8, 16, 17	
Highest governance body(ies) involved	Executive Committee				
Related Corporate Ref Documents	Airbus Code of Conduct, International Framework Agreement, SE-WC agreement (updated 2018)				
Airbus commitments to take into account external standards and frameworks	ILO's Declaration on Fundamental Principles and Rights at Work and its Core Labour Standards, OECD Guidelines for Multinational Enterprises				

Key metrics				2020	**2021**
Number of meetings with SE-WC (agreement says four per year)				8	12
% workforce covered by collective bargaining agreements					ca 80%
Additional resources	Code of Conduct↘, Airbus International Framework Agreement↘ ILO's Declaration on Fundamental Principles and Rights↘ OECD Guidelines for Multinational Enterprises↘, the Global Deal Initiative↘				

II. Governance

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

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

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

The Company is in continuous dialogue with social partners on its sites in Europe, principally through meetings with management at the European Committee level but also through meetings and negotiations at national or local level. Sites outside Europe are also covered by the Company's IFA framing the social dialogue and social culture in line with local labour legislation, culture and practices of respective countries.

Regular social dialogue is ensured as per ILO requirements and local legislation and Company agreements about social dialogue, for instance in Europe, thanks to the Company's SE-WC agreement which was updated in 2018.

Labour relations and social dialogue are fully part of the Company's DNA and therefore, its continuous evolution and improvement are embedded in the Company's Human Resources strategy supporting the Company's business challenges. Especially, in cases of restructuring, the Company strives to limit as much as possible the negative impacts on its workforce, and considers employment as a priority.

In line with the Company's global social dialogue strategy and since 2019, the discussions with its social partners have not only been assured at local or European level but have also happened at global level with the creation of the Airbus Global Forum ("**AGF**"). In line with the Company's commitments in terms of Sustainability, the AGF is a clear illustration of the Company's engagement for a responsible social dialogue. The seat allocation for employee representatives is based on headcount distribution across the globe and conditional to existing legal employee representation as per applicable regulations and practices in the relevant countries.

In addition, the Company is an active member of the Global Deal for Decent Work and Inclusive Growth initiative ("Global Deal") that was developed in cooperation with the ILO and OECD. The Global Deal is a multi-stakeholder partnership between governments, business and employers' organisations, trade unions, civil society and other organisations that seeks to make economic growth work for all against a backdrop of rapid changes in the world of work.

III. Risk Management

The European labour relations' management of the four home countries of the Company (France, Germany, UK, Spain) is also part of the Company risk management processes and these risks are reviewed internally on a regular basis. For example during 2021, employee relations continued to focus on ensuring legal compliance regarding national labour laws and investing in training the Company's HR professionals about labour law. The Company's approach to risk management is also reinforced by the OpenLine reporting system, which allows employees to report concerns anonymously (where legally permitted).

IV. Implementation/Activities

During 2021, the Company continued activities aimed at strengthening collaborative and partnership approaches with unions in various countries. The main focus has been on preserving global social dialogue, addressing company transformation projects, and monitoring the implementation and the effects of the COVID-19 adaptation plan and sharing our progress about sustainability.

Preserving a Global Social Dialogue

The second AGF took place early July 2021 in a digital format and has proven again to be an effective exchange platform between the Company's top leaders in the regions and employee representatives from its European home countries, Poland, Romania, Morocco, Tunisia, Brazil, New Zealand, Australia, Mexico, Canada and China. The AGF agenda triggered insightful discussions around business highlights including the challenges and priorities for 2021 and 2022 as well as I&D, People Ethics & Compliance – especially anti-harassment – and the Company's well-being strategy. It also served as an opportunity to enhance the perspective of the Company's social partners on local and regional practices with regards to social matters, especially out of the Company's European home countries.

At the Company's Airbus Helicopters Division, four European committees have taken place. The main topics have been the follow up of the Division's performance and strategy, the site specialisation strategy and more globally the company transformation, focusing in particular on competitiveness.

At the Company's Airbus Defence and Space Division, six European committees have taken place. The main topics have been the follow up of the adaptation plan, known as Future Planning, including financial competitiveness, the strategy and performance of the Division with a focus on sustainable transformation, including the AD 4.1 reorganisation during the later part of 2021.

Supporting Company Transformation

"Reshape Supply chain" (RSC) was one of the major company transformation projects in 2021, which was subject to numerous discussions with our social partners at European and local levels. This project aims at creating two aerostructures companies of equivalent position and size in France and Germany (ca. 9,500 employees each) to prepare the future of fuselage aerostructures. As part of the discussions, the SE-WC nominated independent external experts to analyse the social, economic and financial impact of the project. Based on extensive data analysis and interviews, the report supported the project's principles and acknowledged the transparent sharing of information and data by Airbus management that permitted the experts to formulate their opinion. The constructive discussions at European and national level finally resulted in the creation of Airbus Atlantic as of January 2022. The negotiations about the creation of the aerostructures company and its impact on the detail parts activities is continuing with our social partners at company level in Germany, as well as with IG-Metall as legally required by Works Constitution Act and Tariff agreements.

In Spain, many discussions took place to address the consolidation of the industrial activities and the maintenance of the full workload in the Province of Cádiz in the CBC work Centre. National and regional authorities, Airbus, both the internal works council and main national unions agreed to have a commission to monitor fulfillment of the agreements.

Finalising the implementation of the COVID-19 adaptation plan

In 2020, COVID-19 adaptation plan discussions resulted in the signature of various collective agreements by the main unions or staff body representatives in France, Germany, Spain and the UK covering all employees in Airbus' commercial aircraft business within these countries so that the overall adaptation plan could be completed in 2021 and compulsory redundancies avoided. The agreements provided for a range of social measures including: trainings, internal mobilities, working time adaptations, voluntary departure schemes, early retirement and the opportunity to pursue personal or professional opportunities outside of the Company, such as business creation as well as dedicated partial unemployment schemes to be implemented in order to adapt activities and the workforce in 2021. In particular the signature of agreements about shorter working week in the UK, long-term partial unemployment in France and the long-term partial unemployment scheme in Spain (ERTE) have been agreed with the majority of the social partners. In addition a substantial portion of jobs have been secured due to external funding for research and technology programmes, anticipating that these jobs would be needed in the post pandemic recovery phase.

Preparing the future

The Company is committed to preparing for the future of employment and working conditions together with the social partners:

In Spain, the VI CBA (Collective Bargaining Agreement) has been signed in 2021 with the majority of the social partners from the commercial aircraft business and its two Divisions for a four-year period (2020/2023). The main aspects covered were: salary conditions, working from home, training to face new technologies, early retirement scheme and both employment and gender equality plans.

In France, the Company also started a long-term social dialogue with employee representatives in 2021 in the frame of a project named "Reload" which aims at simplifying and harmonising company agreements related to compensation, benefits, grading, working time duration, health, safety and working conditions to make them more readable for its people and adapted to the Company's challenges. This project aims also at integrating the evolution of the Metallurgic Branch Agreement.

In Germany, apart from the RSC project, the social dialogue was mainly focussed on ensuring industrial and financial performance as a foundation for job security and future programmes in a ramp-up context. Agreements on mandatory work on defined Saturdays at reduced premium rates (compared to similar agreements from 2019) have been achieved for 2021. Approval of additional (flex) capacity is a second brick to ensure ramp-up activities particularly in production areas.

Enabling for sustainability plans

In Europe, the Company's social partners were also closely involved in discussions on the health and safety measures taken in the workplace to protect workers and prevent the spread of COVID-19. This included the provision of additional personal protective equipment (PPE), team rotations, homeworking, social distancing and regular communication particularly on any special site measures. The social partners in Europe have also been informed about the actions taken and the future endeavours of the Company with regards to the identification and mitigation of risks inherent to Airbus activities and those of its suppliers with regards to human rights, environment and health and safety.

V. Outlook

In 2021, the Company maintained the accident frequency rate as one of the KPIs integrated in its executive and employee success sharing scheme. It is the Company's intention to continue in this direction; notably it has already engaged further in discussing with social partners about the possible inclusion of another sustainability criteria (CO_2) in the remuneration of senior managers from the year 2022.

The Company will continue its dialogue with social partners, sharing its strategy and organisational changes and preparing for our evolving ways of working, as it was done in 2021. The RSC project will continue to be a key area to ensure the successful creation of an aerostructures company in Germany. Other key areas will be the ramp-up of our activities in 2022 and the transformation projects which will be essential to Airbus' future successes.

d. People

I. Introduction

The Company's people draw on each other's expertise and experience and puts all our passion and determination to pioneering sustainable aerospace. Human Resources (HR) is at the heart of the Company.

The current priorities of the Company's HR function are:
– engaging, inclusive and high performing leadership;
– skilled workforce and an agile learning organisation;
– inclusive workplace and simplified ways of working.

As of 31 December 2021, the Company's workforce amounted to 126,495 employees (compared to 131,349 employees in 2020), 95.7% of which consisted of full-time employees. These statistics take into account consolidation effects and perimeter changes throughout 2021. Depending on country and hierarchy level, the average contractual working time is between 35 and 40 hours per week.

The decrease in total headcount was the result of the COVID-19 adaptation plan in the Company's commercial aircraft business and the already planned restructuring of the Company's Defence and Space Division. Consequently, the number of newcomers had significantly decreased. The decision to restrict new hires in all businesses impacted by the crisis had been taken and the number of leavers had significantly increased as a result of the voluntary departures in the framework of the adaptation plans. Despite the crisis, the Company fulfilled commitments towards candidates already selected prior to the crisis and welcomed 5,655 newcomers. Voluntary departures have triggered an increase in the Company's attrition rate, which in 2021, is 7.4% overall (including subsidiaries) and 12.2% in subsidiaries only.

Reflecting the fact that the Company is an international company, 35.4% of its employees are from France, 31.5% from Germany, 7.7% from the UK and 10.3% from Spain. The remaining 15.1% are employees coming from a total of 134 other countries. In total, 89.1% of the Company's active workforce is located in Europe on more than 100 sites. Furthermore, the Company expects its workforce to evolve naturally to support the business.

Workforce by business segment, geographic area

The breakdown of the Company's employees by business segment and geographic area, including the percentage of part-time employees, is available in "– 1.2.8 ESG Data Board".

The workforce of the Company's Helicopters Division remained stable in line with its business resilience during COVID-19 crisis, while the adaptation plans in the Company's commercial aircraft business and the Company's Defence and Space Division has started to materialise with a significant decrease.

People	GRI	SASB		SDGs	Others
	401 Employment 404 Training and Education			4, 5, 8, 12	
Highest governance body(ies) involved	Executive Committee				
Related Corporate Policies	Human Resources Airbus Company Policy				

Key metrics (More in the ESG Data Board)	2020	**2021**	
Total number of employees[1]	131,349	126,495	
Number of Classroom Training[2]	78,443	78,984	
Number of Digital Training[2]	752,702	967,495	Breakdowns are available in the ESG Data Board
Total training hours[2]	1mn	1.2mn	
Average training hours per employee[2]	10.6	10.8	

(1) The Company's headcount reporting includes all consolidated companies worldwide. Figures are based on the active workforce, *i.e.* the number of permanent and short-term employees, irrespective of their individual working times, and having worked in the last 30 days. The headcount is calculated according to the consolidation quota of the respective companies. The scope for HR structure reporting covers 100% of the Company's total active workforce from consolidated companies.
(2) Reporting period: from 1 Oct. to 30 Sep.

Additional resources	Code of Conduct ↘, Airbus Global Workforce Forecast Book ↘, Working at Airbus ↘ Airbus International Framework Agreement ↘, European Commission – Pact for Skills ↘ Employer awards 2021: Universum ↘, Glassdoor ↘, Fortune ↘, Top Employer Institute ↘, Forbes ↘

II. Governance

The Company's workforce is managed by the HR function thanks to a set of HR policies and a strong labour structure. HR policies are discussed and agreed with social partners through continuous and regular meetings at global and local levels. The overarching Human Resource policy in place is applicable to all employees and provides them with the description of the core values, mission, vision and top level initiatives for Human Resources Management in accordance with Airbus Mid-term Strategic Plan and external requirements.

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

III. Risk Management

Any identified risks related to the workforce and its skills and development are recorded in the Company's ERM and appropriate action plans agreed.

In addition, the Company periodically measures the perception of its employees on where the Company stands in terms of company culture and engagement through the "My Working Environment" Company Survey. The employees' feedback provides valuable input to define an action plan, leveraging the Company's cultural strengths to build on and addressing the pain points to be improved. The Company culture and engagement are regularly measured to keep track of the progress and adjust actions.

IV. Implementation/Activities

People Development and Competence Assessment

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

A yearly process derives a short, mid- and long-term competence strategy out of the Company's business strategy by:
– anticipating the supply and demand of competencies;
– identifying, securing and developing key competencies;
– creating added value through synergies, networking and best practices.

Investments in training and learning are prioritised in relation to this competence strategy.

In addition, emerging long-term competence needs are analysed – which might not exist today, and for which specific measures need to be taken, *e.g.* with universities. The Company is actively participating in external forums on competence evolution, such as the World Economic Forum and European Commission.

In order to ensure quality time is dedicated to discuss employee's development, Airbus has, as part of its "manage employee development" process, implemented the Development Talk, which is an exchange between the manager and employee that can take place as often as needed but at least once a year. The purpose of this talk is to discuss the individual development plan of the employee and to bring individual expectations in line with company expectations.

Competence Assessment supports employee development and has to be performed at least every two years.

The company provides to the employee a portfolio of self-awareness solutions and feedback tools, that can be used on a voluntary basis, to prepare, in advance, the development talk and development plan. All agreed development actions are formalised in the employee development plan which has to be validated by the manager. These actions may consist of:
– workplace learning or "on the job solutions" including development *via* mobility, project assignment, etc.;
– social learning, such as mentoring;
– Formal training.

Training & mobility

COVID-19 has been destabilising and has had a significant impact on the Company's learning activities, resulting from the need to reduce cash spend to secure business continuity. While the various restrictions and national lockdown measures have limited the Company's ability to deploy physical classroom sessions, the Company invested further in its digital learning platforms to increase digital learning that more than doubled compared to 2019.

Measures were taken in parallel to adapt physical classroom training sessions to comply with the strictest health and safety measures ensuring the delivery of the mandatory and critical training without disruption to operations. The acceleration of the digital learning strategy has allowed employees to remain active in their development during periods of remote working and partial unemployment (according to social agreements).

In addition, in 2021, to support the skills foundations and Top Company Objectives, the Company has defined and assigned compulsory learning plans directly to its employees, covering Ethics & Compliance, Export Control, Data Governance & Protection, Product Safety, Cybersecurity, Internal Controls, Environmental Awareness and other topics. This new approach allows us to secure the needed training and awareness on major company priorities.

In 2021, the Company provided almost 1.2 million training hours to employees. On top of the physical classroom and digital training, in 2021 more than 39,500 employees benefited from leadership development and transformation solutions proposed by the Airbus Leadership University. The university continues to strengthen the Company's approach to leadership, offering opportunities for all leaders to drive their development one step further, while accelerating the culture evolution and human transformation of the Company.

Learning solutions and managerial opportunities are not the only way to develop people in the Company. Development paths give also possibilities to employees to develop specific skills, competence and jobs, such as Project & Program Manager, Architects & Integrator and Expert career paths.

The Company is also involved in the "Pact for Skills" initiative launched by the European Commission to address the up-skilling and reskilling challenge in Europe. It is working together with aerospace and defence industrial companies, public authorities, and education and training providers, to build common upskilling and reskilling programmes and explore ways of working together in skills partnerships.

Mobility of employees within the Company's commercial aircraft business and its two Divisions provides overall benefit and value to the Company. Mobility helps employees develop new skills and competences and serves the business by bringing new ideas and broader perspectives to teams while ensuring to have the right skills in the right place to secure the future. In 2021, as of end of December, more than 10,400 employees have changed jobs through internal mobility.

Remuneration

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

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

Support for health care, unemployment insurance, national and company pension systems as well as social security contributions are mainly subject to national regulations and regulations implemented earlier by the founding companies.

Some benefits or specific worldwide schemes are implemented such as sharing the financial and operational success of the Company with the employees (success sharing scheme) or developing the Company ownership culture (Employee Share Ownership Plan – "**ESOP**").

Employee Share Ownership Plan

The ESOP allows employees to participate in the success of the Company. This plan is an investment option open to eligible* employees to acquire a certain number of Airbus shares. The ESOP scheme has been running in different formats since the foundation of the Company in 2000. The ESOP scheme since 2011 is a "share matching plan" in which the Company matches the number of shares bought by the employee according to set criteria.

In 2021, more than 54,750 eligible employees from 40 countries have seized the opportunity to subscribe and now own 1.97 million shares. (Eligibility rules: an eligible employee in the frame of ESOP 2021 is part of an entity which is at least 50% owned by Airbus, and has been an employee between 31 December 2020 and 17 March 2021.)

V. Outlook

Starting in 2022 and over the next three years, the Company is expected to resume recruitment with several thousand positions to be filled in the different functional and geographical areas of the Company to support the recovery and future activity growth, to prepare for the development of future programmes and to continue its generational renewal. A quarter of these recruitments will concern new skills on projects such as those linked to the development of hydrogen aircraft.

Leveraging global attraction campaigns and strengthening collaboration with the business to deliver on staffing needs is key. The staffing challenge will be a joint responsibility between HR and business to deliver on expectations.

In the meantime, the Company will continuously focus on people development to close the gap on critical skills needed and will invest into emerging skills development. The Company aims at becoming an agile learning organisation as reskilling is considered as a major part of the learning culture: in the short-term, to support critical ramp-up projects, and in the long-term to sustain the acceleration of skills shift driven by the Airbus context and external trends.

1.2.5 Exemplify Business Integrity

I. Introduction

The Company's Ethics & Compliance programme seeks to ensure that the Company's business practices conform to applicable laws, regulations and ethical business principles, as well as reinforcing a culture of integrity and speak-up. In 2021, Ethics & Compliance continued to be a top priority for the Company, following the completion of the first phase of the ongoing monitorship by the Agence Française Anticorruption within the context of the settlement agreements reached between Airbus and the authorities on 29 January 2020. In its list of priorities for the year, the Company set the objective to Speak Up, Listen Up and act with integrity and respect.

The Company has worked over the past several years to develop an Ethics & Compliance programme that is structured around the following key risk areas: Business Ethics / Anti-Corruption Compliance, Export Compliance and Data Privacy Compliance. Each of these areas is, in turn, supported by dedicated compliance policies and a team responsible for their implementation, together with the identification and proposal of new measures to adapt to a constantly evolving regulatory landscape.

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

Business Integrity	GRI	SASB		SDGs	Others
	205 Anti Corruption	Business Ethics		16	
Highest governance body(ies) involved	Board of Directors / ECSC Executive Committee				
Related Corporate Policies and reference documents	Anti Corruption Policy, Responsible Lobbying Charter Directives: see below, section III. Risk Management Code of Conduct, Supplier Code of Conduct				
Airbus Commitments to take into account external standards	IFBEC's Global Principles of Business Ethics, FX Global Code				

Key metrics			2020	2021
Number of employees per appointed Ethics & Compliance Representatives			390	372
% of employees (non-Exec) who have completed the E&C training objective			80%	90%
Number of E&C e-learning sessions delivered to employees (Reporting period: from 1 Oct. to 30 Sep.)			309,682	284,774
Number of data privacy e-learning sessions delivered to employees (Reporting period: from 1 Oct. to 30 Sep.)[1]			35,073	9,547

(1) In 2021 the reporting period was changed, from calendar years to Oct-Sept periods, and led to restate past year figures accordingly.

Additional resources	Airbus Ethics & Compliance webpage, including CEO statement ⬎, Airbus Values ⬎ Anti Corruption Policy ⬎, Responsible Lobbying Charter ⬎, Airbus' commitment on the protection of Personal Data ⬎, Code of Conduct ⬎, Supplier Code of Conduct ⬎, OpenLine ⬎, Compliance at Airbus ⬎ IFBEC website ⬎, Global Foreign Exchange Committee website ⬎

II. Governance

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

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

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

In addition to the dedicated Compliance professionals, the Company is coordinating a network of part-time ethics & compliance representatives ("**ECRs**"), spanning all Divisions, functions, and regions. The number of ECRs slightly increased in 2021, with a total of 340 ECRs at the end of 2021 (compared to 335 at the end of 2020). Although the ECR network members are not compliance experts, they play an important role in promoting the Ethics & Compliance programme and culture and serve as points of contact for any employee who has questions about the Ethics & Compliance programme or wishes to raise an Ethics & Compliance concern, including but not limited to bribery or corruption. The Ethics & Compliance team is animating the ECRs network, providing continuous training and information of the ECRs.

Likewise, the Personal Data Protection Officer ("**DPO**") relies on a team of data privacy experts to guide, train and advise the business with respect to data privacy requirements, and a network of Data Privacy Focal Points in the business functions and affiliates, to support the Airbus data privacy programme. In 2021, the DPO and the data privacy team were integrated in the Legal & Compliance function.

III. Risk Management

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

Accordingly, since 2017, the Company has been conducting a thorough bribery and corruption risk assessment across its two Divisions and different businesses. The results of this risk assessment are embedded and monitored within the Company's ERM framework and highlight, among others, the risk of improper payments being made to or *via* third parties such as sales intermediaries, lobbyists and special advisors, suppliers, distributors and joint venture or offset partners. Further corruption risks include the use of sponsorships, donations, or political contributions to improperly benefit decision-makers, or the provision of excessive or overly frequent gifts and hospitality by Airbus employees. In order to ensure its compliance with Export Control regulations and laws in the EU, US and internationally, the Company continues to review its Export Control compliance programme to ensure it is fit for purpose. Where risks are identified, they are embedded and monitored in the Company's ERM. Identified risks include potential unauthorised access to export controlled data and hardware by third parties and non-compliance with the International Traffic in Arms Regulations ("**ITAR**").

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

Specific directives have been adopted to address the Company's key compliance risk areas. These include among others:
– Requirements for Gifts & Hospitality;
– Requirements for Sponsorships, Donations and Corporate Memberships;
– Requirements for the Prevention of Corruption in the Engagement of Sales Intermediaries;
– Requirements for the Prevention of Corruption in the Engagement of Lobbyists & Special Advisors;
– Requirements for Supplier Compliance Review;
– Requirements for Compliance Block List;
– Requirements for Preventing and Declaring Conflicts of Interest;
– Requirements for the Prevention of Corruption related to Mergers & Acquisitions, Joint Ventures, Partnerships and similar Transactions;
– Method for the Prevention of Corruption in the Context of International Cooperation & Offset Activities;
– Requirements for Anti-Money Laundering / Know your Customer;

– Guidelines for Competitive Intelligence Gathering Activities
– Requirements for Export Control Sanctions, Embargoes and Screening;
– Requirements for Export Control Framework;
– Requirements for Export Control Escalation and Voluntary Disclosure;
– Requirements for Export Control Brokering;
– Requirements for Export Control Classification;
– Requirements for Export Control Licences and Agreements;
– Requirements for ITAR Part 130 Reporting;
– Personal Data Protection Directive, Method and Binding Corporate Rules.

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

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

IV. Implementation/Activities

Awareness and training

All Company employees are required to undergo a minimum amount of compliance training *via* e-learning. Additionally, depending on the function, the country and the level of risk implied by their role, certain employees are selected to attend live classroom training as well. Attendance in such cases is mandatory, and managers have a responsibility to ensure that their team members do so.

From 1 October 2020 to 30 September 2021, the Company's employees followed 284,774 Ethics & Compliance e-learning sessions, including on bribery, corruption and export control. Furthermore, 5,050 employees attended live classroom training on different Ethics & Compliance topics in 2021, the majority of which were delivered in virtual classroom settings due to the pandemic.

Likewise the Company also delivered anti-bribery and corruption training towards higher risk third parties, including sales intermediaries, lobbyists and special advisors. In 2021, 81% higher risk third parties were trained on Ethics & Compliance requirements and expectations.

The Company continued the roll out of the data privacy e-learning as part of the Ethics & Compliance compulsory training catalogue. Approximately 9,500 data privacy training sessions were performed in 2021 (reporting period from 1 October 2020 to 30 September 2021). Since the entry into force of the EU General Data Protection Regulation in 2018, the Company's employees performed approximately 90,000 data privacy e-learning sessions.

"Speak-up" Channel: OpenLine

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

In 2020, I&D was expressly added to the definition of the "Human Resources" topic. Product safety, previously covered by a broader "Procurement and Product Security" topic, is now displayed as a separate category as well.

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

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

Policies and procedures

In 2021, the Company continued maintaining its policies and procedures framework, issuing a guidance on third parties categorisation, the compliance block list and translating the Code of Conduct in seven additional languages to maximise the reach of this foundational document. All policies and guidelines are made available to employees on the Intranet, and classroom training is delivered to employees who are particularly exposed to the underlying risks as described above.

On the Export Control side, the Company created an Export Control Compliance programme in early 2020 and has launched the cascade of its Export Control requirements through nine directives and methods throughout the Company. The cascade triggers an update of the relevant business processes and is targeted to be completed early 2022.

Under the terms of the Consent Agreement with the US Department of State (DoS) made public on 31 January 2020, the DoS agreed to settle all civil violations of the ITAR outlined in the Company's voluntary disclosures identified in the Consent Agreement, and the Company agreed to retain an independent Special Compliance Officer (SCO), who is monitoring the effectiveness of the Company's compliance with the ITAR for a duration of three years. In 2021, as required under the Consent Agreement, an audit of the Company's ITAR compliance programme was undertaken by external counsel. For further information, please refer to "Notes to the IFRS Consolidated Financial Statements – Note 38: Litigation and Claims (Investigation by the UK SFO, France's PNF, US Departments of State and Justice and Related Commercial Litigation)".

Responsible Lobbying Charter

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

V. Outlook

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

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

1.2.6 Responsible Supply Chain

I. Introduction

At the end of 2020, approximately 21,000 suppliers from more than 80 countries supply parts, components, systems and services to the Company.

● Defence and Space
6,275 M€

15%

● Helicopters
3,302 M€

8%

**40,712
M€**

● Commercial
Aircraft
31,134 M€

76%
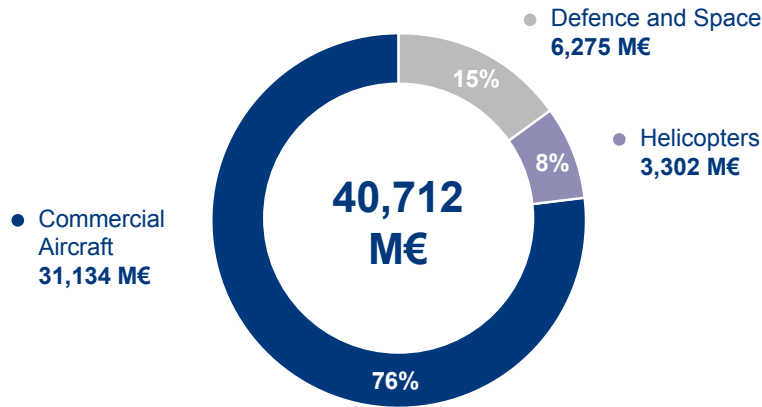
In 2020, the overall external sourcing volume of the Company was valued at around € 41 billion and shared between Divisions with 76% for the Company's commercial aircraft business, 15% for the Company's Defence and Space Division and 8% for the Company's Helicopters Division.

Whilst the Company's products and services are sold all over the world, the majority of its supply chain is based in Europe and OECD countries. However, in the past few years, the supply chain

has become concentrated and more international. In addition, and due to increasing consolidation within the aerospace and defence sector, larger work packages are being placed with a smaller number of lead suppliers.

Also, Airbus regionally supports Small and Medium Enterprises to contribute to its supply chain, particularly through tier one lead suppliers.

The Company's global sourcing footprint is represented as follows based on Tier1 and sub tiers, based on 2020 Airbus International Footprint data (formerly known as value chain analysis, VCA):

**in North
America**

in Europe

in Asia

19%

74%

6%

<1%

<1%

<1%

**in South
America**

**in
Africa**

**in
Oceania**
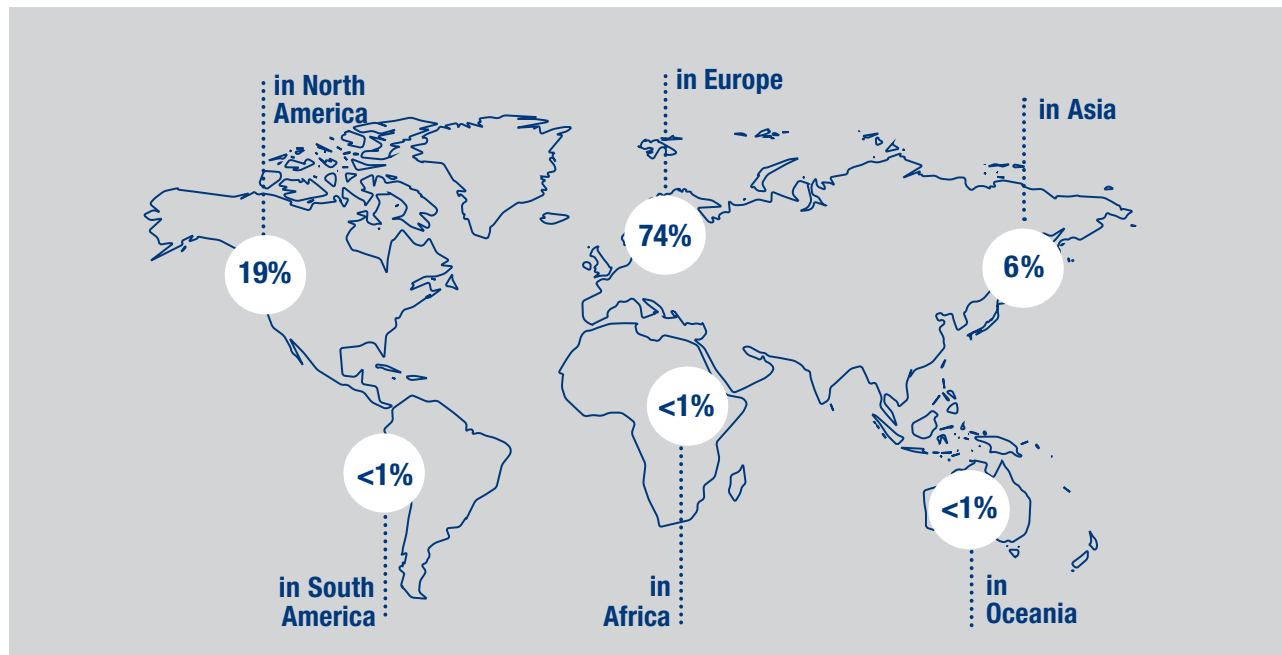
To promote further globalisation of its sourcing footprint, the Company has established regional procurement offices in North America (Washington, DC), India (Bangalore), Asia Pacific (Singapore) and China (Beijing). For the regional sourcing of indirect goods and services, the Airbus General Procurement function is represented in the regional procurement offices. As the Company's commercial aircraft business and its two Divisions are certified ISO14001, the Procurement function acts in adherence with ISO 14001 requirements.

Responsible supply chain	GRI		SASB	SDGs	Others
	102-9 - Supply Chain 204 - Procurement Practices 308 - Supplier Environmental Assessment 408 - Child Labor 409 - Forced or Compulsory Labor 414 - Supplier Social Assessment		Materials Sourcing	4, 5, 8, 9, 12, 13, 16, 17	Vigilance Plan
Highest governance body(ies) involved	Board of Directors / ECSC Sustainable Supply Chain Roadmap Steering Committee				
Related Corporate Policies	Responsible Mineral Policy, Environmental Policy, Health and Safety Policy				
Certifications	ISO14001	As Airbus commercial aircraft business and the two Divisions are certified, control and influence of the supply chain is concerned.			
Airbus Commitments to external standards and frameworks	Reference to certain international organisations standards or principles, in particular ILO have been included into the Airbus Supplier Code of Conduct				

KPIs	Target	Target year	2020	**2021**	2021 v. 2020
Percentage of sourcing volume[1] of suppliers invited to CDP who have responded	75%	2022	56%	68%	+12%
Percentage of identified high risk suppliers[2], who have undergone a sustainability assessment	100%	2021	63%	95%	+30%
Percentage of sourcing volume[3] covered by supplier commitment to the Supplier Code of Conduct[4]	85%	2022	NA	79%	NA

Other key metrics	2020	**2021**
Percentage of assessed suppliers not meeting Airbus' sustainability expectations (=red flags)	12%	13%
Percentage of action plans defined for suppliers not meeting Airbus' sustainability expectations	Not started	15%
Percentage of responding suppliers to the CDP scoring A or B	56%	53%
Number of sustainability alerts	5	12%

Assumptions	(1) Based on 2019 turnover. (2) Based on 2019 risky suppliers *(see details further in § Risk Management/1. Supply base risk mapping)*. (3) Based on 2020 turnover. (4) Subsidiaries excluded from the scope.
Additional resources	Supplier Code of Conduct ⬊, Environmental Policy Statement ⬊, Responsible Mineral Policy statement ⬊, Be an Airbus supplier on Airbus.com ⬊ IFBEC ⬊, Responsible Minerals initiative ⬊, OECD Due Diligence Guidelines for Responsible business Conduct ⬊

II. Governance

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

In 2021, the Sustainable Supply Chain Roadmap (SSCR) steering committee validated the supply chain sustainability ambition: to engage and commit our supply chain around Airbus' principles and core values. It translates into four main priorities for a more sustainable supply chain.

– Lead towards clean aerospace, reflected in the decarbonisation of our supply chain, as well as transparency on substances in products and processes.

– Respect human rights and foster inclusion through zero tolerance for forced labour and use of conflict minerals.
– Build our business on the foundation of safety and quality, by spreading the culture of product safety to key suppliers and requiring a safe workplace environment for suppliers' employees.
– Exemplify business integrity expressed thanks to zero tolerance for corruption and screen and approve all our suppliers (see "– 1.2.5 Exemplify Business Integrity").

Those priorities are consistent with the most material topics identified in the Airbus supply chain.

Concrete sustainability targets have been included in the 2021 objectives of the Chief Procurement Officer of Airbus commercial and all direct reports. This includes the deployment of the Supplier Code of Conduct for 50% of the Company spend, the evaluation of all suppliers identified as having sustainability risks, and the assessment of the supplier strategy on climate change for 50% of the Company spend.

The SSCR reports to a steering committee chaired by the Head of Sustainability & Environment, and the Head of Procurement Transformation & Central Services. The steering committee includes the representative of the Chief Procurement Officer of Airbus Commercial and the Chief Procurement Officers of Airbus Helicopters and of Airbus Defence & Space, as well as the Head of Health & Safety, the Head of Product Safety and the Head of Ethics & Compliance, or their nominated representatives. The Executive Vice President Communication and Corporate Affairs and the Chief Procurement Officer of the Company act as sponsors of the SSCR. In addition, the Head of Procurement Transformation & Central Services is part of the procurement leadership team (PLT) and is responsible for facilitating the communication on sustainability activities between the SSCR and the PLT on a regular basis.

The Chief Procurement Officer of Airbus also reports to the ECSC on the progress of Airbus responsible sourcing strategy implementation.

All sustainability activities in the supply chain are based on the following key elements and principles of due diligence following the OECD Due Diligence Guidance for Responsible Business Conduct:
– supply base risk mapping;
– supplier engagement and contractual requirements;
– supplier assessment/audits and development plans;
– policies, tools and reporting.

For any anti-corruption topics in the supply chain, the Procurement function cooperates closely with the Legal & Compliance department.

III. Risk Management

The Company's direct procurement-related risks are embedded into the Company's ERM system. A specific risk category regarding sustainability-related risks in the supply chain has been integrated into the risk management plan.

1. Regulatory non-compliance

The Company may not receive sufficient visibility and information from its supply chain in regards to compliance with environmental, human rights, health & safety laws and regulations. In the event of an industrial accident or other serious incident in the supply chain, or any problems of the supplier to fulfill its operational or product compliance, this may also have a significant adverse effect on the reputation of the Company and its products and services. The Company's reputation may also be affected by the public perception of social and/or environmental impacts of its supply chain's industrial operations on local environments, communities, biodiversity and the general public's health.

2. Supplier's impact on local environment

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

3. Disruption risk

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

In response to the above 1. to 3., the Company deploys responsible sourcing activities and specific supplier due diligence actions in the frame of the SSCR.

4. Risk of product non-compliance

The various products manufactured and sold by suppliers must, as a minimum, comply with applicable environmental, human/labour rights, health and safety laws and regulations, for example those covering substances and product composition. Even if a supplier seeks to ensure that its products meet the highest quality standards, increasingly stringent and complex laws and regulations, new scientific discoveries, delivery of defective products or the obligation to notify or provide regulatory authorities or others with required information (such as under the REACH regulation) may force it to adapt, redesign, redevelop, recertify and/or remove its products from the market.

Seizures of defective products may be pronounced and could prevent delivery to the Company.

In response, a Procurement Task Force has been established to ensure group-wide governance for supplier management and assessment of chemical regulations and obsolescence impact. This task force also coordinates communication to suppliers on substance issues and on substitution solutions qualified by the Company.

IV. Implementation/Activities: Airbus Supplier Vigilance Plan

1. Supply base risk mapping

Sustainability Compliance Risks

Since 2018, the Procurement Responsibility & Sustainability department has carried out proactive social risk mapping in line with international guidance, internal commodity expertise and externally available country indices. In 2021, with the support of external advisors, Airbus upgraded its risk mapping methodology building on risk indexes considering the location and the type of activity performed by the suppliers and delivering an ongoing and up to date risk assessment. This risk mapping will be incorporated in 2022 into the Company's supply chain management tools to provide visibility of those risks to the whole procurement organisation.

Number of business-relevant external risk suppliers identified in 2021 (including tier ones and lower tiers)

Based on the Company's active supply base and new suppliers identified as possible future partners, 837 suppliers were identified as possible risky suppliers. After business impact and business strategy analysis, 412 suppliers were confirmed as high risk in 2019. In 2021, analysis was updated in consideration of business context evolution, leading to 395 business-relevant high risk suppliers.

2. Supplier assessment / audit and development

Since 2019, the Company has worked with external expert companies to conduct sustainability-related, evidence based desktop assessments and specific on-site audits. The assessments cover social compliance criteria such as human rights, labour practices, health & safety and anti-corruption as well as environmental regulations and sustainability criteria based on an environmental questionnaire developed by IAEG. At the end of 2020, 63% of the suppliers identified as high risk following the Company's 2019 risk mapping methodology have completed an evidence based desktop assessment. In 2021, the percentage of risky suppliers assessed has increased to 95% compared to a target set at 100%.

The progress and results of those assessments have been communicated during events with suppliers and engagement took place with all suppliers presenting findings.

Of the 95% of suppliers completing an assessment, 13% of which (53) have at least one red flag (mainly linked to environmental issues). In 2021, the Company has started to engage on the results asking those suppliers to complete action plans to close any finding.

During 2021, the Company reviewed the self-assessment questionnaire and assessment grid to ensure that a) they are fit for purpose, b) that critical issues are identified and c) there is more efficient completion. Proposed changes include adapting the questions, particularly on environmental topics, to take into account the size of supplier (*e.g.* feedback has told us that smaller suppliers don't necessarily have the resources to complete such a demanding questionnaire) and to the assessment grid to identify critical issues, particularly with regard to human rights and health & safety. In addition, the Company is currently reviewing its relationship with suppliers who refuse to participate in its assessment programme.

Specifically on environmental matters, the Company further fostered REACH awareness in the supply chain and engaged with suppliers to accelerate the substitution and manage the use of the most hazardous substances.

In particular, regarding the REACH EHS readiness of suppliers, the Company focused on:

– engagement with 238 *in situ* suppliers through webinars and supplier conferences to develop their readiness to comply with enhanced REACH EHS conditions when working on the Company's sites. Further direct exchanges with the Company's EHS experts has been organised with 42% of them;

– evaluation of the maturity of external suppliers in the Company qualified processes in regards to the future enhanced protection requirements that are being defined by the European Commission:

– out of 357 suppliers of the Company qualified processes using chromates in industrial operations, the 96 most impacting suppliers have been assessed on-site by a third party on behalf of the Company. The Company engaged with those suppliers, which revealed findings and requested them to demonstrate and launch action plans for improvement. By end of 2021, all the suppliers have either a comprehensive action plan or successfully closed the major findings.

In 2019, the Company introduced supplier factory visits called "the Gemba Walk" pocketbook, applicable to commercial aircraft activities, which is a practical and visual guide for the Company's employees when visiting the shop floor of a supplier, supporting the identification and reporting of risks or improvement opportunities observed during factory visits. A dedicated pocketbook covering environment, health & safety and human rights risks was also developed in 2019 and published on the Airbus intranet. Unfortunately, restrictions put in place since 2020 due to COVID-19 significantly reduced the effectiveness of identifying risks through supplier shop floor visits.

3. Supplier engagement

Contractual requirements

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

– comply with all applicable laws and regulations relating to production, products and services;

– provide information on substances used in manufacturing processes and contained in the product itself (covering both hazardous substances and conflict minerals);

– provide information on environmental, health & safety matters such as safe usage and management of products across its lifecycle (including waste management);

– implement an Environmental Management System based on ISO 14001 or equivalent;

– comply with the Company's anti-corruption and bribery requirements; and

– commit to apply and cascade across its supply chain the principles of the Company's Supplier Code of Conduct, including with regard to environment, human rights, labour practices, responsible sourcing of minerals and anti-corruption. In addition, since 2020, the Company's Defence

and Space Division implemented criteria on sustainability in the call-for-tender procurement process. Only those suppliers which meet criteria, including in particular agreement to comply with the Company's Supplier Code of Conduct, can continue with the call for tender procurement process. Positive answers to additional criteria, such as commitment to the SDGs, sustainable projects, life-cycle assessment, waste and packaging reduction, will prioritise suppliers for further selection. It has been agreed that this approach will be extended to the whole Company in January 2022.

In 2021, the SSCR steering committee agreed to anchor sustainability requirements into the Company's procurement processes. This will be implemented in 2022 and will include an obligation to get confirmation from suppliers to apply and cascade our sustainability principles and environmental requirements. It also includes the agreement from suppliers to regularly fulfil the evidence-based assessment on sustainability and for our most important suppliers to be transparent about their climate change strategy. This will ultimately require suppliers to cooperate when a sustainability risk is identified, including with deep diving in the supplier's supply chain, and require Airbus to take advantage of supplier visits to evaluate operational sustainability management.

In 2020, the process to obtain a commitment from the Company's suppliers to apply the principles of the Company's Supplier Code of Conduct was reviewed. During 2021, 79% of the Company's sourcing volume had committed to its principles (based on a target of 50% in 2021 and 80% by 2022).

In 2021, the Annual Supplier Conference for the Company's commercial aircraft business took place virtually and sustainability was part of the discussions. Three of the Company's suppliers were nominated for the Sustainability Award, which was awarded to *Dynamatic Technologies* for creating a safe working environment for employees, suppliers and customers whilst at the same time helping society by developing low cost ventilators. For the first time, Airbus Defence and Space awarded a supplier for outstanding sustainable behaviour during its supplier conference 2021. Premium AEROTEC GmbH was awarded for its good transparency with regards to chemical substance traceability (REACH), for the extensive collaboration during EHS audits and the immediate implementation of all improvement recommendations.

However, on top of this annual event, discussions with suppliers on sustainability continued during various supplier meetings or virtual supplier conferences for specific commodities.

4. Training & awareness

Throughout 2021, the Procurement Responsibility & Sustainability department supported both internal awareness sessions and workshops as well as external supplier meetings on sustainability topics in the supply chain. The Company's internal Procurement Academy provides training on core competencies and skills to develop procurement expertise and prepare employees within the Procurement department for the challenges of the future. Sustainability modules are embedded in Procurement's newcomer induction path and manager development programme. This training targets supply chain quality managers, ordering officers and buyers.

Additional means have been developed in 2021:
– A toolkit was developed presenting the sustainable supply chain roadmap. It is built around three main chapters:
  – the first chapter focuses on Airbus' ambition for sustainability at the group level, with its four commitments around the environment, human rights, health & product safety and business integrity;
  – the second one, more specifically, concerns the sustainable supply chain, its ambitions and priorities. The three-step approach has also been developed, which consists of commitment, assessment and engagement & development of suppliers;
  – the third chapter focuses on the initiatives detailed earlier in this report: Airbus Supplier Code of Conduct, Supplier Sustainability Assessment – notably led by Intertek –, the decarbonisation of the Supply Chain – including CDP targets –, data transparency in products and processes, product safety and business integrity.
It gives a clear overview of the actions underway as part of the roadmap with tangible targets and ambitions.
The purpose of this document is to raise general employee awareness and provide Procurement teams with the necessary visibility on related processes with suppliers. It also provides tangible figures and targets, and a better understanding of the sustainable supply chain roadmap. For the external audience (this toolkit has also been made available to suppliers in the Airbus suppliers portals), it aims to provide greater transparency into the Company's' values, initiatives and the direction it wants to take.
– An internal website has been created to communicate Airbus' sustainability progress in the supply chain and to give a better understanding about the initiatives to Procurement teams.

Two trainings will be developed in 2022: one aimed at increasing employee awareness of supply chain sustainability management, the other one intended to develop buyers' awareness of environmental clauses in contracts.

5. Grievance mechanism

From 2019, the Company's OpenLine has been accessible to external stakeholders, such as suppliers and their employees, as a secure and confidential channel through which they may, on a voluntary basis, raise alerts related to the Company in the areas of bribery, human rights, environment and health and safety. This medium is available through the Company's OpenLine website (www.airbusopenline.com) in 13 languages. For further information on OpenLine, see "– 1.2.5 Exemplify Business Integrity". Access to this OpenLine has been reiterated in the updated Supplier Code of Conduct.

In addition to OpenLine, the Company's sustainable supply chain roadmap may receive alerts from other sources including through the supplier onboarding process, media or directly from employees. During 2021, the sustainable supply chain roadmap received alerts on 12 potential allegations relating to environment damages and human rights (forced labour and land rights of the indigenous communities) in its supply chain. Analysis and/or investigations of those alerts have been completed or are in progress according to best practice developed by the Legal & Compliance team including:
– initial review to determine if an investigation is needed;
– investigation: prepare investigation plan, collect documentary evidence, and conduct interviews in a (confidential) and timely manner;

– assessment: analyse information and documentation collected during the investigation, prepare an investigation report summarising the findings and propose remedial actions necessary to reasonably respond to and prevent the recurrence of the conduct, if any;

– closing the investigation and reporting;

– monitoring of the implementation of remedial actions.

6.　Work with external stakeholders

As mentioned under "Environment" in section 1.2.2, the Company is a founding member of IAEG, which is working on common aerospace industry standards and tools to manage environmental obligations. More specifically, for the supply chain, IAEG has developed:

– a supply chain environmental survey, which the Company implemented in 2019 and which will be used as environmental assessment module, as mentioned in section 2 above;

– an EMS implementation guideline to encourage a wider uptake of EMSs as appropriate for each supplier in a phased approach and cost effective, consistent and supportive manner;

– the definition of an Environmental Qualification Program to assess and develop the environmental maturity of suppliers. Under Airbus leadership, the IAEG extended this qualification programme to other sustainability topics.

Concretely, the IAEG terms of reference have been reviewed to allow such an extension, presentation by expert companies on supply chain risk assessment and management have been received, benchmark with the IAQG (International Aerospace Quality Group) has been performed and a request for information has been launched to build a sectoral approach for supplier engagement.

In December 2021, the IAEG Board of Directors approved the creation of a working group to develop an ESG supplier engagement programme.

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

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

Since 2019, the Company has been a member of the Responsible Business Alliance's Responsible Mineral Initiative ("RMI"), in order to further enforce activities of responsible sourcing while applying industry standards for supplier due diligence and data management in accordance with the OECD framework.

7.　Promoting disability-friendly companies

Since 2011, in France the Company has been promoting employment of disabled people by its suppliers. This includes a request for relevant bidding suppliers to propose a partnership with disability-friendly companies during the call for tender process. In 2020, the Company's subcontracting activities have decreased due to the COVID-19 crisis. This decrease also affected disability-friendly companies, but the Company has been committed to support them during the crisis. In 2020, the global volume of business with disability-friendly companies in France was around €40 million, which represents minus 20% compared to 2019 figures. However this number has been multiplied by five for the last ten years and the ambition is to reach around €100 million in 2025, by developing contracts in engineering and IT services thanks to the Digital Consortium (composed of 65 French disability-friendly companies). At the end of 2021, around 60 disability-friendly companies are working with the Company. In November 2021, the Company organised a (Dis)Ability Forum in Toulouse with 35 disability-friendly companies and 150 participants. In 2022, depending on the sanitary crisis, (Dis)Ability Forums could also be organised in Spain and Germany.

8.　Responsible mineral sourcing

The Company places great importance on the responsible sourcing of materials used in manufacturing. Some minerals including 3TG (tin, tungsten, tantalum and gold) are necessary for the proper functioning of components within its products. The Company largely does not directly import minerals but these minerals are found in certain products the Company procures. In that context, the Company requires all suppliers to comply with applicable laws and regulations on conflict minerals, including any 3TG conflict minerals. In 2019, the Company released a Responsible Mineral Policy, which details its engagement to improve safety and human rights conditions in the mineral supply chains. As introduced in *§6. Work with External Stakeholders*, the company will benefit from the RMI experience and available audits, tools and standardised ways of working. The Company is also monitoring developments at the European Commission on critical raw materials (CRM) and is investigating the possibilities to take a deeper look at its related supply chain, through direct involvement and/or trade associations. The update of the Supplier Code of Conduct (available since Q1 2021) also requires suppliers to pay more attention to CRM responsible sourcing. The new Supplier Code of Conduct formally requires suppliers to establish a policy and a management system to assure that critical raw materials are sourced responsibly. For the small portion of direct procurement of minerals in the Company's Defence and Space Division, the Company has established a dedicated Conflict Mineral Management System, which describes the necessary activities needed to monitor potential future legal obligations linked to the upcoming EU regulations on the importation of 3TG. For this small portion of direct import, the Defence and Space Division is proactively asking suppliers to disclose proof of responsible sourcing and is cross-checking this data with third parties audits available through the RMI trade association.

9. Plastic-free supply chain

Based on the SDGs, specifically SDG 12 (responsible consumption and production), a plastic-free supply chain project was launched in 2019 within the Company's Defence and Space Division, with the aim of reducing, reusing and recycling plastic waste and packaging in the Division's scope of involvement by 2025 (for example, production/maintenance, logistics, offices and supply). As a result of this project, Airbus Defence and Space defined for the first time a single-use plastic reduction total cost of ownership of 5% for the production area. Due to the implementation of plastic-free packaging alternatives, a 14% reduction of single use plastic in the logistics area of all Airbus Defence and Space sites has been achieved for 2021, corresponding to 127,991m^2 of single-use plastic replacement based on inventory done. In addition to this great achievement in logistics, plastic-free alternatives have been tested in the clean rooms of Toulouse-Labege and in the production and maintenance areas in Manching.

By the inclusion of the packaging paragraph in the new Supplier Code of Conduct and by the inclusion of single use plastic clauses in some contractual requirements, we aim to move progressively from the current take-make-waste extractive industrial model to a circular economy approach towards a sustainable way to use plastic.

10. CO$_2$ emissions

During 2021, the Company engaged with its top suppliers by requesting them to respond to the CDP climate change questionnaire. 169 of the Company's top suppliers, covering 80% of the Company's sourcing volume, were contacted and 121 suppliers have completed the CDP questionnaire (68% in spent). The results from this questionnaire will allow the Company to identify supplier strengths and potential areas of improvement and to engage with non-responsive suppliers in order to improve the response rate in 2022. Next year the Company plans to get responses from 75% in spent of the Company's supply chain.

In 2021, 53% of responding suppliers received an A or B score, representing 61 suppliers. In 2020, 56% of the responding suppliers had received an A or B score representing 25 suppliers. The Company plans to request an improvement plan from suppliers with identified weaknesses and aims to define cooperation activities with suppliers that have already reached an A score. In the years to come, the Company will be able to provide measures and analyses on how the scoring is improving.

The Company also evaluated the carbon footprint of its supply chain, by applying the methodology developed by the IAEG. For further details, see "– 1.2.2. Lead the Journey Towards Clean Aerospace".

V. Outlook

The sustainable supply chain roadmap will evolve to actively mitigate sustainability risks in the supply chain, adapt to evolving sustainability requirements and support the Company's ambition to be more sustainable.

Actions to be progressed during 2022 include:
– the formalisation and reinforcement of the process to collect sustainability-related alerts, the management of those alerts, the engagement with external stakeholders, as well as the communication and reporting on the effectiveness of our actions. This action has been launched into consideration the analysis of the Company's supply chain due diligence performed in 2021 and the German act on supply chain due diligence;
– reinforcing the adherence of the Company's Supplier Code of Conduct principles throughout the Company's supply base;
– extending the scope of supplier sustainability assessments by requesting new suppliers to perform such an assessment and by extending to existing contracts in order to reach 80% of the spend volume in 2025;
– engaging with target suppliers based on supplier assessment outcome,- and developing action plans when required; – further integrating sustainability elements into procurement processes;
– developing specific training modules on sustainability and other solutions to support internal awareness in purchasing commodities. This will include awareness on the Company's new Supplier Code of Conduct;
– the deployment of a digital solution to further enhance the collection of data from suppliers on conflict minerals, critical materials and regulated substances in the products delivered to the Company.

Regarding environmental sustainability and substance management, the Company will focus on the following in 2022:
– engaging and discussing with key CO$_2$ contributors in its supply chain, leveraging the CDP to identify opportunities to improve their climate change management and reduce emissions.

Cooperating with equipment suppliers to better assess the environmental impact of the Company's products, improve the Company's ecodesign practices and drive supplier innovations that mitigate their products' impact over their entire lifecycle.

1.2.7 Community Impact

I. Introduction

Airbus strives to support vulnerable communities and young people throughout the world where it operates and beyond by mobilising its products, services and employees focusing on equitable and measurable solutions, in line with the Company Purpose.

Community Impact	GRI	SDGs
	413 - Local Communities	All 17 SGDs, with focus on 1,2,3,4,5,13 and 17
Highest governance body(ies) involved	Board of Directors / ECSC Airbus Foundation Board of Directors	
Related Corporate Reference Documents	Directive on Sponsorships, Donations & Coporate Membership, the Bylaws of the Airbus Corporate Foundation and the Airbus Foundation Endowment Fund Upcoming: Community Impact framework	

Key metrics		2020	**2021**
Number of Sustainability Ambassadors		0	207
Add ressources	Community engagement on Airbus.com⬎, The Airbus Foundation⬎, Supporting Education⬎		

II. Governance

The Sustainability – Develop & Engage department manages the global strategy and framework for community impact at Airbus and supports the operations of the Airbus Foundation. A global network of community impact focal points representing France, Germany, Spain, the UK, the Americas, India, China, Asia Pacific and the Divisions has been established, as well as a committee of specific topic experts who provide guidance, assessment and recommendations according to the community impact priority themes. Additionally, the Company's voluntary network of Sustainability Ambassadors has been launched and these passionate employees are key for helping raise awareness of and championing sustainability and community impact initiatives. Launched in June 2021, this network currently has over 200 members onboarded, representing 19 sites in Europe, China, and the US. At a business level, there are standard reporting lines to the Sustainability & Environment organisation with top level oversight provided by the ECSC at the Company's Board of Director level.

The Airbus Foundation and Airbus Foundation Endowment Funds are registered as non-profit entities of general interest under French law, with specific Articles of Association that define their respective mission and remit. Their strategy and operations are led by the Managing Director and each entity has formal governance with its own Board of Directors. The Airbus Foundation Board of Directors is chaired by Julie Kitcher, EVP Communication & Corporate Affairs and comprises membership from across the Company including:

– Thierry Baril, Chief HR and Workplace Officer;
– Bruno Even, CEO Airbus Helicopters;
– Michael Schoelhorn, CEO Airbus Defence & Space;
– Amparo Moraleda, Representative of the Company's Board of Directors.

Additionally the Board comprises employee representatives and external experts.

The Airbus Foundation and Airbus Foundation Endowment Fund annual reports and accounts are submitted annually to the French authorities.

III. Implementation/Activities

As the world faces this challenging era, it is critical for the Company and its employees around the world to unite to address the growing societal challenges and invest in developing the future generation.

Supporting vulnerable communities

During 2021, focus continued on supporting vulnerable communities through disaster response, innovation or fundraising to tackle topics such as poverty, hunger and healthcare. In the Asia Pacific region, the fight against COVID-19 continued through several cross-divisional initiatives to deliver medical equipment and supplies to healthcare systems in Indonesia, Malaysia, the Philippines, Thailand and Vietnam. Wherever possible, the equipment and supplies were sourced locally and reacted to local needs, with the donations arranged by the teams based in the region. Airbus India responded to the COVID-19 crisis by procuring and delivering more than 36 tonnes of medical equipment to the Indian Red Cross Society, including oxygen plants and mobile intensive care units, and deploying humanitarian flights to transport supplies from abroad. In the Americas, employees from all Divisions participated in a four-month virtual, inter-site competition. The *Airbus End Hunger Games* competition raised funds to benefit non-profit organisations fighting child hunger and located across the US, Canada and Latin America. Beneficiary organisations included Feed the Children, World Central Kitchen, Food Banks Canada, Nutre a un Niño, Da Rua and TECHO. Along the same theme of fighting hunger in vulnerable communities, employees in Seville donated more than 1,200 kg of basic supplies to the Seville Food Bank Foundation.

The Airbus Foundation, the Company's philanthropic arm, also continued to support its partners in COVID-19 and disaster response by coordinating humanitarian flights carrying more than 16 tonnes of aid to the Ivory Coast, Uganda and Nepal. Additionally, 110 helicopter flight hours were chartered in Chile and Papua New Guinea to support communities impacted by COVID-19, and in Haiti to conduct aerial assessment following the earthquake in 2021. The Airbus Foundation also

responded to over 80 satellite imagery requests from partners representing around 43,000 km^2 for disaster assessment and response plans. In addition, a bespoke satellite imagery training session was provided to Action Against Hunger to increase their capacity in satellite imagery analysis and interpretation.

The Airbus Foundation also participated in the Action Against Hunger (AAH) global wellbeing challenge Connected Against Hunger'. During four weeks, over 600 Airbus employees collectively walked, ran and cycled more than 182,000 kilometres to raise funds to contribute to the work of AAH.

Supporting the future generation

Young people are the lifeblood of our future and of society. It is crucial that we inspire and engage young people, particularly by playing an active role in fostering inclusion, diversity and community values at an early age. The Company continued to offer support through mentorship and education to enable students to develop the creativity, innovation, leadership and

critical thinking skills that will serve them well in the future and help them to tackle their communities' challenges.

Specific actions ranged from the provision of 40 scholarships from Airbus Canada at McGill and Polytechnique Montréal (ten scholarships per year for four years), to online and offline classes across five cities in China reaching 3,000 students, plus a mentorship and funding scheme supporting around 40 university students in China who were struggling economically.

Bringing science to life in the classroom, the employee-led initiative, Humanity Lab, developed an educational wind-tunnel for use in schools in Africa, prioritising low-cost designs with components that could easily be sourced or 3D printed locally. Since 2018, Humanity Lab projects have been supported by more than 150 committed employee volunteers to innovate solutions for disability, environment, education or humanitarian issues.

The Airbus Foundation has enriched its STEM (Science, Technology, Engineering and Mathematics) digital platform – The Airbus Foundation Discovery Space (AFDS) – with new educational videos and activities to support its youth programmes across 17 countries in Europe, Africa, Asia, and the Americas. In 2021, the programmes involved over 400 volunteers and directly reached around 4,700 young students. The fourth edition of the AFDS Moon Camp Challenge built on the success of previous years with 1,823 projects submitted from 53 countries by over 4,100 students and supported by over 600 teachers.

Airbus Foundation Youth Development Programmes

Europe:
- Stevenage, UK
- Filton, UK
- Broughton, UK
- Ottobrun, GERMANY
- Hamburg, GERMANY
- Manching, GERMANY
- Friedrichschafen, GERMANY
- Donauworth, GERMANY
- Elancourt, FRANCE
- Toulouse, FRANCE
- Marseille, FRANCE
- SPAIN (national programme)

Americas
- Mirabel, CANADA
- Wichita, KS, USA
- Mobile, AL, USA
- Mexico city, MEXICO
- Itajuba, BRAZIL

Asia:
- KOREA
- CHINA
- PHILIPPINES
- PAKISTAN

Africa:
- KENYA
- BOTSWANA
- MALAWI
- NIGERIA
- SOUTH AFRICA

Protecting the future of our planet

2021 saw a multitude of employee-led initiatives aimed at positive environmental action. Employees from several countries including China, Spain, Germany, France and the UK volunteered in projects organised in partnership with local infrastructure organisations to support activities such as local waste cleanup and tree planting.

In addition to its long running humanitarian response and youth development actions, in 2021 the Airbus Foundation launched the development of a third pillar focusing on nature preservation and minimising the environmental impact of humans. As part of its pilot phase, the Airbus Foundation joined forces with the Connected Conservation Foundation in a new partnership that aims to help preserve wildlife and natural ecosystems through shared technologies and resources. Under the agreement, Airbus' high-resolution satellite imagery is being provided and teams are working together with the Connected Conservation Foundation's on-the-ground digital technologies to help recover populations of threatened species and stop habitat degradation. The partnership's first project is focusing on novel approaches, using artificial intelligence to search high-resolution imagery pixel by pixel to detect large animals in Madikwe, South Africa and in Northern Rangelands Trust conservancies in northern Kenya.

IV. Outlook

In order to strengthen the Company's collective approach to community impact, a new global framework is in development to be launched early 2022. Aiming to bring together the various business and philanthropic channels for community impact under a common direction, the framework will focus on sustainable, equitable and measurable initiatives focused on three pillars: advancing the support to vulnerable communities, the development of the future generation and protecting the future of our planet.

As part of the development of the community impact framework, 23 pilot projects have been selected from across 19 countries with a focus on contribution to the priority themes, ensuring community involvement in the identification of needs and solutions, and embedding impact requirements to ensure that the projects achieve positive, lasting impact for beneficiaries and communities. The outcomes of these projects will contribute to the definition of our impact measurement in 2022.

In addition, to support the framework and encourage employee engagement, Airbus, in cooperation with the Airbus Foundation, will deploy a new digital platform in early 2022 that facilitates a direct connection with almost two million community causes around the world.

1.2.8 ESG Data Board

ENVIRONMENTAL PERFORMANCE

	GRI	KPI	Unit	**2021**	2020	2019
		Total energy consumption (excl. electricity generated by CHP on site for own use) ☑	GWh	3,774	3,815	4,638
		Energy intensity (per Total Revenues) ☑	*GWh/bEUR*	*71.4*	*75.8*	*64.5*
		Energy consumption from stationary sources ☑	GWh	2,728	2,665	2,989
		of which gas	GWh	1,266	1,234	1,349
		of which heat and steam ☑*	GWh	158	123	135
		of which electricity ☑*	GWh	1,259	1,269	1,460
		Percentage electricity purchased from grid	GWh	99.9%	99.9%	99.99%
		Total renewable electricity consumption	GWh	405	254	143
Energy	EN3	of which purchased electricity from renewable sources REC	GWh	404	253	142
		of which produced electricity from renewable sources	GWh	1	1	0
		Percentage renewable electricity	%	32%	20%	10%
		Energy consumption from mobile sources ☑	GWh	1,046	1,150	1,649
		of which road & maritime Diesel used in Oversize Surface Transportation	GWh	335	405	540
		of which Kerosene	GWh	682	716	1,072
		used in Beluga Transport	GWh	384	426	651
		used in Flight Test	GWh	298	290	421
		of which Sustainable Aviation Fuel	GWh	4	1	

☑: 2021 data audited by EY®.

	GRI	KPI	Unit	**2021**	2020	2019
Air emissions	EN16 *Scope 1&2*	Total Scope 1 + Scope 2 CO_2 emissions ☑	ktons CO_2e	827	882	1,114
		Total direct CO_2 emissions (Scope 1)[1] ☑	ktons CO_2e	562	587	747
		Total indirect CO_2 emissions (Scope 2)[2] ☑	ktons CO_2e	265	295	367
		GHG intensity (per Total Revenues) ☑	gCO₂e/EUR	15.6	17.5	15.5
	EN17 *Scope 3*	Indirect CO_2 emissions Oversize Transportation [1]				
		Indirect CO_2 emissions Business Travel [3] ☑	ktons CO_2e	17	22	109
		Indirect CO_2 emissions Use of Sold Products – Comm. aircraft, base scenario[4] ☑	ktons CO_2e	463,592	440,361	731,203
		of which indirect emissions from the production of fuel ☑	ktons CO_2e	82,690	78,546	130,423
		CO_2 per passenger/km for delivered products	gCO₂/pax.km	62.6	63.1	66.2
		Indirect CO_2 emissions Use of Sold Products – Comm. aircraft, ATAG SAF uptake ☑	ktons CO_2e	384,781	374,307	731,204
		Indirect CO_2 emissions Use of Sold Products – Comm. aircraft, Full potential ☑	ktons CO_2e	278,155	264,217	438,722
		Indirect CO_2 emissions Use of Sold Products – Civil helicopters ☑	ktons CO_2e	1,137	1,085	NA
		of which indirect emissions from the production of fuel ☑	ktons CO_2e	203	193	NA
		Indirect CO_2 emissions Purchased Goods and Services ☑	ktons CO_2e	NA	11,346	NA
		CDP Rating (based on previous year disclosure)	Score	A-	A-	B
		Internal Carbon Pricing	EUR/ton	150	30	30
	EN20	Total VOC emissions[5] ☑	tons	1,051	1,047	1,462
	EN21	Total SO_x emissions	tons	14	14	15
		Total NO_x emissions	tons	222	239	282
Water	EN8	Total water withdrawal (note: formerly reported as "consumption") ☑	m³	3,078,590	3,371,030	4,149,241
		of which percentage purchased	%	84%	85%	88%
		of which percentage from surface water sources and collected rainwater	%	6%	5%	5%
		of which percentage from ground water sources	%	10%	10%	7%
		of which percentage from all areas with high water stress[6]	%	36%	37%	38%
	EN22	Total water discharge	m³	2,870,748	3,099,946	3,757,358
Waste	EN23	Total waste production, excluding exceptional waste ☑	tons	69,660	74,898	99,042
		of which percentage hazardous waste[7]	%	27%	29%	27%
		Material recovery rate[8] ☑	%	55%	51%	54%
		Energy recovery rate	%	21%	21%	21%
EMS certification		Percentage of operations with ISO 14001 / EMAS certification (in % workforce)	%	88%	88%	87%
		Percentage of operations covered by reporting (in % workforce)[9]	%	92%	92%	92%

Scope: Reported data covers **84 sites**. Airbus environmental reporting guidelines include sites worldwide with a workforce on-site higher or equal to 100 employees. Note that only 100% consolidated entities are taken into account with the exception of ATR and Tianjin operations. 2015-2020 figures were refined to reflect the above changes in scope, to align with GHG protocol guidelines (past year adjustments) and to rectify actuals for some entities.

☑: 2021 data audited by EY®.

* Energy: Electricity, Heat and Steam joint verification.

(1) Scope 1 emissions restated to include Oversize transport emissions (large and non-standard shipments *via* Road, River and Sea), previously considered as Scope 3 based on operational control criteria as per GHG protocol guidelines.

(2) Scope 2: location based with purchased guarantees of origin deduced.

(3) Worldwide air travels of Europe-based employees.

(4) Previous years restated to take into account refined emission factors.

(5) 2021 VOC emissions data is estimated. 2021 actuals will be consolidated in April 2022.

(6) Proportion of total water withdrawal corresponding to the withdrawals from areas identified with high or extremely high water stress. Water stress level as defined per the Aqueduct Water Risk Atlas (medium scenario for 2030).

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

(8) Material recovery: any operation wherein products, components of products, or materials that have become waste are prepared to fulfill a purpose in place of new products, components, or materials that would otherwise have been used for that purpose. 2021 material and energy recovery rates will be refined when final waste treatment information will be provided by waste collector companies.

(9) Newly reported metric. Previous coverage ratio excluded entities not subject to the environmental reporting guidelines (see above).

Social Performance

WORKFORCE

	2021.	2020.	2019.
Total number of employees ☑	126,495	131,349	134,931
By business segment ☑			
Airbus[1]	73,560	78,487	80,985
Airbus Helicopters	20,126	20,026	20,024
Airbus Defence and Space	32,809	32,836	33,922
% Part time employees	4.34	4.36	4.43
By contract type			
Unlimited	122,950	128,151	130,591
Limited contract > 3 months	3,156	3,198	4,340
By geographic area ☑	.		
France	45,931	48,231	49,143
Germany	42,972	45,568	45,638
Spain	11,881	11,828	12,637
UK	9,368	9,846	11,109
US	3,150	2,980	3,151
Canada	3,788	3,634	3,668
China	698	613	653
Other countries	8,707	8,649	8,932
% of active workforce employees located in Europe	89.1%.		
By nationality (in %)[2]			
French	35.4		
German	31.5		
Spanish	10.3		
British	7.7		
From 133 other countries	15.1		
Total number of nationalities	138		
By age ☑			
<30 years old	11,120	12,135	13,862
30-50 years old	79,985	81,709	82,552
>50 years old	35,390	37,505	38,517
Newcomers	5,655	5,463	11,270
Core Division	2,817	2,413	6,643
Subsidiaries	2,838	3,050	4,627
Leavers (incl. partial retirement)	9,394	7,796	5,842
Core Division	5,632	4,675	2,902
Subsidiaries	3,762	3,121	2,940
Attrition Rate			
Core Division	5.9%	4.6%	2.9%
Subsidiaries	12.2%	9.4%	8.4%
Total	7.4%	5.8%	4.3%

☑: 2021 data audited by EY®.
(1) Airbus includes population of Airbus former HQ since 1 January 2018.t
(2) No disclosure of data in 2019 and 2020.

GENDER DIVERSITY

	2021	2020
% Women in total active workforce ☑	19%	18%.
Per category		
Board of Directors	25%	25%.
Executive Committee	25%	16%.
Executives	14%	13%.
Senior Managers	16%	14%.
Newcomer	22%	26%.
By geographic area		
France	21.2%	20.5%
Germany	16.4%	15.3%
Spain	22.7%	22.3%
UK	12.9%	13.5%
US	22.4%	22.4%
Other countries	21.0%	20.9%

☑: 2021 data audited by EY®.

PEOPLE DEVELOPMENT

	2021	2020
Number of classroom training ☑	78,984	78,443
Number of digital training ☑	967,495	752,702
Total training hours ☑	1.2mn	1 million
Average training hours per employee	10.8	10.6
for women	9	8
for men	11	10
for production employees	15	14
for non-production employees	10	8
Internal mobilities	>10,400	>7,000

☑: 2021 data audited by EY®.

LABOUR RELATIONS

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

Note: figures are based on the active workforce, *i.e.* the number of permanent and short-term employees, irrespective of their individual working times, and having worked in the last 30 days. The headcount is calculated according to the consolidation quota of the respective companies. The scope for HR structure reporting covers 100% of the Company's total active workforce from consolidated companies. Workforce and breakdowns metrics are figures at year-end. Other metrics cover civil year periods, except for training related metrics with reporting periods going from 1 October to 30 September.
☑: 2021 data audited by EY®.

HEALTH & SAFETY

	2021	2020	2019
Lost Time Injury Frequency Rate ☑	3.21	3.81	5.58
LTI FR – Commercial Aircraft	4.31	5.12	
Near-miss – Commercial Aircraft	19,305		
H&S training hours delivered ☑	128,795	103,070	148,000
Nb of empl. who received H&S training ☑	28,144	37,599	20,900
Number of empl. having attended "EH&SCertificate" modules 1&2 ☑	1,309	418	
Core entities with ISO 45001 or similar certification	~one third		
% of the company-wide workforce covered	25%		

☑: Data audited by EY®.

CYBERSECURITY

	2021	2020
Number of data breaches reported to data authorities	1	1
Percentage involving confidential information	100%	100%
Cyber security awareness training e-learning participation	67,475	10,328
Corporate & IM Cyber Security Headcount	290	216.5

PRODUCT SAFETY

	2021	2020	2019
Fatal accident rate Industry wide ☑	0.03(Gen4)	0.04(Gen4)	0.05(Gen4)
% SMS officers nominated ☑	100%	100%	N/A
% SMS officers trained ☑	100%	92%	N/A

☑: Data audited by EY®.

COMMUNITY IMPACT

	2021	2020
Number of Sustainability Ambassadors	207	0

HUMAN RIGHTS

	2021	2020
% of investigations completed or in progress – *following reports of concerns linked to human rights, including forced and child labour and other labour rights.*	100%	100%
% of sites having undertaken a social assessment – *% of the Company's with over 100 employees, cumulative since 2020, undergoing a social assessment including human and labour rights.*	14%	6%
% of findings closed within 18-months (*following social assessments including human and labour rights, carried out on the Company's sites*)	100%	100%
Number of participants to human rights trainings (*Cumulative number of participants who have completed e-learning modules on human rights and modern slavery; reporting period: 1 Oct - 30 Sep*) ☑	5,789	4,943
Number of alerts of human rights concerns (including forced labour and labour rights (received *via* OpenLine and other means) from internal sources or through the Company's supply chain)	4	5

☑: Data audited by EY®.

BUSINESS INTEGRITY

	2021	2020
Number of employees per appointed Ethics & Compliance Representatives	372	390
% of employees (non-Exec) who have completed the E&C training objective	90%	80%
Number of E&C e-learning sessions delivered to employees ☑	284,774	309,682
Number of data privacy e-learning sessions delivered to employees (note: in 2021 the reporting period was changed, from calendar years to Oct.-Sept. periods, and led to restate past year figures accordingly) ☑*	9,547	35,073

☑: Data audited by EY®.
*   2021 data audited.

SUPPLY CHAIN

	2021	2020	2019
Sourcing volume *(in € million)*	NA	40,712	53,400
Number of suppliers	NA	21,000	23,000
Split by division *(in %)*			
Airbus	NA	76%	84%
Helicopters	NA	8%	6%
Defence and Space	NA	15%	10%
Split by region			
EU	NA	59%	59%
North America	NA	27%	27%
Asia pacific	NA	8%	8%
Other regions	NA	6%	6%
Number of countries	NA	88	>100
Percentage of sourcing volume covered by supplier commitment to the Supplier Code of Conduct	79%	NA	-
Percentage of sourcing volume of suppliers invited to CDP who have responded	68%	56%	-
Percentage of responding suppliers to the CDP scoring A or B	53%	56%	-
Percentage of identified high risk suppliers, who have undergone a sustainability assessment	95%	63%	-
Percentage of assessed suppliers not meeting Airbus' sustainability expectations	13%	12%	-
Percentage of action plans defined for suppliers not meeting Airbus' sustainability expectations	15%	NA	-
Number of sustainability alerts	12	5	-

Note: Metrics cover civil year periods, except for training related metrics with reporting periods going from 1 October to 30 September.
☑: Data audited by EY®.

Governance

BOARD OF DIRECTORS

	2021	2020	2019
Number of independent directors	11	11	11
Number of women	3	3	3
Average age	60	59	59
Number of nationalities	7	7	7
Average tenure	4.5	3.5	4
Number of Board meetings	7	13	11
% average attendance	98%	97%	91%
Number of Audit Committee	5	5	7
Number of RNGC	5	4	7
Number of ECC/ECSC	6	4	6

EXECUTIVE COMMITTEE

	2021	2020	2019
Number of women	3	2	2
Number of Executive Committees	4	4	4

SHAREHOLDING

	2021	2020	2019
Free Float	74.06%	73.97%	73.94%
GZBV (German State)	10.90%	10.93%	10.94%
SEPI (Spanish State)	4.11%	4.12%	4.13%
SOGEPA (French State)	10.92%	10.95%	10.96%

SUSTAINABILITY-LINKED REMUNERATION

	2021	2020
CEO and Executives variable remuneration – common collective component, paid following the end of financial year		
R&S KPI 1	**LTIFR1**	LTIFR1
Weight	*10%*	*20%*
R&S KPI 2	CO_2	-
Weight	*10%*	-

1.2.9 Deployment of Vigilance Plan (*Devoir de Vigilance*)

The Company's Vigilance Plan is embedded in its comprehensive approach to sustainability. This section gathers key information highlighting the Vigilance Plan's deployment status and provides further granularity to the "materiality matrix" risk assessment, on the topics of environment, health and safety, human rights and fundamental freedoms. While this section provides an overview of performance measurement and analysis as well as controls and processes, further descriptive elements including implementation progress can be found in the respective *material topic* sections.

1. Risk mapping

	Priority risk in the scope of the Company and its subsidiaries	Priority risk in the scope of Suppliers and Contractors
Environment		
Climate change[1]	✔	✔
Substance management	✔	✔
Health and Safety		
Working environment	✔	✔
Substances and materials	✔	✔
Machinery & equipment	✔	
Physical agents	✔	
Psychological, related to COVID-19	✔	
In situ contractors	✔	
Human Rights & Fundamental Freedoms		
Impact of products and services on the irght to life and liberty	✔	
Data privacy	✔	✔
Forced and child labour and other labour rights	✔	✔
Diverse and inclusive worlplace	✔	✔
The transition to decarbonisation		✔

(1) CO_2 largest impact from Scope 3 – Use of Sold Product. For further information, see "– 1.2.2 Lead the Journey towards Clean Aerospace".

Methodology and stakeholders involvement: The Vigilance plan approach is aligned with the materiality matrix methodology detailed in "– 1.2.1 The Company's Approach to Sustainability" and any relevant additional topic specific information can be found in the respective *material topic* sections.

2. Procedures for regularly assessing the situation of relevant subsidiaries, subcontractors and suppliers

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

	The Companny and its subsidiaries				Suppliers and Contractors		
	Self assessment	Internal assessment / audit	External audits (ISO…)	Management system	Self assessment	Company Audit	Ad hoc 3rd party audits
Environment	✔	✔	✔ ISO 14001	✔	✔	✔	✔ Intertek
Health and Safety	✔	✔	✔ ISO 45001[1]	✔	✔	✔	✔ Intertek
Human Rights & Fundamental Freedoms			✔		✔	✔	✔

(1) 25% workforce currently covered

3. Prevention and mitigation actions

The table below summarises transversal mitigation / preventive actions. Specific relevant complementary actions are detailed in the respective *material topic* sections.

	The Company and its subsidiaries				Suppliers and Contractors		
	Training	Whistleblowing system	Code of Conduct	Policies / Directives	Contractual terms and conditions	Whistleblowing system	Supplier Code of Conduct
Environment	✔	✔	✔	✔	✔	✔	✔
Health and Safety	✔	✔	✔	✔	✔	✔	✔
Human Rights & Fundamental Freedoms	✔	✔	✔	✔	✔	✔	✔

4. Alert mechanism

The Company's **OpenLine** mechanism is introduced in "– 1.2.1 The Company's Approach to Sustainability" and described in more detail in "– 1.2.5 Exemplify Business Integrity".

5. Monitoring system

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

	KPIs	Responsible organisation body	Supervisory Committee	Controls
Environment Operations Use of Products	CO_2 Scope 1, 2, Water, Waste CO_2 Scope 3	Industrial roadmap Aviation roadmap		Internal audit
Health and Safety	Lost time injury frequency rate	Executive level review	ECSC	ERM, internal audit
Human Rights & Fundamental Freedoms	Nb of social assessments % of findings closed within 18 months	Human Rights Roadmap		Site social assessments and supply chain assessments
Supply Chain	% suppliers at risk %action plan lauched	Sustainable Supply Chain Roadmap		Audits Self questionnaires

1.2.10 EU Taxonomy Disclosure

The EU Taxonomy is a classification system establishing a list of environmentally sustainable economic activities by defining technical screening criteria for the six environmental objectives defined by the EU Taxonomy, as well as disclosure requirements for corporations. It aims to direct investments towards sustainable projects and activities in order to meet the EU's climate and energy targets for 2030 and reach the objectives of the European green deal.

Recommendations for technical screening criteria were published in August 2021 (Annex to the draft report by the Platform on Sustainable Finance on preliminary recommendations for technical screening criteria for the EU taxonomy). Based on this report, the proposed inclusion of aviation in the EU Taxonomy acknowledges its potential to transition to low carbon activities, through a number of measures including a "best-in-class" approach: in the short-term, aging fleet renewal by Airbus' latest generation aircraft is recognised as having a significant potential for CO_2 reductions. The Company roadmap to decarbonisation is aligned with the taxonomy approach, as explained below.

Estimated eligibility and alignment if aviation-related technical screening criteria were to be adopted as per draft recommendation:

Aviation-related criteria are expected to be included in the Taxonomy in 2022. According to the published recommendations for technical screening criteria, a majority of the Company's 2021 turnover would be eligible, mainly including the turnover generated by sales of commercial aircraft. Based on the same information, the Company estimates that a significant portion of this eligible turnover could be taxonomy aligned, while meeting "do-not-significant-harm" criteria and minimum safeguards. As per criteria recommendations, the alignment factor would correspond to the proportion of new aircraft sold that will replace less efficient older generation aircraft, and therefore contributing to reducing the overall carbon footprint of aviation. Activities from the Company's two Divisions may be covered to some extent in future developments of the Taxonomy, while current level of information available does not enable the Company to provide an estimate. Accordingly, "best-in-class" aircraft programme related capital expenditures, and R&D (operating expenses) should be respectively eligible and aligned in similar proportions.

Under the proposed text available at the time of this report, Airbus commercial aircraft activity corresponding to NACE code 30.3 is described under section 8.9 Manufacturing of aircraft of the document "PLATFORM ON SUSTAINABLE FINANCE: TECHNICAL WORKING GROUP / PART B – Annex: Full list of Technical Screening Criteria August 2021" and therefore it could be considered an eligible activity once the corresponding delegated act is adopted.

Reported eligibility as per December 2021 adopted Delegated Act:

The Delegated Act covering Manufacturing of Commercial Aircraft technical screening criteria is expected to be adopted by the European Commission in 2022.

The Company performed an analysis of its exposure to Taxonomy-eligible activities referenced in the Climate Delegated Act adopted before 31 December 2021[1]: Data-driven solutions

for GHG emissions reductions, Renovation of existing buildings Construction of new buildings, Electricity generation using solar photovoltaic technology, Installation, maintenance and repair of renewable energy technologies, Freight transport services by road. The proportions of its turnover, capital expenditures and operating expenses as of 31 December 2021, as reported in the Financial Statements were assessed as immaterial with currently available data, which includes certain limitations mainly linked to data granularity for capital expenditures and operating expenses. The Company is working on improving financial data tagging to enable more accurate reporting in upcoming disclosures.

As a result of this assessment, as of 31 December 2021, the Company reports 0% eligibility (100% non-eligibility) of its total turnover (€ 52,149 million), capital expenditures (€ 1,928 million), and operating expenses (R&D € 2,746 milllion) respectively.

1.2.11 TCFD Correspondence Table

	See Airbus Sustainability Report sections	See CDP Climate Change Questionnaire* items
Governance		
Describe the Board's oversight of climate-related risks and opportunities.	– 1.2.1 the Company Approach to Sustainability – 1.2.2 Lead the Journey towards Clean Aerospace	C1.1a, C1.1b
Describe management's role in assessing and managing climate-related risks and opportunities		C1.2, C1.2a
Strategy		
Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long-term	– Risk Factors – 4 Environment, Human Rights, Health & Safety Risks – 1.2.2 Lead the Journey towards Clean Aerospace –Please refer to the "Notes to the IFRS Consolidated Financial Statements" (Note 6: Climate impacts)	C2.3a, C2.4a
Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.		C2.3a, C2.4a, C3.1, C3.3, C3.4
Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario		C3.2, C3.2a
Risk management		
Describe the organisation's processes for identifying and assessing climate-related risks.	–4.1.3 Enterprise Risk Management System –1.2.1 the Company Approach to Sustainability –1.2.2 Lead the Journey towards Clean Aerospace	C2.1, C2.1a, C2.1b, C2.2, C2.2a
Describe the organisation's processes for managing climate-related risks.		C2.1, C2.2
Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.		C2.1, C2; 1b, C2.2
Metrics & targets		
Disclosure of the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	–1.2.2 Lead the Journey towards Clean Aerospace –1.2.8 ESG Data Board, section Environmental Performance / Emissions	C4.2, C9.1
Disclose Scope 1, Scope 2, and if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.		C6.1, C6.2, C6.3, C6.5, C6.10, C7.1, C7.1a, C7.2, C7.3, C7.3a, C7.5, C7.6, C7.6a
Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.		C4.1, C4.1a, C4.1b, C4.2a

*   CDP Climate Change Questionnaire is available on Airbus website ⭴ and CDP website ⭴.

(1) COMMISSION DELEGATED REGULATION (EU) 2021/2139 of 4 June 2021 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to climate change mitigation or climate change adaptation and for determining whether that economic activity causes no significant harm to any of the other environmental objectives, published in the Official Journal of the European Union on 9 December 2021.

1.2.12 GRI Index

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

GRI	Disclosure	Related content
GRI 102: General Disclosures		
Organisational Profile		
102-1	Name of the organisation	Airbus SE
102-2	Activities, brands, products, and services	Get to know Airbus
		See sections 1.1.1 to 1.1.4 (page 23-53)
102-3	Location of headquarters	Leiden, the Netherlands
102-4	Location of operations	Global presence on Airbus.com, Airbus Helicopters' global presence
102-5	Ownership and legal form	See section 3.1
102-6	Markets served	Airbus' markets on Airbus.com
		See sections 1.1.1 to 1.1.4 (page 23-53)
102-7	Scale of the organisation	See 1.2.4.d Our People, 1.2.8 ESG Data Board (Social Performance)
		Please refer to "Notes to the IFRS Consolidated Financial Statements – Note 1: The Company" and "– Note 11: Segment Information".
102-8	Information on employees and other workers	See 1.2.4.d Our People, 1.2.8 ESG Data Board (Social Performance)
102-9	Supply chain	See 1.2.6 Responsible Supply Chain, 1.2.8 ESG Data Board (Social Performance)
102-10	Significant changes to the organisation and its supply chain	Please refer to "Notes to the IFRS Consolidated Financial Statements – Note 8: Acquisitions and Disposals", see 1.2.6 Responsible Supply Chain
102-11	Precautionary Principle Approach	Entreprise Risk Management on airbus.com
		See 4.1.3 (ERM), 1.2.9 Vigilance Plan (*Devoir de Vigilance*)
102-12	External initiatives	UN Global Compact, See other initiatives per sustainability topics in the respective subsection of 1.2 Non-Financial Information
102-13	Membership of associations	ATAG, IAEG, The Conference Board, GIFAS, World Economic Forum, Advanced Robotics for Manufacturing, Initiative Chefsache
Strategy		
102-14	Statement from senior decision-maker	See Guillaume Faury's statement about Airbus engagement for sustainability on airbus.com, see CEO statement on airbus.com↘, see CEO's commitment to sustainability in the UNGC engagement letter 2022↘
Ethics and Integrity		
102-16	Values, principles, standards, and norms of behavior	See 1.2.5 Exemplify Business Integrity
Governance		
102-18	Governance structure	See 4.1 Management and Control
		Airbus' Corporate Governance on airbus.com
Stakeholder Engagement		
102-40	List of stakeholder groups	See 1.2.1 The Company's Approach to Sustainability
102-41	Collective bargaining agreements	See 1.2.4.c Labour Relations, 1.2.8 ESG Data Board (Social Performance)

GRI	Disclosure	Related content
102-42	Identifying and selecting stakeholders	See 1.2.1 The Company's Approach to Sustainability
102-43	Approach to stakeholder engagement	
102-44	Key topics and concerns raised	

Reporting Practice

GRI	Disclosure	Related content
102-45	Entities included in the Consolidated Financial Statements	Please refer to "Notes to the IFRS Consolidated Financial Statements – Note 7: Scope of Consolidation"
102-46	Defining report content and topic Boundaries	See 1.2.1 The Company's Approach to Sustainability
102-47	List of material topics	
102-48	Restatements of information	See data per sustainability topics in the respective subsection of 1.2 Non-Financial Information and in section 1.2.8 ESG Data Board
		Please refer to "Notes to the IFRS Consolidated Financial Statements – Note 4: Key Estimates and Judgements, Note 24: Provisions, Contigent Assets and Contingent Liabilities, Note 37.7 Financial Instruments"
102-49	Changes in reporting	See 1.2.1 The Company's Approach to Sustainability
102-50	Reporting period	from 1 January to 31 December
102-51	Date of most recent report	March 2022
102-52	Reporting cycle	Annual
102-53	Contact point for questions regarding the report	Check on cr_sustainability@airbus.com
102-54	Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with the GRI Standards: Core option.
102-56	External assurance	Find the full Independent Assurance Report from Ernst&Young

Lead the Journey Towards Clean Aerospace

Environment

GRI	Disclosure	Related content
103-1	Explanation of the material topic and its Boundary	See 1.2.1 The Company's Approach to Sustainability, 1.2.2 Lead the Journey Towards Clean Aerospace
103-2	The management approach and its components	
103-3	Evaluation of the management approach	

Energy

GRI	Disclosure	Related content
302-1	Energy consumption within the Organisation	See 1.2.2 Lead the Journey Towards Clean Aerospace, 1.2.8 ESG Data Board (Environmental performance) Board (Environmental performance)
302-4	Reduction of energy consumption	
302-5	Reduction in energy requirements of products and services	

Water

GRI	Disclosure	Related content
303-4	Water discharge	See 1.2.2 Lead the Journey Towards Clean Aerospace, 1.2.8 ESG Data Board (Environmental performance)
303-5	Water consumption	

Emissions

GRI	Disclosure	Related content
305-1	Direct (Scope 1) GHG emissions	See 1.2.2 Lead the Journey Towards Clean Aerospace, 1.2.8 ESG Data Board (Environmental performance)
305-2	Energy indirect (Scope 2) GHG emissions	
305-3	Other indirect (Scope 3) GHG emissions	
305-4	GHG emissions intensity	
305-5	Reduction of GHG emissions	
305-6	Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions	
305-7	Energy indirect (Scope 2) GHG emissions	

GRI	Disclosure	Related content
Waste		
306-2	Waste by type and disposal method	See 1.2.2 Lead the Journey Towards Clean Aerospace, 1.2.8 ESG Data Board (Environmental performance)

Build our Business on the Foundation of Safety and Quality

GRI	Disclosure	Related content
Aviation and Product Safety		
103-1	Explanation of the material topic and its Boundary	See 1.2.1 The Company's Approach to Sustainability, 1.2.2 Aviation and Product Safety
103-2	The management approach and its components	
103-3	Evaluation of the management approach	
416-1	Assessment of the health and safety impacts of product and service categories	See 1.2.1 The Company's Approach to Sustainability, 1.2.3.a Aviation and Product Safety
417-1	Marketing and labeling	
Health & Safety		
103-1	Explanation of the material topic and its Boundary	See 1.2.1 The Company's Approach to Sustainability, 1.2.3.c Health and Product Safety, 1.2.6 Responsible Supply Chain, 1.2.9 Vigilance plan
103-2	The management approach and its components	
103-3	Evaluation of the management approach	
403-1	Occupational H&S management system	See 1.2.3.c Health and Product Safety, 1.2.6 Responsible Supply Chain, 1.2.8 ESG Data Board (Social performance), 1.2.9 Vigilance plan
403-2	Hazard identification, risk assessment, and incident investigation	
403-3	Occupational health services	
403-4	Worker participation, consultation, and communication on occupational H&S	
403-5	Worker training on occupational H&S	
403-6	Prevention and mitigation of occupational H&S impacts directly linked by business relationships	
403-7		
403-9	Work-related injuries	

Respect Human Rights and Foster Inclusion

GRI	Disclosure	Related content
Inclusion & Diversity		
103-1	Explanation of the material topic and its Boundary	See 1.2.1 The Company's Approach to Sustainability, 1.2.4.b Inclusion & Diversity, 1.2.6 Responsible Supply Chain
103-2	The management approach and its components	
103-3	Evaluation of the management approach	
405-1	Diversity of governance bodies & employees	See 1.2.4.b Inclusion & Diversity, 1.2.6 Responsible Supply Chain, 1.2.8 ESG Data Board (Social performance), 4.1 Management and Control, Board of Directors composition ⃫ and Executive Committee composition ⃫ on airbus.com ⃫
Workforce and human rights		
103-1	Explanation of the material topic and its Boundary	See 1.2.1 The Company's Approach to Sustainability, 1.2.4.a Inclusion & Diversity, 1.2.4.d Our Workforce, 1.2.6 Responsible Supply Chain, 1.2.9 Vigilance Plan
103-2	The management approach and its components	
103-3	Evaluation of the management approach	
401-1	New employee hires & employee turnover	See 1.2.4.d Our Workforce, 1.2.8 ESG Data Board (Social performance)
401-2	Benefits provided to full-time employees	See 1.2.4.d Our Workforce
404-1	Average hours of training per year per employee	See 1.2.4.d Our Workforce, 1.2.8 ESG Data Board (Social performance)
404-2	Programs for upgrading employee skills and transition assistance programmes	
404-3	Percentage of employees receiving regular performance and career development reviews	

GRI	Disclosure	Related content
201-3	Defined benefit plan obligations and other retirement plans	See Risk Factors 1.Financial Market Risks (Pension Commitments), 2.1.6.1 Cash Flows (Contribution to Plan Assets of Pension Schemes), 4.2.1.3 Implementation of the Remuneration Policy in 2021: CEO (h.Retirement) Please refer to "Notes to the IFRS Consolidated Financial Statements – Note 31: Post-Employment Benefits"
407-1	Freedom of Association & Collective bargain	See 1.2.4.a Human Rights, 1.2.4.c Labour Relations, 1.2.6 Responsible Supply Chain, 1.2.8 ESG Data Board (Social performance)
412-1	Operations that have been subject to human rights reviews or impact assessments	See 1.2.4.a Human Rights, 1.2.8 ESG Data Board (Social performance), 1.2.9 Vigilance Plan
412-2	Employee training on human rights policies or procedures	See 1.2.4.a Human Rights, 1.2.8 ESG Data Board (Social performance)

Exemplify Business Integrity

GRI	Disclosure	Related content
103-1	Explanation of the material topic and its Boundary	See 1.2.1 The Company's Approach to Sustainability, 1.2.5 Exemplify Business Integrity, 1.2.9 Vigilance Plan
103-2	The management approach and its components	
103-3	Evaluation of the management approach	
205-1	Operations assessed for risks related to corruption	See Risk Factors – 3. Legal Risks, 1.2.5 Exemplify Business Integrity, 1.2.8 ESG Data Board (Social performance), 1.2.9 Vigilance Plan
205-2	Communication and training about anti-corruption policies and procedures	See 1.2.5 Exemplify Business Integrity, 1.2.8 ESG Data Board (Social performance), 1.2.9 Vigilance Plan
205-3	Confirmed incidents of corruption and actions taken	See 1.1.7 Legal and Arbitration Proceedings, 1.2.5 Exemplify Business Integrity, 1.2.8 ESG Data Board (Social performance), 1.2.9 Vigilance Plan

Responsible supply chains

GRI	Disclosure	Related content
103-1	Explanation of the material topic and its Boundary	See 1.2.1 The Company's Approach to Sustainability, 1.2.6 Responsible Supply Chain, 1.2.9 Vigilance Plan
103-2	The management approach and its components	
103-3	Evaluation of the management approach	
308-1	New suppliers screened using environmental criteria	See 1.2.6 Responsible Supply Chain, 1.2.8 ESG Data Board (Social performance), 1.2.9 Vigilance Plan
308-2	Negative environmental impacts in the supply chain and actions taken	
414-2	Negative social impacts in the supply chain and actions taken; Operations and suppliers at significant risk for incidents of child labor; Operations and suppliers at significant risk for incidents of forced or compulsory labor	See 1.2.6 Responsible Supply Chain, 1.2.8 ESG Data Board (Social performance), 1.2.9 Vigilance Plan
408-1		
409-1		
204-1	Proportion of spending on local suppliers	See 1.2.6 Responsible Supply Chain, 1.2.8 ESG Data Board (Social performance), 1.2.9 Vigilance Plan

Community Impact

GRI	Disclosure	Related content
103-1	Explanation of the material topic and its Boundary	See 1.2.1 The Company's Approach to Sustainability, 1.2.7 Community impact
103-2	The management approach and its components	
103-3	Evaluation of the management approach	
203-1	Infrastructure investments and services supported	See 1.2.1 The Company's Approach to Sustainability, 1.2.7 Community impact
203-2	Significant indirect economic impacts	
201-1	Direct economic value generated and distributed	See 1.2.1 The Company's Approach to Sustainability, 1.2.6 Responsible Supply Chain, 1.2.8 ESG Data Board (Social performance)

1.2.13 SASB Correspondence Table

Sustainability Disclosure Topics & Accounting Metrics

Energy Management - Total energy consumed, percentage grid electricity, percentage renewable	RT-AE-130a.1	See 1.2.2 Lead the Journey towards Clean Aerospace See 1.2.8 ESG Data Board, section Environmental Performance / Energy
Hazardous Waste Management - Amount of hazardous waste generated, percentage of hazardous waste recycled - Number and aggregate quantity of reportable spills, quantity recovered from reportable spills	RT-AE-150a.1 RT-AE-150a.2	See 1.2.2 Lead the Journey towards Clean Aerospace See 1.2.8 ESG Data Board, section Environmental Performance / Waste
Data Security - Number of data breaches, percentage involving confidential information - Description of approach to identifying and addressing data security risks in company operations and products	RT-AE-230a.1 RT-AE-230a.2	See 1.2.3.b Cyber Security See 1.2.8 ESG Data Board, section Social Performance / Cybersecurity
Product Safety - Number of recalls issued, total units recalled - Number of counterfeit parts detected, percentage avoided - Number of Airworthiness Directives received, total units affected - Total amount of monetary losses as a result of legal proceedings associated with product safety	RT-AE-250a.1 RT-AE-250a.2 RT-AE-250a.3 RT-AE-250a.4	See 1.2.3.a Aviation and Product Safety
Fuel Economy & Emissions in Use-Phase - Revenue from alternative energy-related products - Description of approach and discussion of strategy to address fuel economy and strategy to address fuel economy and greenhouse gas (GHG) emissions of products	RT-AE-410a.1 RT-AE-410a.2	See 1.2.10 EU Taxonomy See 1.2.2 Lead the Journey towards Clean Aerospace
Materials Sourcing - Description of the management of risks associated with the use of critical materials	RT-AE-440a.1	See 1.2.6 Responsible Supply Chain
Business Ethics - Total amount of monetary losses as a result of legal proceedings associated with incidents of corruption, bribery, and/or illicit international trade - Revenue from countries ranked in the "E" or "F" Band of Transparency International's Government Defence Anti-Corruption Index - Discussion of processes to manage business ethics risks throughout the value chain	RT-AE-510a.1 RT-AE-510a.2 RT-AE-510a.3	See 1.2.5 Exemplify Business integrity

Activity metrics

- Production by reportable segment: Production should be disclosed as the number of units produced by product category, where relevant product categories include ground vehicles, aircraft, marine vehicles, vehicle and aircraft components, and space and weapons systems. - Number of employees	RT-AE-000.A RT-AE-000.B	See 2.1.4 Results of Operations (2.1.4.1 Revenues) See 1.2.8 ESG Data Board