

# 2022

INTEGRATED REPORT



 **DAHER**

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Patrick Daher  
& Didier Kayat

“Actively  
championing  
our collective  
ambition.”



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# CORPORATE PURPOSE

## DAHER'S FUNDAMENTAL VALUES

In 2022, Daher unveiled its corporate purpose, the result of a long process of collective reflection. This long-term vision is at the heart of the Group's CSR approach, as well as its strategic plan for the next five years, "Take Off 2027."

It is the summary expression of the responses we wish to provide to the main social, societal, environmental and economic challenges in our areas of business and beyond, involving our stakeholders along the way.

This corporate purpose is reflected in a catchphrase that perfectly sums up Daher's DNA:



In the framework  
of our activities,  
**unleash the potential**  
of **those**  
who **move**  
**the world forward.**

**1**  
BOLD SOLUTIONS  
INDUSTRIAL CHALLENGES  
THE OPPORTUNITY TO  
MOVE FORWARD  
AND PROGRESS

**2**  
A TEAM  
SINCE 1863:  
EMPLOYEES  
FAMILY  
SHAREHOLDERS

**3**  
RESPONSIBLE  
CAPITALISM  
SOCIAL AND  
ENVIRONMENTAL  
RESPONSIBILITY



# STRUCTURED AROUND **3** PILLARS

**DAHER'S CORPORATE PURPOSE**  
IS A GUIDE FOR ALL THE INITIATIVES  
CARRIED OUT IN THE FIELD

## Boldness

Daher relies on bold solutions to bring together women, men and generations, in the service of its customers and stakeholders.

- > Taking chances
- > Bouncing back after crises
  - > Action and innovation
  - > Seizing opportunities

## Responsible capitalism

Our model – which combines financial performance and ESG performance – and our spirit of innovation strengthen our ability to actively address the challenges of the ecological and societal transitions.

- > Sustainable performance
  - > CSR approach
- > Positive transformation projects
  - > Long-term vision

## Teamwork

Employees, shareholders and family share in the pride of the company's history and its 160 years of success, strong values and the will to endeavor every day to build a future together.

- > Human values
- > Collaborative spirit
- > Collective intelligence
- > Sustainability of the company

# PROFILE

With its positioning in four complementary businesses – aircraft, manufacturing, industrial services and logistics – Daher is a unique Group with a balanced business model between manufacturing and services.

Present today in 13 countries, Daher's mission is to design, develop and operate global, technical and/or customized value-added solutions: relevant products and services in a complex environment, which enable its leading industrial, manufacturing and aerospace equipment manufacturer customers to focus on their core businesses and improve their operational performance.

## 2022: the ambition to move forward, despite a complicated context

In 2022, the Group was highly active, in particular with:

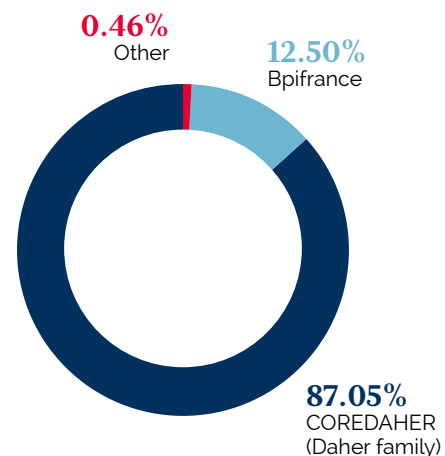
- the launch of the **TBM 960** and **Kodiak 900** aircraft;
- **the acquisition of the Stuart aerostructures plant** in Florida (USA);
- **the inauguration of Log'in**, a tech center based in Toulouse dedicated to the logistics of the future;
- **the unveiling of the corporate purpose**, which sets Daher's values in stone around three pillars: boldness, responsible capitalism and teamwork;
- **the presentation of the 2023-2027 strategic plan**, called "Take off 2027," setting out the Group's roadmap for the next five years in order to "become a major profitable international company developing four complementary businesses."

A complex context (the crisis in Ukraine, inflation, energy prices, job market tensions, fragility of the supply chain, etc.) considerably complicates day-to-day operations and affects delivery times and costs, as well as the profitability of our industrial production. The outlook is nonetheless positive, with the return of air travel to a level close to that of 2019 (pre-Covid) and the increase in aircraft manufacturers' production rates, which generates new opportunities, both for the manufacturing activity and for our services businesses (logistics, industrial services).

The two aircraft launched in 2022, the TBM 960 and the Kodiak 900, are real commercial successes with a record order backlog. Despite the difficulties encountered, Daher has recorded an increase in its aircraft deliveries, with 56 TBMs and 17 Kodiaks delivered in 2022 (compared with 51 TBMs and 17 Kodiaks in 2021).



Its ownership structure of family and institutional shareholders underpins the company's long-term strategy



Anywhere in the world,  
a partner by your side



# HISTORY

## Daher pioneered the convergence of manufacturing and the provision of services

Since its founding and throughout its history, Daher has been able to adapt to meet the challenges of the times, thus taking part in the successive industrial revolutions. From shipping and handling to transportation and logistics... its rich breadth of expertise is a source of pride, supporting its activity today as a designer and operator of logistics services for aerospace and advanced technology industries.

In terms of manufacturing, Daher's history dates back to 1911, with the creation of the pioneering aircraft producer, Morane-Saulnier. Since the acquisition of this business in 2009, Daher has continued to develop its range of TBM light aircraft, now recognized as a flagship in the aerospace industry. A success story that makes Daher the oldest aircraft manufacturer still in operation in the world today.



**1880**

The Herald of Morning completes the Marseille-San Francisco crossing in 100 days



**1863**

Founding of Daher as a shipping company



**2013**

As a major partner of the Airbus H160 helicopter program, Daher designs and manufactures the tail boom and Fenestron

**2017**

Signature of the contract to manage all Airbus logistics flows in France



**2019**

Daher acquires U.S. aircraft manufacturer Quest, and thermoplastic composite welding specialist KVE Composites in the Netherlands

**2018**

Opening of a second production plant in Tangier







**1915**  
The Morane-Saulnier Type L enters operation to become the first fighter aircraft



**1954**  
Inaugural flight of the Morane-Saulnier 760 Paris, the first business jet

**1911**  
Founding of Morane-Saulnier as a pioneering aviation company



**1921**  
Transportation for the first Middle Eastern pipeline project

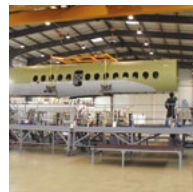


**2001**  
Daher joins the Falcon 7X program as designer and manufacturer of the upper fuselage



**1972**  
Construction partner for the French nuclear power program

**2009**  
Signature of the contract to manufacture landing gear doors for the entire Airbus A350 XWB family of aircraft



**1989**  
Transportation company for Airbus's oversized loads program



**2021**  
Daher launches three new innovation centers; one for each of its core businesses: Log'in (logistics), Shap'in (aerostructures) and Fly'in (aircraft)



**2020**  
Delivery of the 1,000<sup>th</sup> TBM



**2022**  
Daher acquires an aerostructures production unit in Stuart (Florida, USA) and launches two new aircraft: the TBM 960 and the Kodiak 900



# GOVERNANCE

## Corporate Governance Report

Supervisory bodies at December 31, 2022

### Group Executive Committee



- 1 **Didier Kayat**  
Chief Executive Officer
- 2 **Jérôme Leparoux**  
General Secretariat
- 3 **Laurent Schneider-Maunoury**  
Manufacturing Department
- 4 **Julie de Cevins**  
Programs Department; Nuclear,  
Transportation and Projects Division
- 5 **Pascal Laguerre**  
Technology Department
- 6 **Patrick Jeanroy**  
Services Division
- 7 **Jean-Philippe Grégoire**  
Finance Department
- 8 **Marouchka Liarokapis**  
OSE Department
- 9 **Nicolas Chabbert**  
Aircraft Division

### Board of Directors

**Patrick Daher**  
Chairman of the  
Board of Directors

**Didier Kayat**  
Director and  
Chief Executive Officer

**Estelle Roux**  
Director representing a legal entity  
(COREDAHER)

**Anne Brachet**  
Director

**Damien Daher**  
Non-voting Board Member

**Olivier Genis**  
Director

**Michel Giannuzzi**  
Director

**Frédérique Kalb**  
Director

**Éric Lefebvre**  
Director representing  
Bpifrance Participations

**Yves Magnan**  
Director

**Lise Nobre**  
Director

**Thibault Scaramanga**  
Director

**Cécile Tandeau de Marsac**  
Director

Secretary:  
**Jérôme Sarragozi**

### Governance Committee

Corporate Governance,  
Compensation, Appointments and CSR

**Lise Nobre**  
Chair of the Committee

**Éric Lefebvre**

**Olivier Genis**

**Estelle Roux**

**Cécile Tandeau de Marsac**  
Secretary: **Jérôme Leparoux**

### Audit Committee

**Yves Magnan**  
Chair of the Committee

**Anne Brachet**

**Michel Giannuzzi**

**Thibault Scaramanga**

Secretary: **Jean-Philippe Grégoire**

### Strategy & Development Committee

**Patrick Daher**  
Chair of the Committee

**Frédérique Kalb**

**Didier Kayat**

**Éric Lefebvre**

Secretary: **Didier Kayat**

### Statutory Auditors

Odcyc Nexia SAS – member of Nexia International, represented by **Sylvain Lavagna**,

Mazars SA, represented by **Gaël Lamant**.

# A dynamic and mobilized Governance structure

## BOARD OF DIRECTORS



**12** Directors, **5** of whom are women

<b>1</b> non-voting Board member	<b>33%</b> Independent Directors	<b>7</b> meetings in 2022	<b>99%</b> attendance rate
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Guided in its decision-making by **3 specialized Committees**



## BOARD OF DIRECTORS AND BOARD COMMITTEES

### A balanced governance model

The Board of Directors of Compagnie Daher is made up of members of the family Group of shareholders of COREDAHER, Bpifrance and shareholder representatives, and independent directors. On May 18, 2022, the Company Shareholders' Meeting reappointed Cécile Tandeau de Marsac, Didier Kayat and Thibaut Scaramanga as directors for a three-year term, which expires at the Shareholders' Meeting called to approve the financial statements for the year ended December 31, 2024. The Shareholders' Meeting also appointed two new directors: Anne Brachet, replacing Clare Chatfield whose term had expired; and Michel Giannuzzi, replacing Nicolas Ceria (Bpifrance Investissement), who resigned. The two new directors were appointed for a three-year term, which expires at the Company Shareholders' Meeting called to approve the financial statements for the year ended December 31, 2024.

On May 18, 2022, the Board of Directors of the Company reappointed Didier Kayat as Chief Executive Officer for a three-year term, which expires when the Board of Directors of the Company is called to approve the financial statements for the year ended December 31, 2024.

The Board is responsible for managing the Group, and setting and controlling the delegations of authority given to the Chief Executive Officer. The functions of Chairman of the Board of Directors and Chief Executive Officer are separate: Patrick Daher is Chairman of the Board of Directors and Didier Kayat is Chief

Executive Officer. The Board of Directors appoints the members of the Strategy Committee, the Governance Committee and the Audit Committee. For information, Eric Lefebvre, representing Bpifrance Participations, has been participating in the work of the Governance Committee since July 8, 2022 and of the Strategy Committee since 2021. The work of the Board is regulated by a set of internal rules originally introduced on July 7, 2015, and revised on February 19, 2019.

The governance structure adopted by Compagnie Daher and its subsidiaries Daher Aerospace and Daher Technologies takes the form of a French limited liability company (société anonyme) which is the most commonly used structure for major companies. This company form is also the most appropriate for supporting the expansion of growing companies.

As is the case for Compagnie Daher, and to ensure a balance of powers, the functions of Chairman of the Board of Directors and Chief Executive Officer are separate in these two companies. To comply with regulations on gender parity, the Boards of Directors comprise a balanced number of men and women, and a director representing employees sits on the Board of each entity.

	Status	First Appointment	Reappointment	Appointment Expiration
<b>PATRICK DAHER</b>	Chairman of the Board of Directors		April 29, 2020	Meeting called to approve the 2022 financial statements
<b>DIDIER KAYAT</b>	Director Chief Executive Officer	April 13, 2016 February 18, 2016	April 26, 2019 May 18, 2022 May 18, 2022	Meeting called to approve the 2024 financial statements
<b>Anne Brachet</b>	Director	May 18, 2022		Meeting called to approve the 2024 financial statements
<b>OLIVIER GENIS</b>	Director	April 29, 2020		Meeting called to approve the 2022 financial statements
<b>Michel Giannuzzi</b>	Director	May 18, 2022		Meeting called to approve the 2024 financial statements
<b>FREDERIQUE KALB</b>	Independent Director	April 29, 2020		Meeting called to approve the 2022 financial statements
<b>ÉRIC LEFEBVRE</b> (representing Bpifrance Participations)	Director representing a legal entity	April 15, 2015	May 05, 2021	Meeting called to approve the 2023 financial statements
<b>YVES MAGNAN</b>	Director	May 30, 2002	April 29, 2020	Meeting called to approve the 2022 financial statements
<b>LISE NOBRE</b>	Independent Director	April 15, 2015	May 05, 2021	Meeting called to approve the 2023 financial statements
<b>ESTELLE ROUX</b> (representing COREDAHER)	Director representing a legal entity	May 30, 2002	May 05, 2021	Meeting called to approve the 2023 financial statements
<b>THIBAUT SCARAMANGA</b>	Director	April 22, 2014	May 18, 2022	Meeting called to approve the 2024 financial statements
<b>CECILE TANDEAU DE MARSAC</b>	Independent Director	April 26, 2019	May 18, 2022	Meeting called to approve the 2024 financial statements
<b>JÉRÔME SARRAGOZI</b>	Secretary	July 17, 2019		

## Strategy Committee

On April 29, 2020, the Board of Directors resolved to reintroduce a Strategy Committee to replace the ad hoc Strategy and Development Committee. The Strategy Committee meets at least twice a year to analyze and decide on the strategic issues submitted to it. The Group's strategy is presented and discussed at dedicated Board of Directors' meetings.

## Governance Committee

The Governance Committee analyzes and proposes to the Board of Directors the level of compensation for the Chief Executive Officer and members of the Executive Committee. It is also responsible for planning future developments in the Group's governing bodies, proposing governance guidelines and evaluating the work of the Board of Directors. Its name and role were changed on February 19, 2019. It now has responsibility for overseeing the Corporate Social Responsibility (CSR) policy and compliance with business ethics standards.

## Audit Committee

The role of the Audit Committee in terms of analyzing internal audit/control and risk management procedures involves:

- being informed by Executive Management about internal rules and procedures for collecting and verifying information that guarantee data reliability; - examining the Group's internal audit plan and the work program of the Statutory Auditors;

- meeting with internal control managers in order to learn about their work programs based on the defined objectives and obtain company or Group internal audit reports or a summary of those reports;
- together with the Group's operating managers, regularly reviewing all major risks (operational, financial, legal, environmental, human resources, IT, etc.);
- examining any issue likely to have a material impact on the Group's financial position or results;
- reviewing any transactions that could lead to a conflict of interests.

The Audit Committee proposes the appointment of the Statutory Auditors and is responsible for monitoring their work. It oversees the analysis and assessment of the main risks affecting the Group, as well as the analysis of interim and annual financial statements before they are presented to the Board of Directors. The committee may seek the advice of the Statutory Auditors or any independent expert it deems necessary.

The Board of Directors met seven times in 2022, and each of its committees between one and four times, depending on the matters analyzed.

## EXECUTIVE COMMITTEE AND SATELLITE COMMITTEES

### Active management for global performance

#### Executive Committee

The Executive Committee defines and implements the Group's strategy. It fixes objectives, coordinates Group projects, allocates resources to operations and manages the Group's organization. It monitors operational performance and assesses the extent to which objectives have been met. It also coordinates Group-wide, strategic projects.

The committee ensures that the Group's internal control policy is effectively applied by coordinating and monitoring internal control work within the Group. It particularly monitors action plans and the annual summary of internal audit reports. The committee meets two times a month.

#### Investments and Commitments Committee

Each subsidiary or sub-subsidiary of the Group either has a Board of Directors and an Investments and Commitments Committee or just an Investments and Commitments Committee.

Where a subsidiary has a Board of Directors, the Board appoints the members of the Investments and Commitments Committee from among the Company's directors and the Group Executive Committee members at the proposal of the Group Chief Executive Officer (by default, the subsidiary company directors are members of the Investments and Commitments Committee). The Investments and Commitments Committee issues opinions on the commitments submitted to it by the Chief Executive Officer, and, if it issues a favorable opinion, the authorizing

decision must be incorporated into the minutes of the following Board of Directors meeting.

When a subsidiary has no Board of Directors, the members of the Investments and Commitments Committee are appointed based on a recommendation of the Chief Executive Officer of the Group (by default, subsidiary directors are also members of the Investments and Commitments Committee). The Investments and Commitments Committee validates the delegations of authority granted to the Chairman of the subsidiary, gives authorizations for these to be exceeded, and appoints or dismisses the subsidiary company Chairman.

The Head of the Group Legal Department coordinates the decisions taken by the Executive Committee outside the Investments and Commitments Committee, and guarantees that all Group procedures are duly applied. Members of the Board and the Investments and Commitments Committee express an opinion as often as is necessary by e-mail or any other means, and meet at least once per quarter. The Head of the Group Legal Department is responsible for summarizing their work.

#### Risk Committee

Group Risk Management is supervised by a Risk Committee which comprises the Executive Committee, the Head of the Group Legal department and the VP Risk, Audit and Sustainable Development. The Risk Committee was set up in 2009 and its organization is described in the Risk Management section.



Kodiac's final assembly line in Sandpoint, Idaho, USA



Assembly of the belly fairing of an A330 in Saint-Nazaire, France

## GOVERNANCE EQUIPPED TO SUPPORT THE COMPANY AS IT EMERGES FROM THE CRISIS AND OVER THE LONG TERM

Our governance model demonstrated its robustness and adaptability throughout the health crisis. The year 2022 saw the regular resumption of our in-person meetings, such as the Shareholders' Meetings of COREDAHER and Générations-Daher on June 16 in Marseille, France, which were also broadcast by videoconference. A preparatory and information file detailing each of the resolutions to be voted on was sent to all shareholders, who then had the opportunity to ask questions in advance. Nearly 150 shareholders were physically present and 11 were connected via videoconference. COREDAHER's shareholders, whether present, represented, or having voted by mail, represented 99.56% of the company's capital.

Other meetings related to our governance activity were held in 2022, concerning COREDAHER and the Générations Daher-Daher 2023-2027 strategy.

In December 2022, COREDAHER's shareholders committed more than 90% of the company's capital to a new Dutreil pact.

### Efforts to prepare the shareholders of tomorrow

To ensure the sustainability of our governance model, we train and prepare the shareholders of tomorrow to be engaged over the long term, with the ability to understand the key challenges the company will have to face, and to take on responsibilities on the Board of Directors. This includes training, information meetings, themed dinners, visits to Daher sites, the Youth Weekends, etc.

We have also continued to use new information tools: the Daher application, newsletters, videoconferences open to all shareholders, social networks, etc.



Logistics operators  
at the Tremblay-en-France site in France

## ROBUST AND TRANSPARENT FAMILY BASED GOVERNANCE

The Daher family has controlled the Daher Group since its founding. In 1994, the family shareholders came together to form the company COREDAHER, the holding company that leads the Daher Group. COREDAHER holds 87.05% of the capital of Compagnie Daher as of December 31, 2022. Bpifrance, a leading partner with a 12.50% stake, has been supporting the company since 2009 and shares a long-term industrial vision with the Daher family.

The Générations-Daher association was also created in 1994. Its aim is to ensure a high level of cohesion between Daher family members (more than 650 individuals, 386 of whom are COREDAHER shareholders as of December 31, 2022) and to help them to perpetuate and pass on the family culture and values within the company.

For nearly 30 years, this three-level governance structure (family, shareholders and company) has allowed the Daher Group to grow with a shared strategic vision of the company's future. All

the operating rules of our governance structure are set out in writing (family charter, shareholder agreements, bylaws, internal rules, etc.). These are never set in stone, however, but are sufficiently flexible to be reviewed and adapted in response to changes in the challenges the company must face, as well as in the shareholding family.

The strategic thought process is conducted at all three levels of governance in a coordinated manner. The year 2022 saw the conclusion of the "Vivre Ensemble" (Living Together) and "Entreprendre Ensemble" (Working Together) strategic plans, introduced in 2018 by Générations-Daher and COREDAHER in coordination with Daher's "Succeed Together" strategic plan. 2022 was also a year of preparation for the new 2023–2027 strategic plans. COREDAHER and Générations-Daher will thus launch two new strategic plans in 2023 for the next five years, still in coordination with Daher's new 2023–2027 strategic plan "Take Off 2027."



TBM's final assembly line in Tarbes, France

# A BUSINESS MODEL THAT CREATES VALUE FOR ALL STAKEHOLDERS

## OUR RESOURCES

### Financial capital

- Family and state shareholders committed to the long term.
- Redeployment of assets.
- Funding from French and European institutions and US private investors.

### Industrial capital

- Logistics and supply chain services operated within customer facilities (in-situ), owned or leased (ex-situ).
- Customer service platforms as part of light aircraft maintenance provided in France and abroad.

**8** production facilities in France and abroad

### Ecosystems

- Regular dialogue with all stakeholders.

**15** partner startups for proof-of-concepts

### Natural resources

- Consumption of the natural and energy resources required to produce its aircraft and aerospace equipment and for all logistics and supply chain services businesses.

**102,132 MWh** Energy consumption in 2022 (France, Morocco and Mexico)

### Intellectual capital and expertise

- Patents, intellectual property and industrial processes.
- Daher, TBM and Kodiak brands.
- Accreditations, qualifications and certifications specific to the aerospace industry.

**500** design office engineers

### Human capital

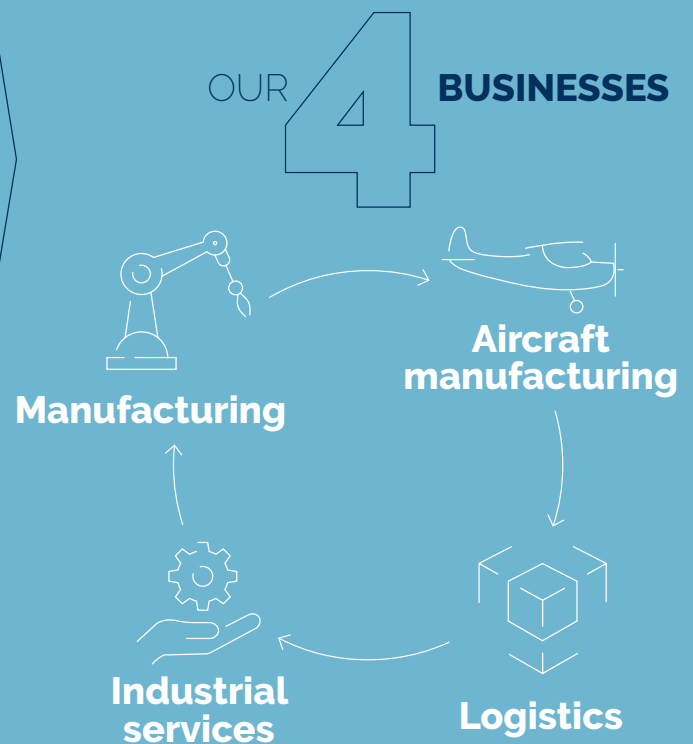
- 10,015 employees, of which 74.4% are in France.

## OUR CORPORATE PURPOSE

“

*“In the framework of our activities, unleash the potential of those who move the world forward.”*

”



The Daher business model has been developed as a collaborative process fed by input from many in-house experts. This is also the result of a particular stance that involved basing its foundations on the model used by its dominant business sector – aerospace and defense – thereby prioritizing clarity, at the same time as offering a better understanding of the value creation element. Nuclear business activities are therefore intentionally excluded from this model.



We believe that the development of aviation and air travel represents major progress for humanity, bringing people closer together, blending cultures even further, allowing material and immaterial exchanges, and thus promoting innovation and the development of societies. We also believe that we have to act now to decarbonize aviation, as well as the industrial and logistical activities that support it. We think that, from rail to air, different means of transportation should not be in competition with each other, but should complement each other, as it is the only way to achieve carbon neutrality when transporting people and goods.

## OUR BUSINESS

### Challenges and context

An aerospace industry weakened by the Covid-19 pandemic, with a strong recovery since the second half of 2021.

The future of the sector dependent on that of fossil fuels in a geopolitical context of resource tensions.

Strategic challenges related to decarbonization and the urgent need to develop clean aerospace technologies.

Encouraging sectoral outlook for 2023.

### Our activities

Design, manufacture, assembly, sales and after-sales service for single-engine turboprop aircrafts

Design and manufacture of aerostructure assemblies and sub-assemblies (composites, metals and assembly).

Industrial services operator on the production and assembly lines

Design and management of logistics platforms

### Our commitments to stakeholders

Daher believes that its strategic ambitions are an integral part of the responsible approach to achieving targets and conducting business operations, allowing it to create and share value with all its stakeholders.

### Our strategy

The "Take Off 2027" strategic plan sets the course for the next five years.

Our ambition: "To become a major profitable international company developing four complementary businesses"

The necessary transformations to:

- improve economic performance;
- transform our managerial culture;
- innovate for our customers and to decarbonize;
- integrate and develop our acquisitions;
- make Daher visible and known.

## OUR VALUE CREATION

### Shareholders

- Enhancing our financial and non-financial investments.
- Policy of active interaction between family shareholders and the Group, its executive managers and employees.

**87.05%** Family shareholding at December 31, 2022

### Employees

- Responsible values to underpin the conditions essential for success and the ability to drive innovation forwards in a fast-changing and competitive environment.
- Attract, retain and support employees.
- Foster autonomy, professional expectations and entrepreneurship.

**25%** of Daher team members are women

### Customers

- Innovative solutions for performance optimization.

**4** key customers in 2022 (revenue above €50 million)

### Suppliers

- Long-term support for industrial challenges.
- Multi-year agreements with privileged partners.
- Implementation of long-term contractual partnerships, including locally.

**€800** million Group share of purchases in 2022

### Innovative ecosystem

- Engineering centers
- Open research and innovation centers
- Active involvement in the life of the aerospace and defense industries.

**18** CORAC (French Civil Aviation Research Council) projects

### Civil society

- Strategic integration of the Daher corporate purpose.
- Measuring and improving the carbon footprint.
- Strategic innovations in line with the Paris Climate Agreements.

**2021** First Climate Strategy

# COMBINING RISK MANAGEMENT WITH CSR STRATEGY

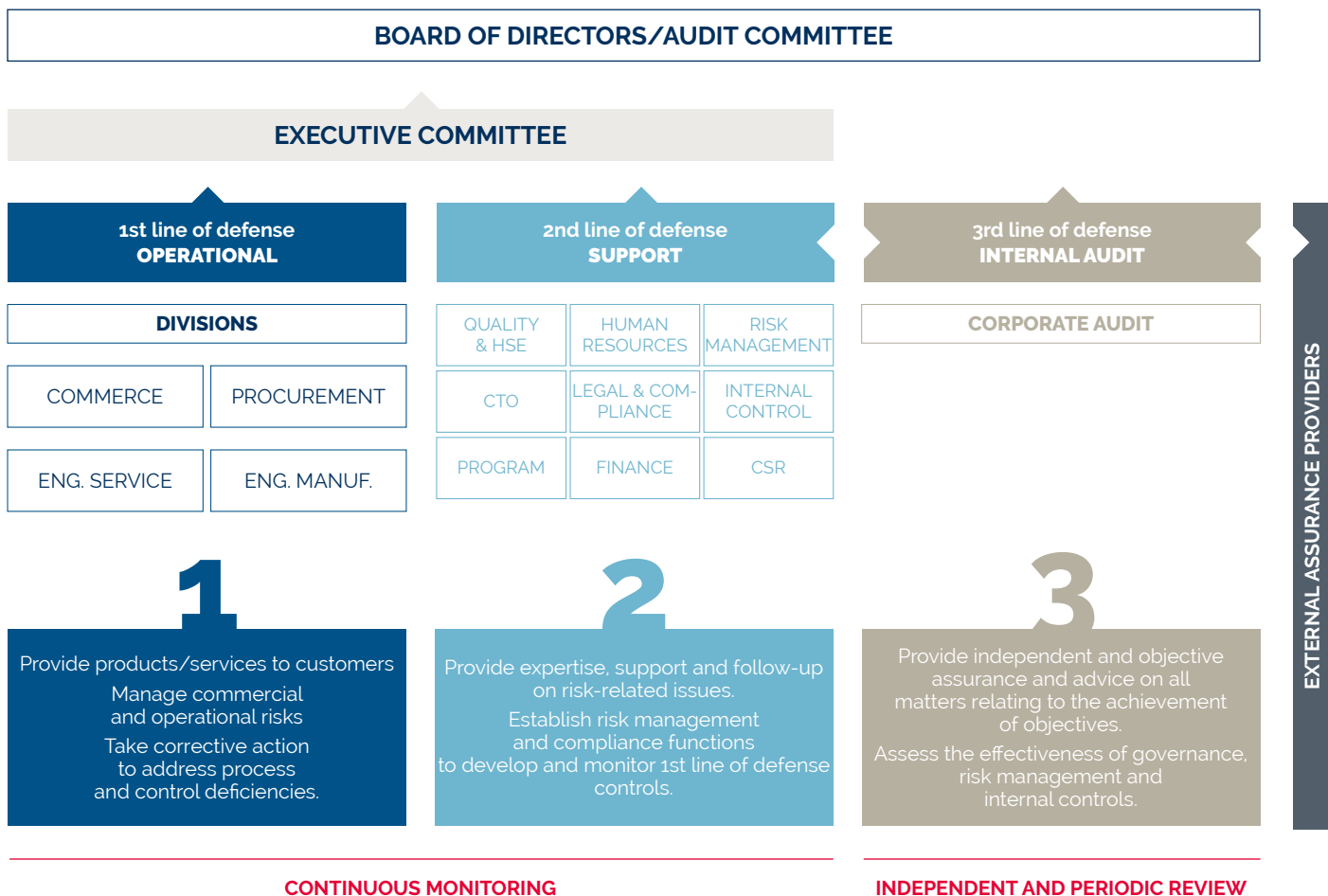
## CONTROLLING RISKS: A COLLECTIVE CHALLENGE

Group Risk Management is supervised by the Risks, Audit and Sustainable Development Department Risk Committee and is overseen by the Risk Committee. The Risk Committee, comprising the members of the Executive Committee, the Head of the Legal Department, the Head of the Risk, Audit and Sustainable Development Department, and the Head of Risk Management, who acts as its secretary, meets four times a year and is tasked with validating the risk management system and risk map, and monitoring the action plans implemented. Its work is submitted to the Audit Committee, which reserves the right to request any review or further investigation of any issues it deems appropriate. In its operational phase, risk management is entrusted to those responsible for implementing management system processes so that they can introduce and apply the

appropriate action plans. These individuals may be part of the 1st or 2nd line of defense.

- **Roles of the 1<sup>st</sup> line:** carrying out activities from the contract bid phase through to the end of the product's life and managing risks. These roles are concentrated in operations management, sales and procurement.

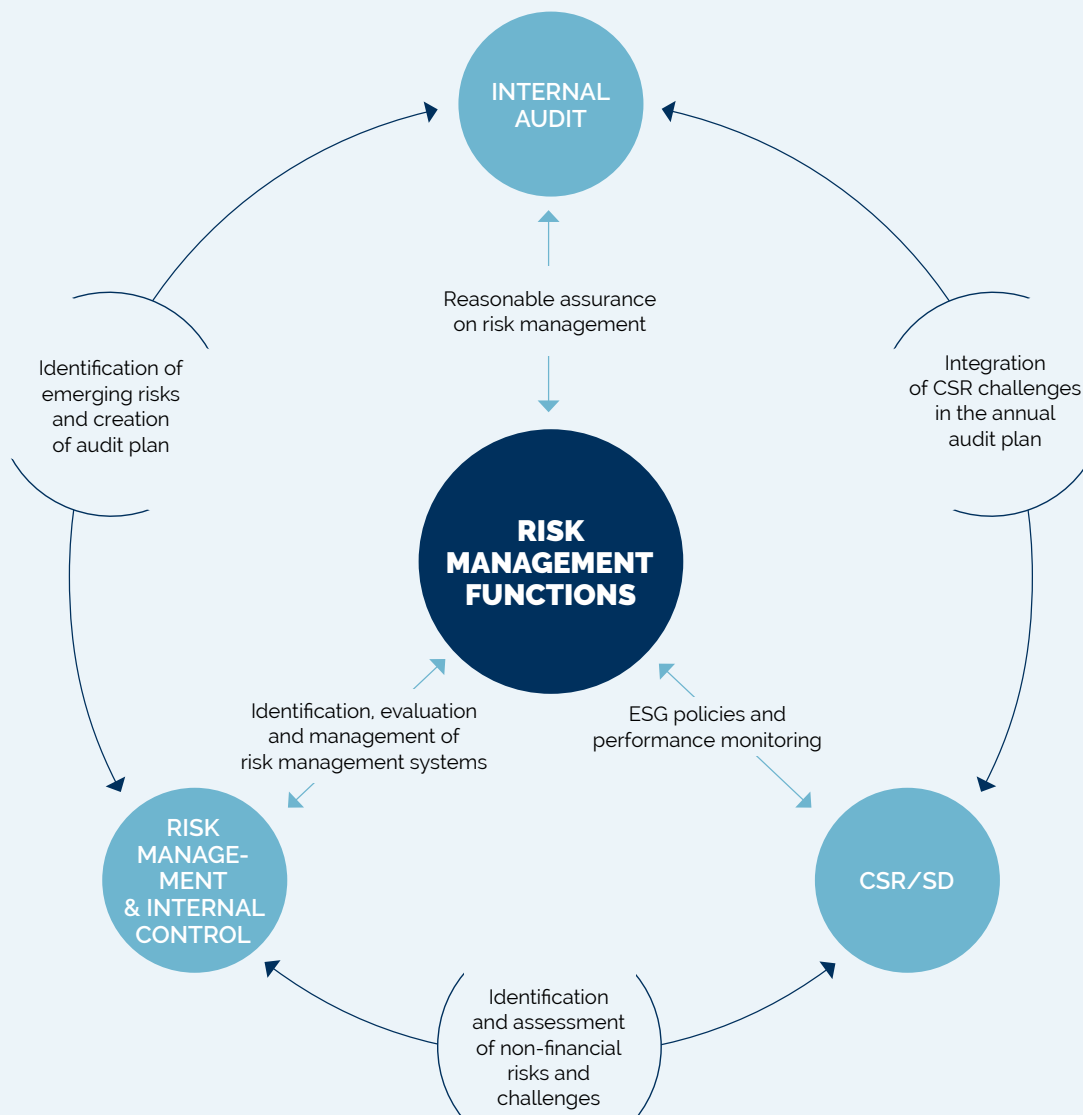
- **Roles of the 2<sup>nd</sup> line:** providing support, assistance and follow-up on issues relating to risk management. These are functions that respond more specifically to risk management.



## USING KNOWN RISKS AS THE BASIS FOR IDENTIFYING **PRIORITY CSR ISSUES** AND **ENSURING THE GROUP'S LONG-TERM AND SUSTAINABLE FUTURE**

To ensure that Daher responds efficiently to the challenges of managing financial and non-financial risks and opportunities over the long-term, the company made the decision in 2017 to combine the risk management, corporate audit, and sustainable development activities within a single department (RASD). Daher believes that such innovative CSR governance is an immediate source of value creation, and facilitates more effective coordination of risks and the policies implemented to control them. This is reflected in management's corporate purpose: the RASD team works with its internal and external stakeholders in

making its contribution to protecting the company and suggesting strategic and operational transformations consistent with its values for the benefit of the Daher family, shareholders and employees, and ensuring the resilience of the Group and its ability to plan its long-term future. In particular, for risks with a non-financial cause or impact, Daher ensures that a policy is implemented to cover them effectively, and supplements its system with an action plan and monitoring and steering indicators. Governance of this process is provided by the CSR Committee along with the Executive Committee.



## JOINT INTERVIEW

# ACTIVELY CHAMPIONING OUR COLLECTIVE AMBITION



**Patrick Daher**  
Chairman of the Board  
of Directors

## What were the key moments of 2022 and why are they emblematic of Daher's philosophy?

**Patrick Daher:** 2022 was a particularly rich year in terms of highlights for Daher. Firstly, the unveiling of our corporate purpose was a milestone in our long history, which brought together more than 3,000 employees all around the world. This time of sharing allowed us to look back at how the Group has evolved over time and reflect on its successes but also the difficulties it has faced over the past 160 years. We owe this longevity to the strong values that have characterized Daher since its creation. Over time, we have consistently demonstrated our unique ability to reinvent ourselves, to take bold stances in support of team spirit and innovation, to bounce back after crises – the last two years being no exception – and, more generally, to keep the future in mind and look ahead to the long term, in line with the responsible capitalism model to which we subscribe. At the end of the year, we also revealed our new strategic plan, "Take Off 2027," which sets the course for the next five years and brings our team together around a shared goal.

**Didier Kayat:** In 2022, we said goodbye to our last strategic plan, "Succeed Together," which was implemented successfully despite the complex operational environment caused by the war in Ukraine. The purchase of the Stuart aerostructures plant in Florida meant our presence in North America increased significantly, making it Daher's second-biggest region in terms of activity, after France. The launch of three tech centers – Log'in for logistics, Shap'in for aerostructures and Fly'in for aircraft – will allow us to consolidate our technological leadership in each of our businesses. The two aircraft launched this year, the TBM 960 and the Kodiak 900, perfectly demonstrate Daher's capacity for innovation and the synergies at work in this area.



*The environmental challenge  
and the quest for meaning  
at work requires us to switch  
the focus to what really matters*



### What are the ambitions of "Take Off 2027," the strategic plan for 2023 to 2027?

**Didier Kayat:** This new strategic plan perhaps provides even more structure than those before it. Daher's ambition – "To become a major profitable international company developing four complementary businesses" – summarizes and encompasses all the challenges that we are going to have to tackle together. We need to evolve the way we operate and put in place a robust international structure while taking into account the specific characteristics of each region and preserving the initiative and entrepreneurial spirit that Daher is known for. We need to strike – and maintain – a delicate balance between these factors. Another key part of the "Take Off 2027" ambition is profitability, which enables us to continue investing and innovating in a sustainable way. To tackle the major challenge of decarbonization, Daher relies on powerful "tools" to ensure its success: a very proactive climate strategy and innovation centers that put the environment at the heart of their roadmap. Finally, we have decided to provide industrial services, which connect our industrial and logistics activities and are a business in their own right. The way that our four businesses – aircraft manufacturing, manufacturing, industrial services and logistics – complement each other is what sets us apart. It strengthens our business model, which is balanced between manufacturing and services, ensuring our resilience.

### What transformations need to be made to achieve these ambitions?

**Didier Kayat:** We have identified five levers for transformation: improving our economic performance, evolving our managerial culture, innovating for our customers and to decarbonize, integrating and developing our recent acquisitions, and making Daher's transformation visible to all stakeholders and the market. Our goal, thanks to the specific transformations that these levers will generate for each of our businesses, is to rank among the world's top 50 aerospace players following the implementation of this strategic plan.

### What are the key messages that express Daher's corporate purpose?

**Patrick Daher:** Through the wording, "In the framework of our activities, unleash the potential of those who move the world forward," we hope to share a vision based on what we believe are the cornerstones of Daher's values: boldness, responsible capitalism, and teamwork. These three pillars have written, and continue to write, the Group's history, and we hope that they keep inspiring our entire team for a long time to come. Daher has a family history and is a big family – there are currently more than 600 of us – that has come together to support a corporate project that is both ambitious and responsible. It is the company's employees that have made this incredible journey possible, thanks to their energy, passion and capacity to take initiative in aid of a shared goal. Of course, our customers push us to overcome sometimes considerable challenges and renew their trust in us. All the partners we work with closely help us succeed together. And it is our investors that believe in our ambition and help us to achieve it. The environmental challenge and the quest for meaning at work require us to switch the focus to what really matters and to move the world forward in our own way: responsibly, boldly and together. The challenges are huge, but we have all the tools we need to overcome them and set ourselves on the right path toward an inspiring future. That's our corporate purpose.



**Didier Kayat**  
Director  
and Chief Executive Officer

## CSR INTERVIEW

# OUR STRATEGY IS BASED ON THE STRENGTH OF THE COLLECTIVE



**Sophie Pardi**  
Group CSR Manager

## How is CSR integrated into the decision-making of the Daher Group and of each division?

The notion of Corporate Responsibility has long been part of Daher's DNA, but structuring our CSR approach and strategy and highlighting the priority themes has allowed us to integrate them into our various businesses. CSR is not an activity in itself, but rather a way of running our businesses, whatever they may be. The corporate purpose was built to serve as an overarching guide. The corporate purpose and the pillars of the CSR strategy provide a framework within which decisions can be made. One of the most striking examples is the way in which Daher chose to manage the health crisis, and then the social crisis: with great care for all human aspects, in terms of health, psycho-social risks and workplace quality of life.

## What have you implemented to support operational staff?

The entire management team is committed to ambitious ESG objectives. Roadmaps have been designed with this in mind for business departments, and regular dashboards are sent to operational departments to monitor key performance indicators. The results also have a financial impact, as certain criteria (CO<sub>2</sub> emissions, accident frequency rate with lost time, number of female executive managers, etc.) are taken into account in the interest rate of our EuroPP 2021 bond issue.

## How do you promote CSR at the Group's sites?

This varies according to the needs and commitment of local management. Some sites have been on board since its launch in 2018, while others are just getting started. This creates a real dynamic between sites and genuine solidarity. The most important thing is to start with needs, which can be very different depending on the business, the customers, the history of the site and its management... and to spread the CSR culture!

## CSR ambassadors play a key role

They are an essential link! Since 2018, the community has been growing, to cover all businesses and regions. As a team, each and every ambassador is committed to leading CSR themes in the field in collaboration with management, but also in their respective businesses and with their department. They are my go-between for the various sites.

## How would you assess these first four years?

Four years is a short period time... but although during this period we have lived through a global pandemic and a war in Europe, we have "profited" from an absolutely incredible catalyst effect. Many systems have been developed during the crisis to respond to the urgency of dealing with such issues at the right level and in the best way. Most of them have been a success as they are in line with CSR best practices, particularly with regard to partnerships with all our stakeholders. We really wanted to integrate CSR expectations into the business roadmaps.

**Do you think that the way governance bodies view CSR has changed?**

After four years, there is no question about the usefulness of CSR; it is even an integral part of our corporate purpose and the new strategic plan. The Governance Committee, which reports to the Board of Directors, is responsible for orienting and approving the priorities of Daher's CSR strategy. When a company bears the name of the shareholder family, responsibility, in the broadest sense of the word, is twofold, for the group and over the long term. The Executive Committee participates in the CSR Committee every quarter and is very careful to ensure that ESG performance management rapidly matures, with the conviction that financial and ESG performance boost each other.

**Beyond Daher employees, how are CSR factors addressed with your partners?**

CSR flourishes in an ecosystem where there are a multitude of external stakeholders, and Daher serves as a link in a complex supply chain. We therefore need to involve both upstream stakeholders – our suppliers – and downstream stakeholders – our customers – without forgetting our regions and our financiers. With our customers or future customers, it means meeting their expectations, but also being proactive in order to make CSR a real differentiating factor. With our suppliers or future suppliers, it means being both an ideal and demanding partner. With others, it is about developing balanced, credible and solid relationships.



*The corporate purpose and the pillars of the CSR strategy provide a framework within which decisions can be made.*



**THE CSR STRATEGY** *Shaping the future together*

**3 commitments** and 12 challenges to become a sustainability leader of tomorrow's industry



**Challenges**

- Developing employee and management commitment
- Ensuring diversity and fairness
- Ensuring the long-term future of our shareholder governance and the transparency of our family-based model for responsible capitalism
- Boosting cohesion between employees and shareholders



**Challenges**

- Improving the employability of our employees
- Increasing dialog with stakeholders in our host countries and regions
- Strengthening our responsible procurement commitment
- Integrating CSR into our business lines, products and services as a source of added value for our customers



**Challenges**

- Improving employee health and safety
- Minimizing our environmental impacts
- Respecting business ethics and combating corruption in all its forms
- Ensuring the safety of our products and services, and the security of our data

# CSR AT THE SERVICE OF DAHER'S GLOBAL AND NON-FINANCIAL STRATEGY

At Daher, the CSR strategy – and in particular sustainable development – contributes to the Group's sustainability. It ensures that the external positive and negative influences of its business activities are comprehensively and responsibly managed. This integrated approach therefore involves managing risks and opportunities, whether operational or strategic, financial or non-financial.

More than just words, actions are what make this CSR strategy a real tool for improvement for the Daher Group. Here you can find all the initiatives that drove the three CSR pillars in 2022.

## Identified risks, CSR responses: perfect coordination

### • Loss of human capital/Demotivation/Workforce unrest

>>> The WQL roadmap emphasizes social dialogue and the continuous improvement of working conditions

### • Skills gaps and lack of expertise

>>> The Strategic Workforce Planning system helps to better anticipate developments

### • Violations of human rights and environmental protection violations in our upstream supply chain

>>> A supplier code of ethics and Daher's constant vigilance require compliance with essential social and environmental laws

### • Threats to employee health and safety

>>> The application of a Safety Policy and the roll-out of the Safety@Work program improve conditions for all operations

### • Environmental impact

>>> The implementation of an environmental policy guarantees full regulatory compliance, monitoring of environmental indicators, and the achievement of continuous improvement based on clearly defined priorities.

### • Societal and environmental acceptability of our business activities

>>> The first Climate Strategy allows us to structure our responses to the diffidence surrounding our activities, with a high level of commitment to a low carbon policy.

### • Damage to the Group as a result of internal/external fraud

>>> The Code of Ethics and Good Conduct recalls the need for managers, employees and suppliers to adopt loyal and honest conduct.

## Combining risk management with CSR strategy

Daher has based its CSR strategy on the identification of ESG risks in order to minimize the negative impact of its business. With its CSR strategy, the Group also wants to maximize its positive impact.

This table summarizes the alignment between ESG (non-financial) risks, CSR issues, policies and key performance indicators.

Non-financial risks	Challenges	Policies	Performance indicators
Loss of human capital/ Demotivation/Workforce unrest	Employee and management commitment	Foundation formed by current agreements	Absenteeism rate
	Increasing the presence of women in top management roles	Equal Opportunities Guide	Women as a percentage of all executive managers
Skills gaps and lack of expertise	Improving the employability of our people	Employment and Career Management (GEPP) agreement	Percentage of employees completing at least one training program
Violations of human rights and environmental protection measures in our upstream supply chain	Strengthening our responsible procurement commitment	Responsible Procurement Policy	Percentage of the Procurement community trained in the duty of care
Threats to employee safety	Improving employee health and safety	Health and safety policy	The lost-time occupational accident frequency rate
Environmental impact	Minimizing our environmental impacts	Environment Policy	Percentage of employees working in ISO 14001-certified facilities
Societal and environmental acceptability of our business activities	Minimizing our climate impact	Climate Strategy	Scope 1 & 2 CO <sub>2</sub> e emissions
Risk of damage to the Group as a result of internal/external fraud	Respecting business ethics and combating corruption in all its forms	Code of Ethics and Good Conduct	Percentage of executive managers and exposed persons trained in business ethics



## CONSULTING WITH STAKEHOLDERS TO CONDUCT A MATERIALITY ANALYSIS OF CSR CHALLENGES

At the end of 2018, Daher introduced a mechanism to analyze CSR challenges by inviting input from its internal and external stakeholders, thus establishing an initial materiality analysis. This analysis enabled Daher to compare the risks it faced with the expectations of its stakeholders to gain a better understanding of shared challenges and identify any misalignment.

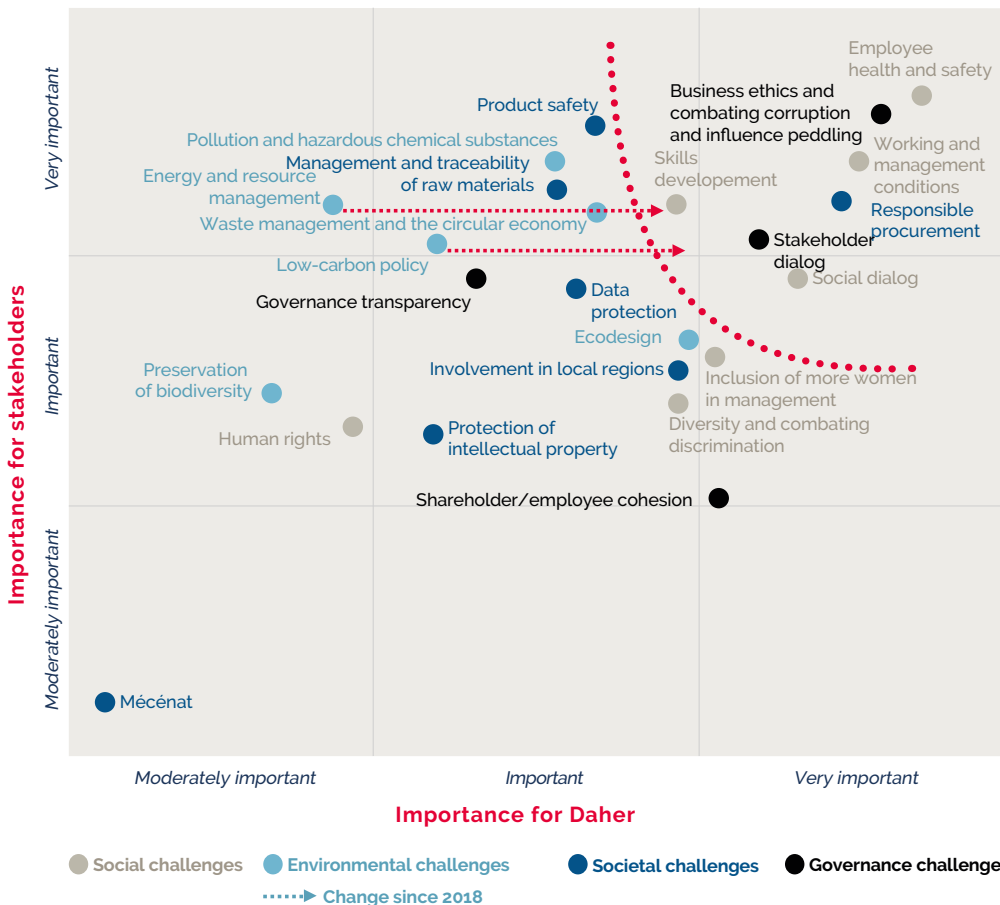
**Working together in this way, Daher and its stakeholders were able to identify seven priorities:**

- four employment issues (employee health and safety, working conditions and management, social dialogue and skills development);
- two governance issues (business ethics, stakeholder dialogue);
- one societal issue (responsible procurement).

In 2021, we stepped up the level of dialog with our key customers through proactive communication around our CSR challenges to gather their feedback and learn their priorities on an annual basis. This dynamic approach to customer

relationships has confirmed the importance and prioritization of the challenges addressed by our "Strengthen our Responsible Procurement" and "Minimize our Environmental Impacts" policies. Represented by the Governance Committee, the executive management team and shareholders have reiterated the priority of the latter policy by approving a Climate Strategy. Since 2020, employees have been consulted at least annually via our quality of life and working conditions survey to ensure that the major trends in their feedback are taken into account in the One Daher roadmaps.

This materiality matrix will be reviewed in depth from the viewpoint of the European CSRD (Corporate Sustainability Reporting Directive), concerning the non-financial information that must be disclosed by companies. This text will enter into force on January 1, 2024 for reporting published in 2025 (for companies already subject to the non-financial reporting directive).



**Societal and environmental acceptability of our business activities**

This risk has its roots in negative public opinion on the subject of air travel and the industrial manufacturing model as a result of their combined carbon footprints. The continued roll-out of the Climate Strategy, as well as the importance of the decarbonization challenge taken into account in the development of the new strategic plan, has enabled Daher to structure its responses and the level of commitment required to implement a low-carbon policy that covers not only operations at all its sites, but also purchases, employee mobility and its products and services policies.

The materiality matrix shown is currently being updated. It therefore does not fully reflect, at this time, all stakeholder expectations and their level.

# STRATEGIC GUIDELINES

## TAKE OFF 2027: A NEW STRATEGIC PLAN TO THINK BIGGER



A roadmap linking the present and the future, the "Take Off 2027" strategic plan charts the Daher Group's course for the next five years. This essential stage in the company's history aims to involve all employees, customers and partners in a new collective dynamic, in line with the previous strategic plans.

### Thanks to the previous strategic plans:

- We have become an industrial company
- We have accelerated our growth and achieved critical mass
- We have become a robust champion, responsible, innovative and readable
- We have become a North American player and a benchmark for innovation and digital technology in our markets

### Taking off into another dimension

With "Take Off 2027," our ambition is to become a major profitable international company developing four complementary businesses.

We already have (almost) everything a large company needs:

- more than 10,500 employees in 13 countries;
- revenue of €1.3 billion (25% of which is generated internationally);
- a rich history of 160 years of challenges met with success.

But to truly achieve this, we must:

- ensure structural profitability in all our businesses;
- instill a common, results-oriented management culture;
- continue the international expansion of our organization;
- continue to demonstrate our determination to innovate and decarbonize.

### The result of collective reflection

Nearly one hundred employees, as well as customers, partners and shareholders, came together to build a strategic plan to meet the challenges of the coming years. This collective work, which took over 18 months, divided in three stages, establishes the guidelines that will contribute to the success of the planned transformations:

- Gathering of feedback from stakeholders on their perceptions in order to identify the Group's strategic strengths and weaknesses, and to determine the changes and expectations of our markets;
- Creation of working groups, with nearly 100 Daher employees, in charge of developing concrete proposals to chart a strategic course and transform the company, in particular concerning the areas of improvement identified (competitiveness/profitability, decarbonization, product/service innovation, HR model and corporate culture, etc.);
- Preparation by the executive committee of a summary, with choices made, which was then submitted for validation by the governance bodies.

## COMPLEMENTARY AND MUTUALLY ENHANCING BUSINESSES

**Aircraft manufacturing** encompasses all the Group's expertise: design, manufacturing, assembly, supply chain management, logistics, maintenance and repair.

It is the laboratory for our innovations in our other businesses, serving the aerospace industry. As part of major collaborative research projects, we make our aircraft available to large aircraft manufacturers in order to test the technologies that will make tomorrow's aerospace industry more efficient and eco-responsible.

The legitimacy of our **industrial manufacturing** business is based in part on our work as an aircraft manufacturer.

Being an aircraft manufacturer allows us to exchange ideas peer-to-peer with our major aerospace customers: we understand their challenges and constraints, and we know how to be proactive.

For our aircraft buyers, the lifespan of the aerospace programs for which we work is a testament to our longevity and to our long-term

commitment to the aerospace industry.

The **industrial services** we provide allow us, by definition, to combine our manufacturing and services expertise, getting directly involved in our customers' production lines or "ex situ." This activity opens up new opportunities both in terms of revenue and business development (new customers) while strengthening our proximity to our existing customers.

A historic business, **logistics** is a true cornerstone of the Group. Guaranteeing the success of any industrial project, it is based on skills that Daher has been developing since its founding: management and optimization of all or part of the supply chain, flows and life cycles of major industrial programs, etc. With its status as the European leader in aerospace logistics, Daher has been able to open doors to other demanding industrial sectors (rail, space, energy, etc.).

## A CLEAR ROADMAP

The "Take Off 2027" strategic plan defines the transformations that Daher must undertake to meet these objectives.

### 1 imperative

- **Improve economic performance** in order to ensure the longevity of a 160 year-old company, to bolster our competitiveness in serving our customers, to invest in human capital and to strengthen our ESG performance

### 3 challenges

- **Transform its managerial culture** by transitioning toward a results-based culture (Daher Leadership Model) and recognition for the talent and expertise of the Group's employees
- **Innovate for its customers and to decarbonize** by inventing the products, services and processes of tomorrow for each of its businesses; a challenge at the heart of the mission of the three tech centers launched in 2022 (Log'in for logistics, Shap'in for aerostructures, Fly'in for aircraft)

- **Integrate and develop its acquisitions:** Kodiak, to duplicate the success of TBM and launch a hybrid aircraft; the Stuart plant, to make structural assembly one of the pillars of its industrial offer; KVE Composites Group, to secure its technological leadership in composites; and AAA, to develop the industrial services business (after approval by the competent authorities).

### 1 accelerator

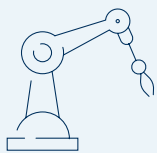
- **Make Daher visible and known:** to better promote the robustness offered by its complementary industrial and service activities and the longevity of its family business model since 1863.

# 4 BUSINESSES WITH WELL-DEFINED OBJECTIVES FOR 2027



## AIRCRAFT

- >> Become **one of the leaders in the general aviation market**
- >> Continue developing **Kodiak** and **TBM**
- >> **Launch a decarbonized product** by 2027 and finalize the Decarbonization roadmap
- >> **Develop services**



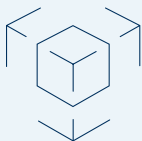
## MANUFACTURING

- >> **Develop assembly**
- >> Increase the share **purchased to 70%**
- >> **Make its dual source systematic** (internal and/or external)
- >> **Limit risky developments**



## INDUSTRIAL SERVICES

- >> Become the Group's **4th business**
- >> **Develop this area** as a business in its own right



## LOGISTICS

- >> **Renew** development contracts
- >> **Develop revenue** in the United States



P.30 < **BOLD IN ACTION,  
A PRINCIPLE AT DAHER**

P.34 < **2022 ACTIONS**

# BOLD

Since its founding, Daher has believed in a bold approach in order to **tackle all challenges**, to bounce back from a crisis, and to write new pages in its history book. **Its agility** allows it to be daring, keeping it constantly one step ahead: from **research** on new, more efficient materials to the **creation** of collaborative innovation tech centers; from **strategic acquisitions** to the launch of new products and services...

**Daher has once again demonstrated its bold spirit in 2022.**

## INTERVIEW

# BOLD IN ACTION, A PRINCIPLE AT DAHER



**Cédric Eloy**  
Deputy Chief Technology  
Officer

## Innovation is one of the cornerstones of Daher's strategy. What are the major successes that have propelled the Group to the top?

**Cédric Eloy:** More so than technology, I would say our Governance model, with the involvement of the family, is the most decisive innovation. This model has allowed the company to make strategic changes effectively. The evolution in our businesses, our international expansion, our acquisitions in the 1980s... all these operations were successful because they were supported by agility and guided by a long-term vision.

Our business model – in which services are a central part – is also what makes us special. One example is our aircraft cabin fitting service, which includes right up to installing all the coverings and integrating the cabin baggage compartments.

**Sébastien Leroy:** This model has been serving the technological innovation of our R&D activity carried out since 2006, as well as the innovation of our business models. Daher has developed a multi-stage operational strategy to move forward in this scope. 2014 marked a turning point with the creation of DaherLab, a passionate team that leads and directs open innovation (collaborative innovation) within the Group. The DaherLab also acts as a true interface between Daher and the innovative ecosystems around us, in order to detect and quickly test innovative solutions (proposed in particular by start-ups) that meet our challenges of accelerating the improvement of our products, processes and services and of decarbonization. As for R&D, we have significantly ramped up our participation in CORAC since 2020. Today, we sit at the table of the biggest companies in the industry, such as Airbus, Dassault Aviation, Safran and Thales; but above all, we serve as the representative of the general aviation sector to various institutions. We are currently involved in 18 CORAC R&D projects, 8 of which we are leading.

## How is innovation incorporated into the products and processes?

**C.E.:** Our challenge is often to adapt innovations to our many specific characteristics. For example: the digital twin of the warehouse, which is automated, must be able to incorporate the heterogeneity of our products, which vary greatly in size and weight. Of course, the economic equation can be less favorable than in a more traditional activity such as retail: we must therefore have the capacity to find efficient processes in relation to our businesses.

**S. L.:** The open innovation that we practice is precisely to avoid having to redevelop innovations from scratch that are already mature in other business sectors. It is then just a matter of pivoting it to suit our use cases. It's a win/win approach because it allows the start-ups/scale-ups with which we work to open up to our market, which they had not necessarily identified or which they had trouble entering. As such, they benefit from our support and our business knowledge to tailor their solution to the operational reality.



*We have succeeded in anchoring innovation into Daher's culture.*



#### How did innovation find its place at Daher?

**C.E.:** With DaherLab, we succeeded in integrating open innovation into Daher's culture. The hackathons, or rather "aviathons," organized with the Aircraft division are a good example of Daher's ability to take a bold approach. Backed by our governance structure, we created the Armstrong by Daher team, which was dispatched for several months to an innovation center in Silicon Valley — a fruitful and inspiring initiative that allowed us to gain maturity in our connection with the tech ecosystems and the stakeholders that comprise it, but also to anchor a culture of innovation within the Group.

**S. L.:** We have thus transitioned our open innovation process, beyond PoC (proof of concept) to roll-out, hand in hand with all business lines. It is not until an innovation is rolled out that it can deliver its full value.

**C.E.:** This progress is also due to opportunities that we were able to seize at the right time. R&D in thermoplastics began with the acquisition of the Nantes plant in 2009. The integrated process was not yet mature, but we took on the challenge of the Airbus "Wing of Tomorrow" program, which required making progress on these materials. The work paid off and we were able to design primary wing structures. As a result, the recognition of our skills has opened new doors for us to produce more complex parts, with the potential for future profitability.

**S. L.:** Lastly, the health and social crisis of 2020 forced us to rethink our innovations along with the way we innovate – and work. The solutions rolled out must be ethical, simple and inclusive by design. Awareness of this has been raised throughout the entire value chain.

#### What are some of the notable developments over recent months?

**S. L.:** 2022 was a fruitful year for the aerospace and mobility industry in the broadest sense, thanks to the reopening of the world; but it was also a complex one, with war on Europe's doorstep and palpable geopolitical and social tensions. Industry players have realized that they must work together, learn from others, and openly innovate if they want to remain leaders or even survive.

The launch of the Log'in, Shap'in and Fly'in tech centers is a step in this direction, bringing innovation closer to operations and geographical and sectoral ecosystems. Log'in is a perfect example of the group's bold approach in terms of new open innovation models: dedicated to the logistics of tomorrow, this space located in the heart of one of our logistics hubs in Toulouse offers an open technical hall to allow start-ups to experiment with their productions in a real environment, with co-working spaces and an associated training center. It is a real safe space for industrialization and discussion, open to others, regardless of their size and sector of activity (agri-food, railways, aerospace, space, cosmetics, etc.), all founded on the basis of a unique public-private business model between the French government and the Occitanie Region. With high expectations for decarbonization solutions, Shap'in (for the aerostructure business) and Fly'in (for aircraft) will operate on complementary models.

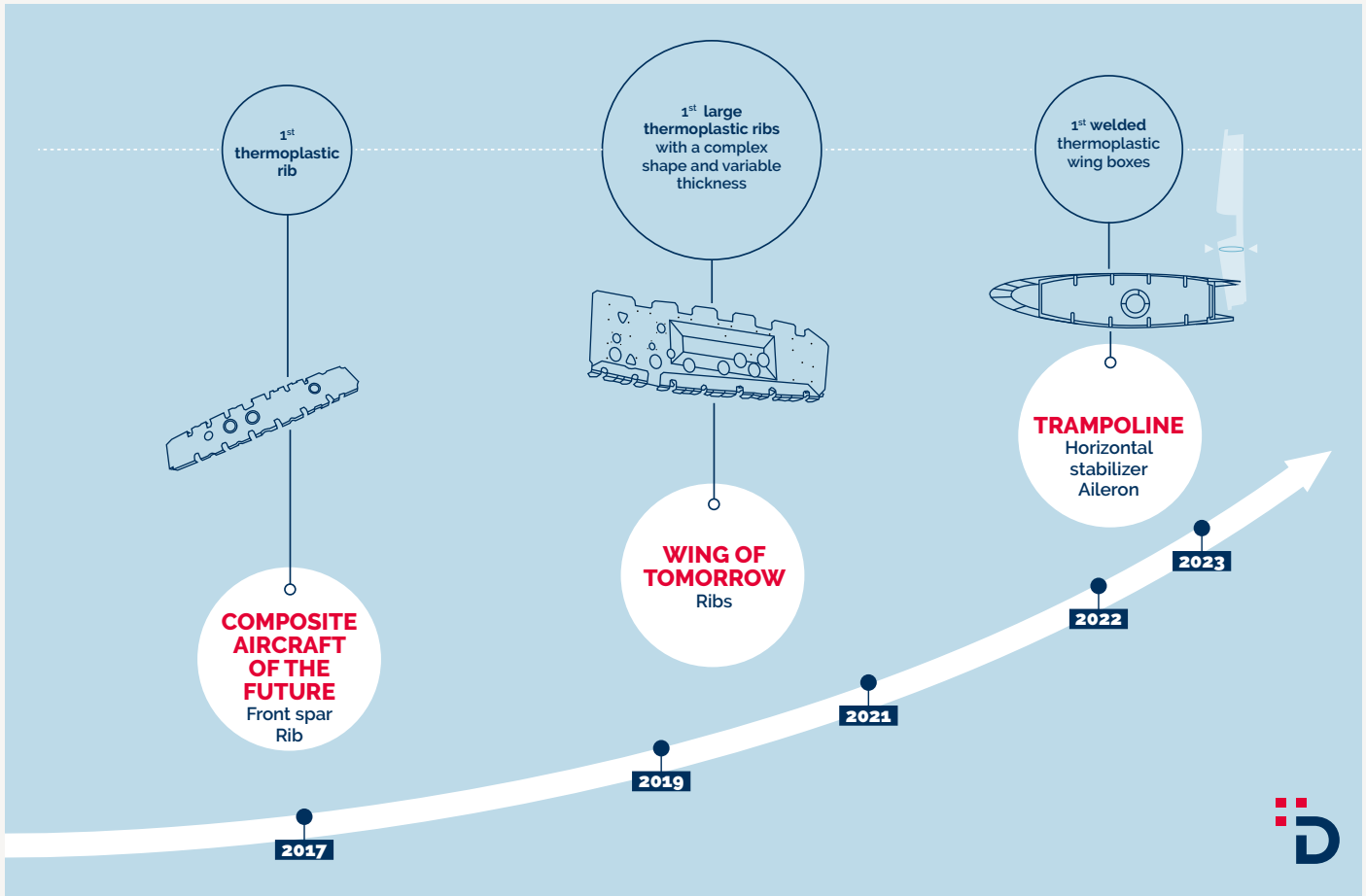
**C.E.:** In addition to these centers, Daher has continued to make progress as a group. In recent years, the Me & My TBM application was developed from a successful DaherLab project. Increasingly efficient, it now supports pilots with a variety of useful data, particularly on the quality of their approach during landing. Organized every year, the "PoC Together" gives the field a voice in order to find solutions for continuous progress — because it is only by working together, supported by dynamic and committed internal and external communities, that innovation can be transformed. The momentum is clearly here for the long term.



**Sébastien Leroy**  
Chief Open Innovation  
Officer

# THERMOPLASTIC

A METHODOICAL SERIES OF R&D PROJECTS TO INCREASE MATURITY



Daher devotes a large part of its R&D budget to thermoplastics. This material is particularly promising in the world of aerostructures. It lends itself more easily to manufacturing automation (**speed challenges**), and it is **recyclable, repairable and weldable**. Its mechanical properties allow less material to be used and lighter structures to be built overall. These are key qualities for reducing carbon emissions. This is why Daher is making all efforts to accelerate the development of concrete applications, for the benefit of its customers:

- After more than three years of R&D work, Daher has succeeded in using **recycled high-performance thermoplastic composite** production scraps to manufacture rudder pedals for the TBM. Even better, the certification received allows them to fly. "With this project, we wanted to show the possibilities and interest of recycling thermoplastic scraps for the aerospace industry and thus provide an answer to some of the environmental challenges it faces," explains Julie Vaudour, head of R&D. Lightweight, more comfortable due to low heat conduction, with equal or even better physical-chemical and mechanical properties... Daher customers even come out ahead. In addition to its environmental benefits, the cost of the part is significantly lower compared to metal machining.

- Daher obtained the first results of an R&D project called "CARAC TP," conducted in collaboration with a number of academic laboratories specializing in composite materials. The aim: **to identify and characterize the thermoplastic composites best suited to aerospace applications** and compare them to thermoset materials. The project will allow us to study materials in depth through multiple tests that go beyond the scope of the qualification programs conducted in the industry: impact resistance, fire resistance, environmental aging (ozone, UV, fluids), impact of manufacturing processes on physical and chemical properties, material performance, etc. "The knowledge gained from the project will enable us to influence and motivate our aircraft manufacturer customers and to be at the forefront of the thermoplastic and thermoset materials we recommend according to their application," explains Charles Naejus, lead mechanic on the project.



## Overview

## ÉCOPULSE



3D view of the EcoPulse demonstrator

A particularly innovative project, prestigious partners, aiming for decarbonized aviation... This is the exciting challenge that Daher is taking on with EcoPulse. This ambitious project is being conducted alongside two aerospace industry heavyweights: Safran and Airbus. Unveiled at the 2019 Paris Air Show, EcoPulse is a distributed hybrid-propulsion aircraft demonstrator. Based on a light aircraft platform supplied by Daher, the system includes six electric engines distributed along the wings. It is one of the most significant collaborative projects that the French aerospace industry has seen to date. Supported by the French Civil Aviation Research Council (CORAC), the three manufacturers are working closely together to ensure the success of this demonstrator, which is a precursor of the commercial aircraft of tomorrow.

## Key figures

## BIOFUELS

Since the end of 2022, all pre-delivery operations on the TBMs and Kodiaks (flight tests, etc.) have been carried out using Sustainable Aviation Fuel (SAF). This choice aids in the transition to low-carbon aircraft, as this type of fuel reduces CO<sub>2</sub> emissions by up to **80%** compared to fossil fuels over the entire life cycle.

MORE RESPONSIBLE  
PACKAGING

Daher is pushing its main supplier Raja to offer increasingly innovative, ergonomic and eco-responsible solutions; for example: 100% recyclable brown paper tape, used in logistics activities instead of scotch tape. The share of eco-responsible packaging products reached **65%** in 2022 (52% in 2021).



## Spotlight

Faced with environmental challenges, and in accordance with its corporate purpose, Daher is active on all fronts in order to be **firmly and actively aligned with the aerospace industry's path toward decarbonization**. For more than ten years, Daher has taken environmental issues into consideration in its R&D and innovation roadmap. The main R&D and innovation projects underway at Daher, particularly those in conjunction with CORAC, focus on **three main areas**:

- **la propulsion** (hybridization, electric, fuels, etc.);
- **reducing the weight of aerostructures** with the use of thermoplastic composites, for example:
  - in conjunction with CORAC, Daher is piloting France's largest research project today in thermoplastics: TRAMPOLINE 2 (TheRmoplAstic coMPosite for hOrizontaL tall plaNE) + induction welding vs. riveting (reduces weight by 15%);
  - the reuse of thermoplastic scraps.
- **optimizing** the shape of aircraft.

# 2022 ACTIONS

## 2 NEW AIRCRAFT IN 2022

**2022 was another huge year for Daher as an aircraft manufacturer, with the launch of two new aircraft: the TBM 960 and the Kodiak 900.**

### **TBM 960: technology at the service of customers**

With the TBM 960, announced on April 6, 2022 in Lakeland, Florida, Daher is bringing its pressurized single-engine turboprop aircraft into the high-tech era. This sixth aircraft of the Group (fifth turboprop) further improves the qualities that have given the TBM range its reputation: efficiency, safety and comfort.

In terms of digital technology, it is a leap forward:

- its electronic system controls the engine and propeller with precision, for more responsible consumption;
- the human-machine interface has been simplified;
- safety has been optimized with the Garmin GMX 8000 doppler weather radar and Homesafe™, the latest-generation automatic emergency landing system developed by Garmin and adapted to the TBM by the Aircraft division and the aircraft systems department;
- its "Prestige" cabin, equipped with ergonomic seats, offers lighting (LEDs, dimmable windows, etc.) and thermal comfort regulated by digital controls.

Thanks to its new electronically controlled engine (Pratt & Whitney Canada PT6E-66XT), the TBM 960 remains efficient with a moderate fuel consumption of 216 L/h.

"The TBM 960 makes the most of technology to reduce its environmental footprint," commented Didier Kayat, Chief Executive Officer of Daher, at the presentation of the model. It is a perfect example of our determination to develop low-carbon products and position ourselves as a leader in the more efficient and eco-responsible aviation industry of tomorrow."

### **Kodiak 900: redesigned aerodynamics to reduce its carbon footprint**

New aerodynamics, a longer fuselage, a larger cabin with 20% more volume and multi-directional "Summit+" seats, superior performance and practicality: the new Kodiak 900 carries on the DNA of the robust Kodiak 100 in an improved version. Like the 100, it retains its role as an STOL (short take-off and landing) aircraft, for its esteemed versatility (seats that can be removed, cargo nets, three access doors, etc.) in transporting both passengers and freight or small packages.

With a maximum cruise speed of 210 kts and a range of 1,129 nm, this unpressurized turboprop utility aircraft has what it takes to convince commercial operators. The Kodiak 900 is also fuel-efficient, thanks in part to its aerodynamic features, which help reduce its carbon footprint. The aircraft consumes 9% less fuel than its competitors, reducing the cost per seat kilometer and direct operating costs.

Produced at Daher's Sandpoint (Idaho) plant, the Kodiak 900 was officially announced on July 25, 2022 at AirVenture Oshkosh.



Key figures

**1,100<sup>th</sup>**  
**TBM delivered**

The family of high-pend turboprop aircraft, which has been steadily evolving since its launch in 1990, passed this symbolic milestone in October 2022, boosted by the success of the TBM g60. It was in fact with this model that we hit this record, with a purchase by Bruce McCollum, an active private pilot and already the owner of two TBMs.

Overview



In September 2022, Daher opened a **new regional headquarters in Berlin**, once again confirming its desire to expand internationally. The purpose of this project is to accelerate the Group's development in the field of industrial logistics in Germany and Austria, where nearly 1,000 people are currently employed by Daher.

Daher inaugurated the **next-generation Airbus Helicopters facility** in Tremblay-en-France. With a surface area of 13,000m<sup>2</sup>, it is dedicated to logistics and maintenance activities. This joint action reflects Daher's status as a privileged partner in the logistics transformation of Airbus Helicopters.



Spotlight

**10 YEARS OF EFFICIENT LOGISTICS ON THE ITER PROJECT**

Daher and ITER celebrated their tenth year of collaboration in 2022. This is a great source of pride for the Group, which is responsible for all the logistics of the largest international scientific project today: the construction of the thermonuclear experimental reactor at Cadarache, the objective of which is to lead to the industrialization of nuclear fusion as an energy source.

For Daher, this project is a real challenge as it involves coordinating the transport of millions of reactor components from the various production sites (in 7 member states and 35 partner nations) to the construction site. The most sensitive and/or XXL-sized items require exceptional organization for safe transport. "We are in charge of packaging, transport, insurance, customs formalities and delivery to site," explains François Genevey, ITER project manager at Daher. Since 2015, these tasks have been supplemented by logistics management on the construction site with "the receipt of the components, their storage on site, their preservation during storage, their quality control during removal from storage, and their delivery to the construction line. We also take care of inventory and IT management operations." In total, 80 Daher employees (in engineering, logistics services or risk management) are involved in this project of the future.



In 2024, more than 10 million components, including some XXL-sized items, will have been transported by Daher to Cadarache from 35 countries

## Spotlight

# ACQUISITION OF THE STUART PLANT:

## THE FAMILY IS GROWING AND SO ARE OUR AMBITIONS



July 1, 2022 marked the end of the process of acquiring Triumph's metal aerostructure plant in Stuart, Florida. This strong move shows Daher's ambition to expand in North America: "Our goal is to make Daher a Franco-American company with 50% of its revenue in Europe and 50% in America," said Didier Kayat. "By integrating Stuart into our operations – following the acquisition of Kodiak in the US in 2019 – we are well on our way to achieving this balance."

And with acquisition comes integration! The approximately 400 employees of the plant officially joined the Daher teams during a Welcome Day on July 6. Chief Executive Officer Didier Kayat, members of the Executive Committee, and Daher employees were on hand to present the company, with an orientation kit for each new employee (welcome booklet, shirt, cap, backpack, notebook, etc.).

### Credibility that opens up new opportunities

With Stuart, Daher has become – for the very first time – a Tier 1 supplier to Boeing, Stuart's main customer, thanks in particular to its skills in the design, manufacturing and assembly of large metal parts. A partnership that is destined to last, as Jeff Hanley, Boeing's Director of Supply Chain Strategy, added: "Daher is a world-class aerospace company in its own right. By taking over this important part of our supply chain, it now has the full confidence and support of Boeing."

A press conference was held on the same day and broadcast on the Internet, seeing attendance from a very large audience of journalists.



## Spotlight

### The logistics business is reducing its carbon footprint

Daher relies on innovative solutions to reduce the environmental impact of its production logistics business:

- artificial intelligence to optimize the energy consumption of buildings (with the start-up Kipsium) or storage spaces (with DC Brain), with a view to increasing density, reducing surface areas and thus limiting the environmental impact of activities;
- more eco-responsible packaging (biopackaging, recycling, etc.);
- the optimization of intralogistics flows and movements with connected shuttles or indoor and outdoor geolocation;
- the decarbonization of means of transport and handling equipment through the use of alternative fuels such as PUR-XTL, electric engines or lithium batteries.

## Spotlight

# WRITING THE FUTURE OF LOGISTICS



Log'in, the tech center dedicated to the logistics of the future, opened its doors on September 19, 2022 in Cornebarrieu, near Toulouse.

At the inauguration of the 600 m2 space integrated in the Corlog logistics hub, the main partners and stakeholders of the program were present to celebrate the event and discuss the concrete actions to follow, focusing on the three primary areas of the roadmap and the main challenges of the sector: **modularity** and adaptation of the warehouse to needs and changes; more **eco-responsible** logistics operations; and the **role of people** (attractiveness, strenuousness, training, etc.).

Co-funded by Daher, the French Government and the Occitanie/Pyrénées-Méditerranée Region (which are raising €9.5 million in public aid), the Log'in program aims to ramp up the transformation of the sector by meeting the technical, economic, human and environmental challenges in an innovative and collaborative framework.

Log'in gets a variety of players from different backgrounds involved (industrialists, logisticians, institutions, academics, etc.), and this multi-perspective approach has made it possible to establish:

- a **place and means** to experiment with the logistics tools of tomorrow in real conditions;
- **collaborative innovation** projects bringing together SMEs, SMLs, start-ups, universities, partners, customers, etc.;
- a **training** center to meet the challenges of the sector in terms of employability and attractiveness;

- **outreach programs** to bring together key players in the sector, in order to make logistics more attractive and efficient.

One year after its launch, Log'in has the following to its credit:

- collaboration with start-ups (Kipsum, Pickeos, Ellona, Easysmile, Tilkal and e-cobot);
- support for collaborative innovation projects (currently around a dozen) on various topics such as ergonomics, safety, digitalization, automation, eco-responsibility, etc.;
- the launch of a first set of training courses on the professions of logistics operator, logistics manager and inherent challenges such as ergonomics;
- Log'in service offers (support for the transformation of SMEs and medium-sized companies, support for start-ups, training via the Qualiopi-accredited training center).



Inauguration of Log'in on September 19, 2022 in Cornebarrieu • From left to right: Patrick Daher, Chairman of the Daher Board of Directors, Carole Delga, President of the Occitanie/Pyrénées-Méditerranée region, Etienne Guyot, Prefect of the Occitanie region, Prefect of Haute-Garonne, Didier Kayat, Chief Executive Officer of Daher

## THE 3 TECH CENTERS



### Log'in, the acceleration platform dedicated to the logistics of the future in Toulouse

Located at the Daher site in Cornebarrieu, near Toulouse, the Log'in tech center brings together a variety of resources – both human and equipment – intended to respond to the challenges of the logistics sector, in an approach of eco-responsibility and excellence. Co-funded by Daher, the French Government and the Occitanie/Pyrénées-Méditerranée Region, the program aims to ramp up the transformation of the sector by meeting technical, economic, human and environmental challenges in an innovative and collaborative framework.



### Shap'in, the tech center dedicated to the aerostructures of the future


Located in the immediate vicinity of the Daher plant in Saint-Aignan-de-Grandlieu, the objective of Shap'in is to accelerate the innovation and technological maturity of aerostructures made of advanced composites for the aerospace industry. The project aims to directly and effectively meet the technical, economic and environmental challenges faced by the industry, while also providing training for our young talent.



### Fly'in, the aircraft tech center

Located at the Daher site in Tarbes, Fly'in will be dedicated to the development of Daher's aircraft manufacturing business. It will include a materials laboratory, rapid prototyping workshops, mechanical engineering and systems integration test facilities, test flight preparation and operation, and other facilities. There are multiple expected benefits in terms of innovation, technical expertise, security and confidentiality.



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# RESPONSIBLE

From the **decarbonization** of our business, to the **safety** and health requirements of our employees, all the way to product safety and business **ethics**, we are fully committed to accelerating our **CSR strategy** and integrating it into all our operations. Our **responsibility** as a company is at stake, as is our **financial performance** in a world where decision-making and CSR can no longer be separated.

**To achieve this, we rely on individuals with the same convictions – such as our CSR ambassadors – to innovate, improve our processes and make even more headway in the direction of progress.**

## INTERVIEW

# PERFORMANCE AND CSR ARE INEXTRICABLY LINKED



**Aymeric Daher**  
VP Strategy,  
M&A and  
Customer Relationship

## Why is the CSR strategy so important at Daher?

As a family business, the Daher Group has a strong attachment to passing down values; values that are found in certain elements of CSR. For example, we are very attached to the regions in which we operate. The company clearly has a social and ethical responsibility in these areas. We therefore pay close attention to our CSR approach, which is reflected in every decision we make, for each business line and at each site. The same goes for our procurement policy, since these matters of responsibility are reflected in the contracts we sign with our suppliers. For example, we have a target of 95% of supplier contracts that include a CSR clause. More and more of our customers are doing the same, and that's a great thing. ESG performance is, and will always be, more closely linked to our commercial success and financial performance.

## Daher is focused on responsible capitalism. How do these two concepts work together?

Responsible capitalism is one of the pillars of our corporate purpose. Our aim is to ensure the company's sustainability, in particular through its financial performance. This is a prerequisite for having the means to perpetuate the values in which we believe and with which our employees identify. Responsible capitalism involves the notion of the "long term," which allows for financial investments and societal commitments with a real vision. This long-term vision allows stakeholders to come together around a corporate project. These CSR commitments are also key in retaining our employees and attracting new talent, and therefore in our performance. As for the shareholders, it is a source of pride to have a company with human values that are hallmarks of success.

## How does the company intend to meet the challenge of decarbonization?

Daher's climate strategy makes decarbonization a priority. For Daher, this means innovating in favor of our customers and decarbonization. We are determined to move toward more efficiency and moderation in the way we operate our business and in the products and services we deliver. In our manufacturing activities, we seek to work with more lightweight materials, such as thermoplastic. In our aircraft manufacturer activities, we are constantly making improvements to the aerodynamics of our aircraft, and more efficient or hybrid propulsion systems are at the heart of our strategy. Our three open innovation tech centers, Log'in, Shap'in and Fly'in, share a mission: to accelerate our capacity to innovate for our customers and for decarbonization, in order to design the products and services of tomorrow. This is where our future lies!

## And this means taking action together...

That's right. We cannot achieve anything without committed and motivated stakeholders. For our employees and shareholders in particular, we take action at all levels: Fondaher, which brings together family shareholders and employees to build a better world; an organization structured into four divisions that offers clarity and opportunities for gateways into positions or promotions for fulfilling career paths; a recruitment policy that takes the lead on issues of inclusion, listening to the need for work-life balance; and strict monitoring of health and safety issues in the workplace.



# THE 4 POINTS OF THE CLIMATE STRATEGY



1

To work on **reducing our operational emissions** (Scope 1 & 2) in line with the Paris Agreement (the +2°C scenario)

2

To make the challenge of reducing CO<sub>2</sub>e emissions (Scope 3) an integral part of our **mobility and procurement policies**

3

To help reduce **emissions resulting from the use of our products** (Scope 3)

4

To train and inform Daher teams (employees, management, shareholders) about the **carbon performance** of the company and the challenges posed by the climate transition

## 1 common challenge

### Integrating a "low-carbon" approach in all businesses and in all decision-making bodies

In 2023, Daher is aiming to reduce the intensity of its Scope 1 & 2 emissions in France by -5% compared to 2022 (metric tons of CO<sub>2</sub>/revenue) for its own energy consumption. Work is underway to define a carbon trajectory in absolute terms over the duration of the new strategic plan (until 2027).

### Spotlight

## AÉRO BIODIVERSITÉ EXPERT SUPPORT FOR THE TARBES SITE



The mission of the Aéro Biodiversité (Aero Biodiversity) initiative is to assess and enrich the flora and fauna of airports and airfields. Through a three-year renewable contract, Daher is the first manufacturing company to join this association. With the help of volunteer employees, the 54 hectares of the Daher site in Tarbes (including two woods, a stream and several fields) are carefully examined. These preliminary study phases are the initial step before developing an action plan that takes into account the recommendations of Aéro Biodiversité's experts.



**13**  
beehives,

eco-pastures or vegetable gardens/ community gardens are present near Daher sites.

### Spotlight on risks

#### Environmental damage

Throughout its manufacturing and logistics activities, the Group ensures compliance with European rules governing the handling and transportation of hazardous materials and goods. The Group strives to contain and reduce the environmental footprint imposed by its business activities. Its commitment to protecting the environment is integral to Group general policy. The Daher environmental policy guarantees full regulatory compliance, monitoring of environmental indicators and targets, and the achievement of continuous improvement based on clearly defined priorities.

### Spotlight

## PUR-XTL THE BIOFUEL OF TOMORROW FOR DAHER'S TRUCKS TODAY



Transitioning toward alternative fuels for vehicles is one way to reduce our carbon footprint. One of the solutions available today is PUR-XTL.

*"Use of this fuel helps achieve the environmental objectives defined in our CSR strategy,"* confirms Arnaud Joerger,

Transport Director at Daher. Produced from organic waste, this biofuel has been tested since the end of 2021 by Daher's Transport & Projects BU.

These tests were carried out on seven vehicles in Cornebarrieu and delivered positive results. Compared to diesel, CO<sub>2</sub> emissions are reduced by almost 90% and NO<sub>x</sub> emissions by 65%, with equal performance and a range that is still satisfactory. Another significant advantage over other alternatives (electric, biogas, B100 rapeseed) is that the switch to PUR-XTL does not require any vehicle adaptation.

With this positive finding in mind, Daher has decided to expand the use of this biofuel to all the heavy vehicles in its fleet: By 2024, 80% of truck mileage will be traveled using PUR-XTL. This action contributes significantly to the reduction of the Scope 1 & 2 CO<sub>2</sub> emissions that form part of Daher's carbon footprint.

## 2 tanks of PUR-XTL

are planned to refuel Daher's trucks and compensate for the low availability (for the moment) of biofuel at the pump: one 30,000-liter tank at Cornebarrieu has been operational since the end of 2022, and the other at Roissy will be operational in 2024.



## INTERVIEW

# MEETING THE CHALLENGE OF DECARBONIZATION



**Mohamed El Boudlali**

Director of the Tangier plant

## Why does your site participate in Energy Gemba Walks?

We are particularly motivated by the idea of reducing our carbon emissions and our energy bill. This is a crucial issue in Tangier, where most of our energy supply comes from fossil fuels. In conjunction with more or less complex actions requiring varying degrees of investment, it seemed logical to make sure we were well aware of just how much energy we actually need. This is where the Energy Gemba Walk comes in. This on-site approach, designed by Brainergies, highlights rapid energy savings by revisiting production practices in terms of equipment operation, lighting, heating, air conditioning, flow management and handling. Led by the site's trained teams, the Energy Gemba Walk has been easily integrated into our operational excellence practices. It is fully in line with the Group's climate strategy, which aims to integrate a low-carbon approach in all businesses and decision-making bodies. Following our first Energy Gemba Walk in October, we held a large-scale Energy Gemba Walk to bring all teams on board during HSE Week.

## More than an immediate benefit, the Energy Gemba Walk helps develop the company's entire environmental culture

The Energy Gemba Walk will not change the company's entire culture on its own, but it is a responsible approach that is set to be anchored in the company. We will quickly become autonomous and capable of spreading this approach, creating long-term decarbonization habits in our sites. The good news, which was confirmed during the Energy Gemba Walk, is that employees have no shortage of ideas for eliminating unnecessary or non-essential energy consumption, so long as we take an interest in the energy aspect of their work, without making any a priori judgments. Gemba Walks change culture through action.

## How do you intend to create synergies with the other sites involved (Toulouse and Nantes)?

As part of the Energy Gemba Walk approach, Brainergies gives us access to the online Carbon Switch platform. Accessible to all sites that wish to use it – Toulouse, Nantes, and beyond – it allows the various improvement initiatives undertaken to be shared, whether they be solutions or approaches to integrating the right energy needs into our managerial practices. A collaborative platform is an excellent driver of sharing and enrichment.

“

*“The Energy Gemba Walk serves to create long-term decarbonization habits”*

”

Spotlight

## IN PURSUIT OF OPTIMIZED CONSUMPTION OF POWER

Seeking greater energy efficiency is a matter of common sense, both to save money and to preserve the environment. This is why the Saint-Aignan plant decided to analyze its most energy-intensive equipment as part of the ODDICEA project. The analysis revealed areas of improvement for components of the air handling unit (AHU) used to maintain the temperature, humidity and dust levels required by the customer in the composite lay-up room.

An energy-metering kit developed as part of the project revealed that a humidity sensor was the cause of these components going into overdrive. After this analysis, 15% electricity savings were achieved by replacing faulty external sensors and reducing fan speeds. Then, in September, a smart switch (tablet with pre-programmed regulation modes) was added to the AHU in order to lower its speed and reduce the fresh air/air ratio, with an additional 35% savings as a bonus!



Spotlight

## RECYCLING AN AREA OF PROGRESS

Daher is committed to the fight against waste and to recycling the waste it generates. Several awareness-raising initiatives have been implemented, such as "Action contre le Gaspillage Alimentaire" (Action against Food Waste). In collaboration with the CSR service of our partner ANSAMBLE, the quantities of food waste from the cafeteria in Tarbes were measured for one week in October, before being shared with employees — a great way to raise awareness of the efforts that need to be made.

Cigarette butt recycling is also being rolled out through a partnership with MéGo, a company specializing in collecting and recycling them into street furniture. 14 sites (West, South-East, South-West and IDF) have benefited from their expertise.



**-6.6%**

With Efficia's contribution, the Florides platform in Marignane has reduced its energy consumption by -6.6% for electricity consumption by -25% for gas consumption in the final quarter of 2022, compared to the final quarter of 2021

# OUR POLICY FOR RESPONSIBLE PROCUREMENT

## Spotlight

## RESPONSIBLE PROCUREMENT

### AFFIRMING OUR ROLE AS A RESPONSIBLE PARTNER TO OUR CUSTOMERS AND SUPPLIERS



Daher Suppliers' Days

Daher does everything in its power to create an efficient and responsible supply chain, in line with the ambitions set out in its strategic plan.

This responsible procurement policy focuses on:

- **compliance with the ten commitments** set out in the French Responsible Supplier Relations Charter labeling scheme;
- **creating value** with our suppliers by building strong, long-term partnerships;
- **a global initiative** that involves every link in our supply chain.

#### Responsibility as a selection criterion

Since 2020 and the restructuring of the procurement functions, Daher has included CSR criteria in its choice of suppliers. This change – which is not implemented at the expense of competitiveness – resulted from the risk of supply chain vulnerability and logically meets the expectations of customers, as they too are gradually adopting this logic. Responsible procurement is also a vector for manufacturing performance and quality, securely positioning Daher as a

trusted partner, in accordance with the Supplier Relations Charter published by GIFAS at the same time. As a result, 100% of new contracts are fully consistent with the Group's CSR procurement policy. At the time of their renewal, evaluations also take this aspect into account.

#### Promoting the CSR transformation of our suppliers

Daher supports suppliers with a self-assessment of their CSR maturity, covering six main themes: safety management, environmental management, working conditions and employee health, human rights, sustainable development and ethics and responsible procurement. This exercise makes it possible to identify areas for improvement during performance evaluations but also to identify potential risks in relation to the duty of care. In conjunction with supplier performance analysts, buyers now conduct risk analyses by commodity that include CSR aspects.

## Overview

### BUYERS TRAINED TO

## ACCELERATE CHANGE

For CSR criteria to be taken into account by procurement staff, the training they receive on a regular basis needs to be adapted, whether for existing buyers or for new hires (onboarding training). This course raises awareness of the duty of care. The 2023 goal is to train 100% of the Procurement community in France and internationally.

Since the last quarter of 2021, a working group led by the CSR department has been dealing with various topics related to the circular economy. It brings together general-resources buyers of different commodities and CSR ambassadors from several regions. Daher has not yet formalized a global policy covering all seven pillars of the circular economy, but concrete achievements have already been made, such as the launch of the Troc Together platform, which allows sites to make any unused equipment available to other Daher units in order to extend the life of our assets. Buyers can consult this platform before making a purchase.



Spotlight on risks

**Violations of human rights and environmental protection violations in our supply chain**

Any breach of this kind by any supplier or subcontractor has the potential to generate risks that could impact both the company's supply chain and its image. Compliance with social and environmental regulations and laws by Group suppliers requires Daher to adhere to a Supplier Code of Ethics and to exercise due diligence. These approaches are integrated into our Responsible Procurement policy.

**70/100**

This is the ECOVADIS score received by Daher's Responsible Procurement strategy in 2022. A clear improvement since receiving a 40/100 in 2018.

Spotlight

**RFAR LABEL  
RECOGNITION  
OF OUR APPROACH**



On December 21, 2022, Daher was awarded the RFAR (Relations Fournisseurs et Achats Responsables – responsible supplier relations and procurement) label, which recognizes French companies that have demonstrated sustainable and balanced relationships with their suppliers. Some 170 documents were provided for the Daher assessment.

A multi-functional team (MFT) comprising the procurement department, the various professions (including CSR ambassadors) and the CSR department, structured the approach integrated with the Responsible Procurement policy.

With this label, the Group is committed to a three-year improvement plan. More than 150 points are included in the roadmap, which will set the tempo of the period about to begin.

Spotlight

**INNOVATING  
FOR PROCUREMENT**

Customer-supplier collaboration and transparency are means of optimization that are worth developing. Two PoCs have thus been launched by Daher to explore ways to structure the supply chain in the future:

- A partner of Daher, **Tilkal** makes it possible to trace conflict minerals throughout the supply chain by leveraging the blockchain, creating an opportunity to collect and use information of interest to our customers;
- **DCO2** supports voluntary suppliers in measuring their carbon footprint and carrying out a product assessment. This initiative is a response to the decarbonization component of Procurement's Scope 3 emissions.

**Damage to the Group as a result of internal or external fraud**

Our Group places the utmost importance on loyal and honest conduct by all its employees — regardless of status and/or seniority — and partners, in strict compliance with internal procedures and applicable legal measures. Unethical actions (corruption, influence peddling, etc.) may result in financial and/or legal sanctions being applied to the Group and/or its corporate officers, as well as a loss of contracts. The **Daher Code of Ethics and Good Conduct** is the cornerstone of the system implemented to minimize this risk. Training is provided to populations at risk, with the aim of achieving 100% coverage of the international scope in 2023.

In order to protect itself as much as possible against risks, Daher involves all its employees by implementing various internal whistleblowing systems.

They comply with the Sapin II law and are defined in the Group's duty of care plan, in accordance with Articles L. 225-102-4 and L. 225-102-5 of the French Commercial Code, which establishes the means for implementing the duty of care obligation. Any problem or breach of the Code of Ethics (risk of forgery or counterfeiting, threat to the health or safety of people and property, risk of discrimination, or harassment) can thus be reported effectively with a view to its resolution. In such cases, the system progressively informs the line manager, the HR manager, or employee representatives. Then, in the event that the situation is not handled within a reasonable time frame, alerts can be sent to two e-mail addresses, with a guarantee of anonymity and confidentiality, depending on the type of problem encountered.

# DAHER LOOKS OUT FOR ITS EMPLOYEES

Daher has defined its Quality of Life and Working Conditions (QLWC) policy, co-developed with managers and widely shared with elected representatives on the basis of a three-year social barometer.

The objective of the QLWC approach is to “give concrete expression to Daher’s investment in human capital,” given the observation that “being happy in your job and in your company equals presence, performance, and commitment to succeeding together.”

**A human-centric model focusing on four dimensions that form the architecture of our social barometer: Talk'in.**



<b>Workstation &amp; Activity</b>	<ul style="list-style-type: none"> <li>• Safety</li> <li>• Occupational health</li> <li>• Working conditions</li> </ul>
<b>Group and work environment</b>	<ul style="list-style-type: none"> <li>• Cooperation &amp; commitment</li> <li>• Quality of internal dialog</li> <li>• WQL tools</li> </ul>
<b>Company</b>	<ul style="list-style-type: none"> <li>• Leadership &amp; management</li> <li>• Career paths</li> <li>• Attractiveness of the Group</li> </ul>
<b>Ecosystem</b>	<ul style="list-style-type: none"> <li>• Crossing of work and personal life</li> <li>• Integration in the regions</li> <li>• Group WQL policy</li> </ul>

The QLWC policy is also based on a continuous improvement approach:

- Assessment with the annual social barometer campaign;
- Definition of QLWC policy priorities for the coming period;
- Coordination of improvement actions throughout the company;
- Leveraging progress and preparation for the next cycle.

An internal communication plan supports the promotion of the results.

In 2022, the Talk'in social barometer surveyed all employees in France and will be expanded in the coming years to all foreign subsidiaries, taking into account the specific business and cultural characteristics of each country. In 2023, the target participation in France is 60%.

## 2022 Talk'in Barometer



**2022 campaign:**  
from May 16  
to June 1



**2,815**  
participants



**48%**  
Participation  
Target of 50%



**8,000**  
comments

**84%** of employees are **committed**: they want to help the company progress through their experience, skills, professionalism and interpersonal skills.

**The QLWC policy is an integral part of the Social Policy that Daher is leading with its social partners. Some of the themes addressed in 2022 are:**

- Wages and compensation policy;
- Career and qualifications growth;
- Training and skills development;
- Individual Performance Reviews (IPR) and professional interviews;
- Gender equality;
- Right of expression;
- Preventive health and safety measures...

These themes can always be adapted or supplemented according to the year's events. Because at Daher, it is important to see tangible results. Some examples:

- **Webinars** on family caregivers, school guidance, domestic violence; a framework agreement signed with **Baby-sittor**, a babysitting application to connect parents with trusted and recommended babysitters; childcare center openings for new parents in all regions; and family conferences.
- Daher is adapting to changes in society: new ways of working (hybrid work, remote work, adaptations related to health issues, etc.), specific initiatives for family caregivers, etc.
- Faced with environmental, societal and purchasing power challenges, the Group quickly signed a contract with **Karos** to provide all its employees access to a carpooling solution: Daher was awarded the title of most generous company in 2022. The application is free for all Daher employees and also allows them to be compensated when they are drivers.
- In the interests of continuously adapting to the personal challenges of its employees, Daher is also testing new work organization methods: a four-day work week, harmonization of working hours, flexible start and end times, remote work, etc.

## The challenges of the QLWC Policy in 2023 include:

- Establishing a **Group action plan on health prevention** in conjunction with the QSE department, with a particular focus on ergonomics.
- Integrating the **demand for transparency** of the financial results and **clarification of guidelines** in the communication around the new strategic plan.
- Highlighting examples of **career paths**
- **Expanding the Talk'in approach** internationally on an annual basis

In keeping with a pragmatic approach to the issues at stake, action plans have been implemented in each division to meet the needs and expectations of employees, depending on the employment catchment areas in which they are located.

## IMPROVING EMPLOYEE HEALTH AND SAFETY

Throughout our history, employee health and safety has always been one of the founding principles of the strategy of responsible capitalism on which the Group has been built. Since the beginning of the Covid-19 health crisis, occupational safety and accident prevention have been in even sharper focus for the Daher executive management team,

Daher's uncompromising commitment to employee health and safety is reflected in the Health, Safety, Security and Environment policy document signed off by the Chief Executive Officer, the SeeD operational excellence program launched in 2014 and its SeeD Safety component introduced in 2016, which identifies safety as the most important issue and the essential starting point for operational performance.

At the end of 2020, the Management and Governance Committees decided to give new impetus to safety issues, and developed the new **Safety@work** program, which approaches safety and accident prevention from an even more hands-on perspective through annual roadmaps for each region and site.

In 2022, Daher approved a new Policy in which management has formally committed to four complementary and inextricably linked areas: Health, Safety, Security and the Environment. In collaboration with our stakeholders and with a view to preventing risks, this policy has been implemented in light of risk analyses conducted as well as legal and other requirements applicable to all business sectors and all countries where Daher operates. It is intrinsically linked to Daher's CSR strategy through the challenges of employee commitment via Health and WQL, employee health and safety, the security of the assets entrusted to it, and the consideration of environmental and climate impacts. The efforts made over the past several years will contribute to achieving the objective of a 12.3% frequency rate for the entire Group in 2023.

The Safety@work program continued in 2022 with the development of seven areas each with their own objectives, governance and planning. A monthly review allows us to monitor progress and widely communicate any achievements.

### The seven areas of Safety@work:

- Operational management HSE roles and organization of the Safety Week
- Forklift/pedestrian flow and traffic
- Reporting of dangerous situations
- Energy management
- Physical preparation
- Rolling bases
- Dangerous machines

The 2022 Safety Week took place from October 17 to 28 at all Group sites. The schedule included corporate events based on the **seven golden rules of safety** for management and each employee, a "hazard hunt" kit to be rolled out, as well as extensive communications on muscle warm-up. Each site supplemented this common foundation with specific events based on its needs and particular characteristics.

The seven golden rules are now displayed everywhere in the form of posters: Warnings, Authorizations, PPE, Traffic, Equipment, Ergonomics, Working at height. An accompanying booklet serves as a guide for the hazard hunt initiated during Safety Week and rolled out more widely as a standard.

The involvement of the Group's Executive Committee in the Safety Week hazard hunts visibly demonstrated their full involvement in the safety issue.



### Physical preparation and stretching

were the subject of a special roll-out in 2022, in partnership with MyOsteo Prevention, based on the fact that 100% of participants surveyed adopted uncomfortable postures

and that 39% suffered from low back pain. The proposal was well received and 89% said they were willing to continue afterward. The roll-out consisted of training employees, specialists and management and monitoring the sites during the initial weeks of implementation. In addition to improving the well-being of employees, the second objective is to kick-start new momentum around the benefits of exercise in general, and therefore have a positive impact on absenteeism and the health of everyone.



## Spotlight on risks

## Threats to employee health and safety

Employee health and safety are central to the Group Corporate Social Responsibility policy, because these crucial issues are material challenges for our manufacturing and logistics activities. In 2022, Covid-19 vigilance was maintained and emphasis was placed on ergonomics and stretching and warming up the muscles before starting work. The Group's challenge was to capitalize on the momentum of the Safety@ work program launched in 2021 and to promote safety in all our operations through the application of its Safety Policy.



## Spotlight

## QLWVC EVENTS AT DAHER

The 2022 Quality of Life and Working Conditions week placed its focus on **gender equality**. During the event, Daher employees took part in a variety of fun and/or athletic activities and conferences organized at the Group's various sites. An inter-company challenge was also held, which involved using the OuliLive pedometer to count steps.

## Overview

## CHILDCARE MADE EASIER

Daher supports employee parenthood with the **Baby Sittor** mobile application. The three-year framework agreement covers the subscription fee, which connects parents with trusted babysitters. This solution is on top of the company's childcare center offer for children of young parents (since the end of 2016) and family conferences.



## AEROSPACE MEETS TOMORROW'S PROFESSIONALS

During **Aerospace Professions Day**, Daher invited youth from underprivileged neighborhoods who are under the guidance of the AJE-Paris association. They had the opportunity to discover the diversity of professions at Toussus-le-Noble airport (78). The TBM maintenance station, the control tower and the French National Gendarmerie all participated to make this presentation a success.



## Spotlight

## WORKING WITH THE TIMES

While the Covid-19 crisis in 2020 made it necessary to urgently adapt our working organization, Daher remains highly attentive to the development of new working methods (NWM). Systems are regularly tested in line with the challenges that societal changes and employee aspirations pose: remote working, four-day work week, adapted working hours, initiatives for family caregivers, etc. Feedback and regular interim meetings with managers have proven to be valuable, as they can help define new collective and individual work organization methods, if necessary.

## Overview

**Daily Stretch** held stretching and muscle warm-up sessions at 14 locations. For employees, these valued moments are a way to relax, do some physical activity, and share an experience with their colleagues.

Several **H4D booths** installed in Tarbes offer employees the opportunity to participate in telemedicine visits, thus giving them easier access to care.



INTERVIEW



**Fleur Montandon**  
VP CSR, Audit, Risk

**How does the Daher Group organize its risk management in order to obtain optimal results?**

Risk management is fully integrated into our operational management, with periodic assessments and action plans. At every crucial stage of a project, program or commercial offer, the risks are carefully reviewed. At the central level, we monitor risks that impact the company as a whole, particularly those that operations cannot manage on their own but which also concern them.

**Why is it crucial for all departments to be involved?**

Even if they only affect individual departments, risks often have consequences for the Group as a whole. It is therefore essential that all the departments share a common vision of the risks and work together to anticipate, prevent and, if necessary, remedy them. The best risk is the one we manage to avoid, and to do so we need to share feedback, best practices, and implement standards that make the Group even more solid. We must constantly question and challenge all routines, even those that are performed correctly.

**Why is risk management a key issue in customer relations?**

Risk management provides us with a structured way to anticipate anything that could jeopardize our operations and, in general, the sustainability of the company. When it comes to risks, the public image of Daher is also at stake. The quality of customer relations is also built on the quality of the information shared: we explain to our customers how we control the risks that could impact them and we work together on solutions to tackle shared risks.

**What risks have recently emerged and how can we adapt as necessary to respond to them effectively?**

Climate change risks are becoming increasingly significant. Not only are we striving to limit our impact on climate change, but we are also looking at how it will impact our sites. A critical parts warehouse could see its employees regularly wading through water in 15 years. In any case, whether the risks concern cybersecurity, human resources, governance, or geopolitical consequences... our goal is to push them back and limit their impact as much as possible.



*Risk management at every level.*



Spotlight

**EMPLOYEES IN A SAFE ENVIRONMENT**

A l'occasion de la Safety Week 2022, les nouvelles règles d'or de la sécurité ont été présentées sur l'ensemble des sites du Groupe par le biais d'une campagne d'affichage.



Key figures



**2 YEARS**

The Grenoble site has not recorded a single workplace accident in the past two years, which is a testament to our employees' vigilance and commitment to safety.

# ENCOURAGING INVOLVEMENT FOR A MULTIPLIER EFFECT

## Spotlight

## THE CSR COMMUNITY IS MAKING PROGRESS

To support the roll-out of CSR themes in the field, working as closely as possible with employees, the executive body and managers can rely on CSR ambassadors. These committed and motivated individuals are essential and recognized representatives who work to guarantee the success of projects in the regions. There are now around 50 of these representatives (compared to four in 2018) who help to embody Daher's corporate purpose, leading by example.

Ambassadors are appointed on a voluntary basis in agreement with their manager. By the end of 2022, there were 50 ambassadors from all of the Group's businesses, based in the main operating regions in France and Morocco. They form a united community where discussions and exchange are plentiful, notably during regular meetings led by Sophie Pardi, CSR Manager.

*What our CSR ambassadors have to say...*

*"It is a joy to be able to contribute to better social cohesion, to employee well-being, and to develop environmental action plans! Our network of ambassadors allows us to exchange ideas with driven, committed people, and helps the roll out of these best practices."*

Lucie Florens

*"The role of CSR ambassador is key to the Daher Group's CSR strategy. Made at the heart of our operating regions, this voluntary commitment allows us to implement actions that are meaningful to our various stakeholders. As for me, I am pleased to see that this community has expanded over the past few years and that we are now able to implement common actions on all our sites."*

Vincent Guéraiche

## Spotlight

## ON THE ROAD TO RESPONSIBLE MOBILITY



When it comes to commuting, carpooling helps reduce the number of vehicles on the road, easing traffic congestion and reducing the carbon footprint. This practice also strengthens team cohesion and helps save money. This is why, without hesitation, Daher decided to partner with **Karos** as part of a three-year framework agreement. This mobile application is free for all employees, and drivers can still be compensated. It has been a great success: between April and early January 2023, 918 users shared 24,500 trips.

This desire to encourage more responsible mobility is also illustrated

by the shuttle bus provided between the train station and the Saint-Vallier site. Finally, theoretical and practical training on eco-driving was provided to 44 people from the IDF Nord in order to teach them safer and more energy-efficient driving habits.

## Overview

## TIME FOR SORTING

In September, World Clean'Up Day was an opportunity to remind people of the importance of sorting and recycling waste. At several Daher sites, teams went out into the field to collect approximately 2 m<sup>3</sup> of waste.





Sur la chaîne d'assemblage final du TBM à Tarbes



- P.54 ◀ A STRATEGY AT THE SERVICE OF OUR STAKEHOLDERS
- P.55 ◀ COLLABORATION AT THE HEART OF OUR ACTIONS
- P.59 ◀ COMMITTED TO LOCAL COMMUNITIES
- P.61 ◀ GOING EVEN FURTHER...

# TOGETHER

Since its founding, Daher has built its success on **true team spirit**. Employees, shareholders, family and all stakeholders work together **to tackle all challenges**.

It is therefore quite natural that the strategies implemented take the **human** factor into account: to **innovate**, to **contribute to a fairer society**, to **take action toward local development**, and to **support initiatives in line with the company's values...**

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# A STRATEGY AT THE SERVICE OF OUR **STAKEHOLDERS**

Daher has always taken a responsible approach to its ecosystem, in which each stakeholder plays a key role. Our entire strategy takes everyone into account: current and future employees, family shareholders, investors, customers, institutions, bankers and even suppliers. This commits us to ambitious goals: creating value for all in both a responsible and sustainable way.



## Shareholders

Creating value by enhancing our financial and non-financial investments.



## Employees

Attracting, building trust and supporting our employees by listening to their responsible aspirations and needs.



## Customers

Designing innovative solutions while ensuring a high level of quality in the products and services we offer.



## Suppliers

Collaborating over the long term with multi-year contracts, while supporting their development.



## Civil society

Constantly improving our business with a view to complying with the Paris Agreement on the carbon footprint.

### Spotlight

## THE FAMILY CONNECTED TO THE COMPANY

Launched by the Générations-Daher association in December 2019, the **Daher app** has been downloaded by more than 465 existing and future shareholding Daher family members. In 2022, more than 30 news updates were posted on this app, generating around 500 logins per month.

In 2022, Daher family members also received:

- 14 e-mail communications
- 16 newsletters

### Number of training and informational hours received by family members

2019	2020	2021	2022
563	582	1,457	3,203



### Key figures

Approximately 15 solutions (start-ups, scale-ups, partners) are tested every year in the form of a **PoC (proof of concept)** or pilot. Nearly **60%** of the pilot solutions are then industrialized and rolled out.



# COLLABORATION AT THE HEART OF OUR ACTIONS

## Spotlight

### POC TOGETHER 2022 HIGH-IMPACT PROJECTS IN THE SPOTLIGHT

Every year, the PoC Together participative approach to innovation inspires Daher sites, whose employees are brimming with ideas for improving life in the company. In 2022, this internal call for projects focused on "The theme of impact: what are the applications at Daher?" More than 30 innovative initiatives, a large share of which were supported by CSR ambassadors, were submitted to the vote of employees.

The final vote selected the winners, who will receive support from the DaherLab to bring their projects to life:

- 1st)** Marion Dazinière: *D'aero bio*, a project to replace all or part of plastic packaging with plant-based plastic.
- 2nd)** Jennifer Tribot and Bertrand Frasin: *Goldorack*, the aim of which is to find a handling assistance solution and thus prevent the physical pain caused by such operations.
- 3rd)** Ludovic Voisin and Valérie Maudet-Anderson: *Free-mousse*, recycling and recovery of PE foam.
- 4th)** Vincent Gueraiche, Florian Raffray and Solenne Troadec: Automation of waste flows from the wool cutting machine.



The finalists of PoC Together 2022

## Spotlight

### RECYCLING OF PE FOAM IN THE SPOTLIGHT



One of the winners of PoC Together 2022, the **Free-mousse** project, proposes giving a second life to the foam used inside containers. Every year, 20 metric tons of waste are buried, causing soil pollution and degrading the carbon footprint, not to mention the impact of transporting this waste before it is disposed of. However, this PE foam, made of polyethylene, is both recyclable and reusable.

"The goal of the project was to find an environmentally friendly and affordable alternative," explains Ludovic Voisin, the packaging manager at the Montrichard site workshop who initiated the project. The solution was provided by APETEK, which supplies equipment to crush the foam into chips and bundle them for optimized transport. The same company then collects the foam waste and transforms it for use in various applications (insulation panels, sports equipment, etc.).

### "Learn & Share" webinars: a community in pursuit of knowledge

With 130 people connecting on average every month, the "Learn & Share" webinars have been a great success. Through 30-minute presentations followed by a Q&A session, they allow participants to discuss technical subjects such as R&D projects on thermoplastics, urban mobility and decarbonization, on-board software or flagship engineering projects (H160, F6X, hatches, etc.). Following on from the technical engineering committees, these webinars have adopted a more open format and now

welcome a wider community, including ten KVE employees and four Daher representatives in the United States, in addition to the technical community. Those participating can get to know each other better, grasp the variety of technical subjects that are addressed, and become aware of the breadth of the Daher Group's technical know-how, the standard bearer being the Expert Channel launched last year.

Spotlight

# DDDDAYS

## DAHER, A NEW FAMILY

Every two months, Daher holds Daher Discovery Days (DDD), two induction days for managers who have recently joined the Group. The first day is dedicated to discovering the history of Daher, how the company operates, its general and CSR strategy, and its values. The second day is an opportunity to address financial performance, quality and operational excellence, Daher's positioning in its markets, open innovation, its Code of Ethics and finally HR, management and transformation. Several events allow participants to get to know each other and to begin building a cross-disciplinary network complementary to their activities. Several opportunities for exchange with executives also make this event a very popular one.

Spotlight

# FAMILY DAYS

## DISCOVERING TOGETHER



The goal of **Family Days** is to allow the families of employees and temporary workers to discover Daher's businesses. 350 visitors, including 130 children, were welcomed at three sites in Nazaire (Brais and the Hub Ouest and Tamaris logistics platforms).

*"It's a one-of-a-kind event that we had already held successfully about five years ago and that we wanted to repeat,"* says Florian Raffray, quality manager at the Brais site. Various activities highlighted the automated store at Hub Ouest or the welding and fitting stations at Brais, before the families moved onto a relaxation area with activities for the little ones.

A similar event was held at the Group's headquarters in Orly, with the enthusiastic participation of both employees and their children, who were very energetic during the fun workshops organized for the occasion.

Sports



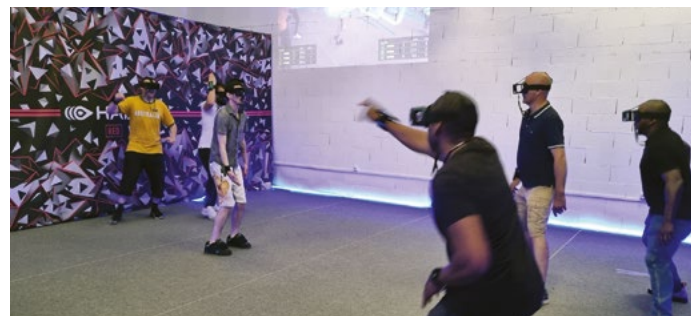
## DAHER: WELL REPRESENTED IN INTER-COMPANY CHALLENGES

The inter-company challenges held in September 2022 in Chambord brought together nearly 2,000 people. Five teams from the Montrichard region and one team from Poitiers proudly represented Daher's colors in the sporting events: running, mountain biking and canoeing.



Overview

Since 2022, **weekly online exercise classes** have been offered to employees at all Group sites — an excellent way to unwind during lunchtime.





## Spotlight

## ALEX MAKING SKILLS MANAGEMENT MORE EFFICIENT

After realizing Excel sheets were not suitable for managing skills and training (as the files were too big to share), we sought an alternative solution. The result: ALEX, a digital tool that supports operational managers and team leaders and streamlines their tasks. With this tool, they can identify, maintain and renew operators' skills very easily, being alerted when a qualification or certification is about to expire, for example.

The development of ALEX by Yelhow is the result of a PoC at the Brais site. The tool has since been rolled out at other sites (by the end of 2022, the qualifications of more than 1,200 employees – i.e. more than 15,000 certifications – were monitored via ALEX), and the trial phase has been positive.

*"Although configuring ALEX may appear to be a bit of a stumbling block (even if it doesn't take more than two weeks on average), it is largely compensated for by the time saved in preparing the audits (about 50 days per year according to the feedback we've received) and by its information sharing capabilities, which allow us to optimize skills management and versatility."*

Alexandre Rous, innovation project manager

## Overview

## WOMEN'S RACE: RUNNING TO CATCH UP

The **Marseillaise des Femmes** is a women's race organized by the Complètement Fadades association in partnership with Amnesty International France and the Fondation pour la Recherche Médicale. Several female Daher Group employees took part in the 2022 edition of this event, which aims to defend and share the values of commitment, conviviality and well-being, and to help support causes such as research into women's cancers and women's rights.

Within Daher, gender equality has become a lever for performance and transformation. Balanced gender representation in the company includes, in particular, the inclusion of more women in management, an ambition formalized in the Group's Equal Opportunities Guide.

Raising awareness on this subject also involves organizing events or facilitating access to certain systems. Such is the case of the "Our jobs have no gender" poster campaign, on the occasion of International Women's Day on March 8, or our participation in the "Women in Aerospace" network, which acts to promote the inclusion of women in the aerospace industry.

## Spotlight

## D4HER PUTS GENDER EQUALITY ON THE FAST TRACK

Committed to gender equality and professional diversity, Daher launched the **D4her** working group in 2020, made up of ten people and representing the Group's different regions, businesses and functions. Its goal was *"to focus efforts on the measurement and monitoring of more targeted indicators (than what was done up until this point), overseeing them and alerting management in the event of any deviation in them,"* explained Julie Azuelos, D4her project manager.

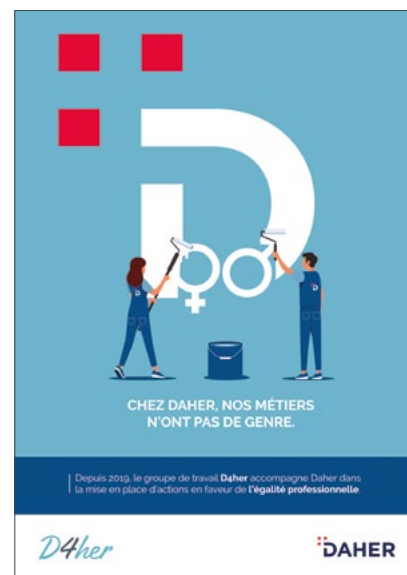
Gender balance is one of the matters examined, in particular the inclusion of more women in management, which appears to be a priority area for progress. The stakes are indeed high, as this positive development is considered particularly strategic: it facilitates the inclusion of more women in all hierarchical management lines and is a performance accelerator, according to the firm McKinsey. The 2023 target is for women to account for 27% of executive managers.

### A reinforced action plan

In 2022, the Human Resources Department, the Risk, Audit and Sustainable Development Department, and the D4her working group came together to launch a reinforced action plan to boost this commitment. Three complementary areas structure this plan, which has been approved by the Executive Committee and the Governance Committee:

- **Workplace fundamentals:** affirming the working conditions and environment for increased gender diversity;
- **Attractive workplace:** creating the conditions for women to move up into positions of responsibility;
- **Open social environment:** making schemes and systems visible and monitoring their effectiveness.

## Overview



On the initiative of D4Her, a **poster campaign** "Nos métiers n'ont pas genre" (Our jobs have no gender) was rolled out at all French sites for International Women's Rights Day on March 8, 2022. These posters promote the accessibility of the Group's professions to all, regardless of gender, and are often used at recruitment events.

## Spotlight on risks

**Loss of human capital/Demotivation/Workforce unrest**

The years following the implementation of a job protection plan are periods in which, unless managed effectively, changes of all kinds have the potential to result in disengagement, demotivation and workforce unrest. This in turn can lead to lower productivity and more compulsory lay-offs. The quality of social dialog and the delivery of continuous improvements via the Workplace Quality of Life (WQL) roadmap are essential levers for managing this risk.

## Spotlight

**CONCRETE MEASURES****TO IMPROVE EMPLOYABILITY**

Improving the employability of our people is one of Daher's strategic priorities. The responsible employment policy sets the objective of better anticipating personnel requirements while safeguarding existing employees. Several tools contribute to this continuous improvement:

- A policy reviewed and upgraded via the **Employment & Career Management Agreement (GEPP)** offers employees more visibility, but also greater means to develop their employability and secure their careers. The agreement provides more effective career development support with a series of updated resources, as well as geographical mobility;
- A planning tool, **Strategic Workforce Planning** provides a three-year forecast of personnel requirements for each Group entity to ensure that everyone has the right skills, in the right place, at the right time;
- An annual implementation process, the **Group Skills Development Plan**, sets out Daher's strategic guidelines in relation to the Strategic Workforce Planning forecasts. Its purpose is to ensure that employees receive the training they need to gain more qualifications and/or to learn the skills required to transition to a new career opportunity for which demand in the Group is high. In 2022, emphasis was placed on digitalization, management, logistics expertise, industrial services, versatility and multi-skilling. The objective for 2023 is to maintain the 80% rate of employees in France who have completed at least one training program during the year;
- The **Talents Program** helps to identify the leaders of tomorrow, with a specific support program (training with a global executive education club, a career progress appraisal);
- The **Expert Channel**, with the ambition to make greater use of the specialist expertise within the Group, structure its development, make more effective use of it – particularly in the contract bidding process – and, more generally, help raise the profile of Daher by having experts make presentations at specialist business events in France and abroad.

**Gaps in talent, expertise and skills**

Since the Group operates across a diverse range of industry sectors, it requires an equally broad range of skills, talent and expertise, without which Daher would be unable to fulfill its contractual commitments. Changes in these sectors and their associated skills risk the emergence of an unanticipated gap between the expertise required and the expertise available. As part of its Employment & Career Management (GEPP) agreement, the Group has implemented a Strategic Workforce Planning system to anticipate changes of this type more effectively.

## Overview

**EMPLOYMENT  
INTEGRATION: TAKING IT  
ONE STEP FURTHER**

Daher and the French National Agency for Radioactive Waste Management (Agence nationale pour la gestion des déchets radioactifs – Andra) have signed two contracts until 2023, including an employment integration clause in one of the Agency's locations. This clause concerns the recruitment of people who have been excluded from the labor market: people with disabilities, people without qualifications, long-term job seekers, etc.

Midway through the contract schedule, Daher has exceeded the target by 150%. As such, 2,800 hours of employment integration training have already been delivered, compared with the contractual requirement of 1,900 hours.



# COMMITTED TO LOCAL COMMUNITIES

## Spotlight

### PREPARING FOR THE FUTURE WITH KEDGE BUSINESS SCHOOL



Daher is sponsoring the 2022–2023 class of the **ISLI (Institut Supérieur de Logistique Industrielle) Master's** program at Kedge Business School. This supply chain management training program is particularly international, and is followed by students with their Bac+5 (five years of higher education) and Bac+6 (six years of higher education) with a specialized Master's degree. As this is one of Daher's core businesses, the Group is enhancing the program with practical hands-on experience, using real or fictitious scenarios. Other management and HR issues are also addressed.

Highly involved Daher representatives will be present at the evaluation of the report in June 2023. In addition, the Group will sponsor the ISLI Forum at the Talence campus in May 2023, and will participate in job dating events organized by Kedge Business School during the year.

This promising partnership is an opportunity for Daher to meet the managers of tomorrow, with the opportunity to identify talent in a sector where recruitment is under strain.

## Spotlight

### TARBES A TRAINING CENTER DEDICATED TO THE MANUFACTURING AND AVIATION PROFESSIONS

Supported by the UIMM, this center is primarily intended to train the site's employees, but will gradually open up to the entire Group and to the outside world, with, for example, planned collaborations with the Jean Dupuy high school in Tarbes, which has been awarded the "lycée des métiers de l'industrie" (high school for manufacturing trades) label.

The courses, 80% of which are taught by in-house experts, cover the professions of fitter, aircraft mechanic, electrician-cable fitter, boilermaker, assembler, composite technician and production manager. In addition to the use of cutting-edge technologies (virtual and augmented reality, etc.) to support lessons, a classroom located inside an Airbus A350 is being considered for realistic simulations!



## Key figures

**SIX GRANDES ÉCOLES** received a significant apprenticeship tax from Daher in 2022 — a targeted investment to promote apprenticeships in the Group's businesses at top-level institutions:

- INSA CENTRE VAL DE LOIRE – BLOIS
- CENTRALE SUPELEC
- ENAC
- ISAE SUPAERO
- ECOLE CENTRALE — NANTES
- ENI TARBES



## Overview

Daher has rolled out a partnership strategy with *grandes écoles*, such as ISAE-SUPAERO and its ISAE-SUPAERO Foundation. The agreement signed in 2019 resulted in Daher's participation in the creation of a 5-year research chair on the design and certification of light aircraft with hybrid-electric propulsion.

# 226

work-study trainees joined the Daher Group's teams in 2022, thus contributing to the success of the business while getting their feet wet in the corporate world.

## Key figures

# 7.8%

Is the percentage of employees with disabilities within Daher France. It was 8.6% in 2021 and 6.9% in 2020.

## Spotlight

# ACTING AS A COMMITTED PLAYER IN THE LOCAL REGIONS

The Daher site in Brais is part of the **ABPE (Association Brais Pédras Entreprises)**, which brings together 300 companies of varying sizes and sectors present in the business park. The site manager and the CSR ambassadors of Saint-Nazaire have played a leading role in creating a CSR commission, the

objective of which is to standardize best practices in this area. Sophie Pardi, Group CSR Manager, also went to meet the members of the association to promote and explain the meaning of this commitment at Daher, its legal obligations and its non-financial performance.

## Spotlight

# LOCAL INVESTMENTS NANTES AS AN EXAMPLE

With **Shap'in**, Daher has acquired an innovation center focused on aerostructures that will enable it to meet the challenges of the industry. Of course, locating the tech center in Saint-Aignan-de-Grandlieu, near Nantes, is a coherent strategic decision from a manufacturing point of view, as the factory that specializes in the production of thermoplastic aerospace parts, which has been upgraded as part of the Oddicea project, is nearby.

But the choice of location is also a collective decision, made in consultation with local stakeholders such as the Pays de la Loire region and the Nantes Metropolis. The particularly dynamic local R&D network offers good development prospects. In addition, the Nantes region is renowned for its aerospace expertise in

terms of advanced composite materials, with a view to integrating them into the challenges of tomorrow. The aerospace industry modernization fund has contributed euros800,000 to the €7.5 million project.

For its part, the Oddicea (Operational Digitalization for Databased and Inter-Connected Efficient Activities) R&T program has received €1.4 million (40% of the total) from the Pays de la Loire region. Spread over a four-year period, it relies on new technologies to optimize all of the plant's processes (production, control, maintenance, logistics, etc.) in order to increase overall productivity and achieve economies of scale.



# GOING EVEN FURTHER...

## Spotlight

# FONDAHER

## A COLLECTIVE COMMITMENT FOR THE FUTURE; A FACTOR FOR COHESION BETWEEN EMPLOYEES AND SHAREHOLDERS

The Daher Group has long been convinced that cohesion between employees and shareholders is an essential factor for long-term success and stability. FondaHer, the company's endowment fund, is an important lever for strengthening this connection. Founded in 2012, FondaHer was the place for all the Daher family's sponsorship activities. In 2018, directly in line with its CSR strategy, it was transformed into a "Family and Corporate" foundation to promote long-term access to employment through training opportunities structured around

the quest for excellence, particularly for vulnerable groups.

### Shared governance

While four directors are family members, including the president and the secretary, three other members of the Board of Directors are employees of the company, including the treasurer. Shared governance has the advantage of turning committed employees into motivated ambassadors who strive to make FondaHer known in their respective regions.



## Spotlight

# ONE DAHER AWARD

## ASSOCIATIONS IN THE SPOTLIGHT



In June 2022, the second edition of the One Daher Award organized by FondaHer was given to the AJILE (Autonomie Jeunesse Insertion Logement Emploi) project for youth housing and employment integration supported by the UDAF 44 union. This association provides furnished studio apartments to young people who have just been released from child welfare services. For these young men and women, this transition period is critical, and often a very drastic change. This support is therefore crucial to facilitate their integration into working life. Rosine Dazas, association sponsor and HSE manager at the Malville site, presented the approach in Marseilles to more than 100 representatives of the

Daher family, the company and its partners. She was able to convince the 886 voters (twice as many as in 2021, including 704 Group employees and 122 family members), who chose the 10 projects in "competition."

Created in 2021, the One Daher Award is a further step in the call for projects initiative set up in 2018. This award highlights an association and an associated project by soliciting support from employees and Daher family members. The winner receives double the prize money (up to a maximum of euros10,000), while the other selected candidates receive a maximum of euros5,000 in support. For UDAF 44, this sum has helped fit out and furnish six homes in Nantes.

### Growing involvement

As in the previous year, involvement was significant, with strong competition between project promoters. The unwavering commitment of the CSR ambassadors in all regions has proved to be a determining factor in spreading the word about FondaHer and its call for projects. The expansion of the themes in the 2022 call for projects phase to include environmental protection, in addition to the three historical themes of employment reintegration, support for

### THE 2022 ONE DAHER AWARD

- 1st: UDAF 44** association, supported by Rosine Dazas: 192 votes
- 2nd: Ted Attitude** association, sponsored by Christophe Patrino (employee) and supported by Adrien Magnan (family member): 147 votes
- 3rd: Linkee** association, supported by Michaël Encaoua (employee): 100 votes



students, and the fight against dropping out of school early, has allowed new projects to emerge.

In 2021, the AJE-Paris association, which provides support and guidance to students with learning difficulties, was awarded. The link has obviously held fast, as some twenty young people were invited to discover professions at Toussus-le-Noble airport.

## Spotlight

## VIRTUAL REALITY IN SUPPORT OF REAL ACTIONS



Fondaher operates thanks to endowments from the company and donations from members of the shareholder family. But other sources also contribute to funding its activities in support of associations.

Featured in the popular Microsoft **Flight Simulator** video game, the **Kodiak** and **TBM 930** (since the release of the simulation in 2020 for the latter) generate royalties on sales. Under an agreement, Daher transfers these royalties to Fondaher to help develop and support projects with Aviation Sans Frontières (ASF). This sum contributes in particular to the Ailes de l'Avenir (Wings of the Future) program in Toulouse. In the game, players can also pilot an ASF-identified Kodiak, which has been perfectly modeled thanks to the talent of the programmers, in order to carry out humanitarian missions. A great way to promote our aircraft and do a good deed.

## Overview

## A SOLIDARITY MORNING COFFEE

At the **Belaïa building in Orly**, the Daher Group's headquarters, buying your morning coffee helps support humanitarian projects. Through our supplier, a portion of the price of each cup of coffee is donated to Fondaher. In 2022, €6,500 was collected through the sale of coffee and donated to Fondaher.

## Spotlight

## TOGETHER FOR A BETTER FUTURE AND A BETTER WORLD

Fondaher provides support (sponsorship, donations, etc.) to several associations working for the social and solidarity economy, most often located in our employment catchment areas. This is the case with three multi-year partnerships, which have created unique collaborations with Daher employees:

- Supported since 2013: **Acta Vista** in Marseilles, which plays an active role in employment integration and skills training for economically and socially underprivileged people through heritage restoration projects;
- Supported since 2019: **LAB** (Lanceur à Business – business launcher), an entrepreneurship support scheme

developed by Apprentis d'Auteuil to enable young entrepreneurs in Nantes to launch their own businesses with 18 months of support. The scheme welcomes 10-12 young people and their projects in each of its two annual intakes;

- Supported since 2021: the **Les Ailes de l'Avenir** (Wings of the Future) program, launched in Toulouse by Aviation Sans Frontières. This hands-on training program involves 24 young people in building a two-seater ULM Nynja kit aircraft designed by students at the Sup'Aero Toulouse aerospace engineering graduate school. This project is also supported by Daher Aerospace.

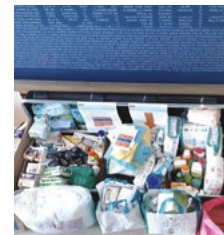


The Ailes de l'Avenir training program

## Spotlight

## SUPPORTING REFUGEES

Solidarity with **Ukrainian refugees** has gotten employees involved at various Daher sites. Among the various initiatives, many boxes of essential items were collected and 43 containers (manufactured at Montrichard ZIO), as well as 15 NEFAB boxes were given to the Pompiers de l'Urgence Internationale association to support their activities.



## Key figure

# 82

**BLOOD DONATIONS**

were counted at four blood drives held in Corlog and Airlog.

## CSR INDICATORS

Challenges	Performance indicators	2022 scope	Unit	2020	2021	2022	2023 Target
<b>ONE</b>							
Employee and management commitment	<b>Absenteeism rate</b>	France	%	4.5%	4.3%	<b>4.6%</b>	4.0%
	Social barometer survey response rate	France	%	45%	31%	<b>48%</b>	60%
	Percentage of digital projects/tools addressing ESG issues	France	%		43%	<b>45%</b>	
Increasing the presence of women in top management roles	Women as a percentage of all employees	Group (SNFP scope)	%	26%	25%	<b>25%</b>	
	Women as a percentage of all managers	Group (SNFP scope)	%	26%	26%	<b>26%</b>	
	<b>Women as a percentage of all executive managers (EuroPP)</b>	France	%	18%	17%	<b>20%</b>	27%
	Percentage of women on the Executive Committee	Group (SNFP scope)	%	0%	22%	<b>22%</b>	
	Women as a percentage of all those identified as talents	France	%	23%	21%	<b>24%</b>	
	Women as a percentage of all experts	France	%		22%	<b>22%</b>	
	Gender Equality Index	France	score out of 100	88/100	88/100	<b>88/100</b>	
Inclusion of disabilities and combating discrimination	Employees with disabilities as a percentage of all employees	France	%	6.9	8.6	<b>7.8</b>	
Shareholder governance/ Responsible capitalism	Number of training hours received by shareholding family members	France	hours	1,004	1,457	<b>3,203</b>	
Shareholder/ employee cohesion	Number of projects supported as a result of the Annual Call for Projects	France	projects	9	9	<b>9</b>	
<b>TOGETHER</b>							
Improvement of the employability of our people	<b>Percentage of employees completing at least one training program</b>	France	%	56%	72%	<b>79%</b>	
	Average number of training hours delivered per FTE	France	hours	9.0	14.4	<b>14.9</b>	
	Overall headcount	Group	FTE	9,482	9,341	<b>10,013</b>	
	SNFP-scope employees	SNFP	FTE	8,410	9,291	<b>9,332</b>	
	Percentage of employees on permanent contracts	Group (SNFP scope)	%	83%	81%	<b>78%</b>	
	Percentage of employees at management grade	Group (SNFP scope)	%	21%	16%	<b>16%</b>	
	Percentage of employees receiving regular personal and career development appraisals	France	%		78%	<b>88%</b>	
Percentage represented by work/study trainees	France	%	2.3%	1.6%	<b>2.7%</b>		
Responsible procurement	<b>Percentage of the Procurement community trained in the duty of care</b>	Group (SNFP scope) France only	%	96%*	73%*	<b>67%</b>	
<b>DAHER WAY</b>							
Improving employee health and safety	<b>Accident frequency rate without lost time</b>	Group (SNFP scope)	Ratio		13.4	<b>14.0</b>	12.3
	Lost-time accident frequency rate (EuroPP)	France	Ratio	15.0	15.5	<b>15.5</b>	
Minimizing our environmental impacts	<b>Percentage of employees working in ISO 14001-certified facilities</b>	Group (SNFP scope)	%	55%	52%	<b>63%</b>	
	Hazardous waste weight	France	metric tons	670	670	<b>667</b>	
	Non-hazardous waste weight	France	metric tons	3,143	3,330	<b>2,967</b>	
	Percentage of waste recovered/recycled	France	%	61%	62%	<b>60%</b>	
Minimizing our climate impact	<b>Scope 1 &amp; 2 CO<sub>2</sub>e emissions</b>	France <sup>(1)</sup> + Morocco + Mexico	metric tons of CO <sub>2</sub> equivalent	18,975	19,690	<b>19,897</b>	-5% vs 2022 in carbon intensity
	<b>Scope 1 &amp; 2 CO<sub>2</sub>e emissions (EuroPP)</b>	France <sup>(1)</sup>	metric tons of CO <sub>2</sub> equivalent	13,940	14,394	<b>14,471</b>	
Respecting business ethics and combating corruption in all its forms	<b>Percentage of executive managers and exposed persons trained in business ethics</b>	Group (SNFP scope) France only	%	39%*	38%*	<b>31%</b>	100%
	Number of whistleblowing reports		Number	1	2	<b>0</b>	
	Number of whistleblowing reports confirmed and resolved		Number	1	2	<b>0</b>	

**EuroPP:** Three indicators are tagged EuroPP because they relate to criteria applying in the context of the EuroPP bond issue for which particular targets have been set. Audits by the Independent Third-Party in the context of the EuroPP bond issue for which particular targets have been set. The SNFP audits conducted by the Independent Third-Party will provide assurance to financial institutions.

(1): France in the "proforma 2019" scope  
(2) See methodology

## METHODOLOGY

### Scope

The scope of the Group Statement of Non-Financial Performance is as follows:

<b>FRANCE</b>
COMPAGNIE DAHER
DAHER AEROSPACE
DAHER NUCLEAR TECHNOLOGIES
DAHER TECHNOLOGIES
DAHER VALVES
<b>FOREIGN SUBSIDIARIES</b>
<b>GERMANY:</b>
DAHER AEROSPACE GmbH
DAHER LOGISTIK GmbH
<b>MEXICO:</b>
DAHER AEROSPACE SA de CV
<b>MOROCCO:</b>
DAHER AEROSPACE MAROC
<b>UK:</b>
DAHER AEROSPACE LTD
<b>USA:</b>
DAHER AIRCRAFT Inc.
KODIAK AIRCRAFT Inc.

The scope of the 2022 SNFP includes **76% of the average total headcount** at the end of December 2022.

The international scope of the 2022 SNFP includes **93% of the Group's average total headcount** at the end of October 2022.

Inclusion/exclusion from the scope of the Statement of Non-Financial Performance:

- In France, all companies employing staff are included, with the exception of Logistics Operations. In practical terms, this company had an average of less than 50 FTE employees at the end of December 2022, and the Group standard reporting requirements are not applied to this entity.

In accordance with the Group methodology, where a site is opened or closed during the reporting year, the headcount data shown for these scopes are the average for the year. Some SNFP indicators will not be available for these scopes. The legal entities remain unchanged. Due to the sale of the St Julien de Chédon site, which took place at the beginning of 2022, the site is excluded from the SNFP scope in the calculation of the environmental KPIs (2022 and historical) so as not to generate an artificial variation in the comparative reading.

- For the international scope outside of France, we took into account scopes with more than 100 average FTEs for at least two years and companies with a mature reporting system based on KPIs.

The scope of the Statement of Non-Financial Performance includes 13 ICPE-classified facilities. The St Julien ICPE left the Group's scope of responsibility when the site was sold.

### Relevance of indicators/Indicators not adopted

The seven significant non-financial risks are covered by policies, action plans and key performance indicators.

Additional information has been included voluntarily in order to present a more precise and concrete overview of Daher's CSR strategy implementation.

## CONCORDANCE TABLE FOR THE STATEMENT OF NON-FINANCIAL PERFORMANCE

Items of the statement of non-financial performance	Links to report chapters
Business model	• Page 16
Risk analysis	• Managing the Group's non-financial risks • Page 24-26 • Non-financial risk • Page 66-68
Corporate Social Responsibility Policy	• Social dialog actions • Page 58 • Skills development actions • Page 50-60, 62 • Responsible procurement actions and vigilance measures with regard to supplier activities • Page 44-46 • Occupational health and safety actions • Page 46-49 • Ethics and compliance actions • Page 45, 57 • Environmental actions – reducing pollution and taking climate change into account • Page 33, 40-43, 50
Key performance indicators	• CSR indicators • Page 63



Only the following areas of information not relevant to the business activities of the Group have been omitted from this report: combating food poverty, the commitment to promoting animal welfare and responsible, equitable and sustainable food.

## Period

The reporting period covered by these social responsibility data is the 2022 calendar year. Where indicators were included in the 2020 and 2021 CSR reports, they are presented relative to the corresponding 2022 data.

There is one exception: the CO<sub>2</sub>e (Scopes 1 & 2) emissions indicator is measured on the basis of energy consumption (gas, electricity and fuel) over 12 months from November to October, because data for the final two months of the year were not available at the time this document was prepared.

## Consolidation and control

The "occupational accident frequency rate" is based on data for accidents that result in days off work. Occupational accidents are recorded as and when they are entered into the ATOnLine system or on the Scorecards used by International subsidiaries, and consolidated monthly. The number of events is adjusted on the basis of CPAM classifications/refusals in France and its equivalents abroad, or internal decisions (non-occupational accidents are not included). The scope of the calculation of the occupational accident frequency rate in France excludes the Compagnie Daher entity, which has 10 FTEs, as it is not included in the accident reporting tools. Hours worked in 2020 and 2021 have been deducted from the significant level of part-time working hours made necessary by the pandemic.

The indicator for the "Percentage of employees with disabilities in France" shows projected data for 2022; the consolidation will be made in June 2023, after it is made available to the Independent Third Party.

The Ethics indicator for the "Percentage of employees trained in the Code of Ethics and Good Conduct" has changed since 2020 to include a more precise definition of those employees exposed to these risks. This indicator, which is derived from the corruption and influence peddling risk analysis, covers the sales (for aircraft maintenance, transportation & logistics projects and services), procurement, and finance functions as well as the divisional management committees and the various influencing functions. JobIDs and IS/HR codes are used to catalog all Group functions. The result does not take into account trained employees who are not part of the population identified as at risk.

Training hours indicators therefore refer only to those training programs declared as completed on the date of analysis and to those employees declared as present. Daher declares a training program completed and the participants present on receipt of invoice from the service provider, accompanied by corresponding trainee attendance lists. This implies a time delay and minimizes the result of both indicators. E-learning hours are counted if they meet the requirements of the attendance sheet.

The Scope 1 & 2 CO<sub>2</sub> eq. emissions indicators are derived from source data provided directly by mains electricity and gas suppliers for French sites, and directly by consumer sites for foreign subsidiaries and propane gas. "Fuel" data is centralized thanks to the widespread use of gasoline cards, and "heating oil" data is centralized thanks to digital purchase invoices stored in the ERP. The emission factors used to calculate the CO<sub>2</sub>e values for Scope 1 & 2 are from the ADEME database and adapted to the user country. Changes in emission factors are incorporated over time.

## GLOSSARY

### Hazardous waste

Industrial waste that poses a health and/or environmental risk at the time it is produced, and which requires appropriate treatment as required under national legislation.

### Non-hazardous waste

All forms of solid or liquid waste, excluding effluent.

### Full-time equivalent (FTE) headcount

The month-end headcount, excluding staff on long-term absence, pro-rata the contractual working hours for part-time employees. The employment contracts concerned are permanent, fixed-term, work/study and temporary contracts.

### GEPP

Daher Employment and Career Management agreement (Gestion des Emplois et des Parcours Professionnels).

### HS

Health, Safety & Environment.

### Hours of training

Hours expressed as: number of people trained x hours of training.

### ICPE

A French classification used to identify facilities with the potential to pose environmental risks (Installation Classée pour la Protection de l'Environnement).

### GDPR

The EU General Data Protection Regulation.

### CSR

Corporate Social Responsibility.

### Absenteeism rate

In France: the total number of hours of absence due to illness, excluding long-term absence/contractual hours. Outside France: hours of absence due to illness/contractual hours.

### Work/study rate

Number of work-study trainees with contract-end indemnity / FTE workforce.

### Occupational accident frequency rate

Number of lost-time accidents x 1,000,000/total number of hours worked.

### Occupational accident severity rate

Number of days lost x 1,000/total number of hours worked.

## INDEPENDENT THIRD PARTY REPORT ON THE CONSOLIDATED STATEMENT OF NON-FINANCIAL PERFORMANCE INCLUDED IN THE MANAGEMENT REPORT

Financial year ended December 31, 2022

To the shareholders,

In our capacity as independent third party and member of the Mazars network, the Statutory Auditors of Compagnie Daher, and accredited under number 3-1058 by the French National Accreditation Body COFRAC Inspection (the scope of accreditation is available on the Cofrac website: [www.cofrac.fr](http://www.cofrac.fr)), we have carried out the work required to formulate a reasoned opinion providing limited assurance on the basis of the historical information (observed or extrapolated) contained in the consolidated statement of non-financial performance prepared in accordance with the entity's procedures (hereinafter referred to as the "Guidelines"), for the accounting year ended December 31, 2022 (hereinafter referred to respectively as the "Information" and the "Statement"), provided as part of the Group's integrated report, as required by the legal and regulatory provisions set out in Articles L. 225 102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code.

### Conclusion

On the basis of our work, as described in the "Nature and scope of the work" section, and of the information we obtained, we have not identified any material misstatement that would cause us to call into question the fact that the Statement of Non-Financial Performance complies with the applicable regulatory provisions and that the Information, taken as a whole, has been fairly presented in accordance with the Reporting Framework.

### Remarks

Without prejudice to the conclusion expressed above, and in accordance with the provisions of Article A. 225-3 of the French Commercial Code, we would make the following remarks:

The reporting scope is neither exhaustive nor uniform across all the key performance indicators. It covers between 73% and 100% of the scope of the Group. The precise scope for each indicator is described under Methodology in the Statement of Non-Financial Performance.

### Preparation of the statement of non-financial performance

The absence of a generally accepted and commonly used framework or established practices on which to evaluate and measure the Information permits the use of different, but acceptable, measurement techniques that may affect comparability between entities and over time.

Consequently, the Information needs to be read and understood with reference to the Guidelines, significant elements of which are available upon request from the entity's headquarters.

### Limitations inherent in preparing the information

As indicated in the Statement, the Information may be subject to inherent uncertainty because of incomplete scientific and economic knowledge and due to the quality of the external data used. Certain Information is sensitive to the methodological choices, assumptions and/or estimates used to prepare the Information presented in the Statement.

### Responsibility of the company

The Board of Directors is responsible for:

- selecting or establishing suitable criteria for preparing the Information;
- preparing the Statement in accordance with the legal and regulatory provisions, including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies implemented with regard to those risks, and the outcomes of those policies, including key performance indicators;
- designing, implementing and maintaining internal control over information relevant to the preparation of the Information that is free from material misstatement, whether due to fraud or error;

The Statement has been prepared in accordance with the entity's Guidelines as mentioned above.

### Responsibility of the independent third party

On the basis of our work, it is our responsibility to formulate a reasoned opinion providing limited assurance regarding:

- the compliance of the Statement with the provisions set out in Article R. 225-105 of the French Commercial Code;
- the fairness of the historical information (observed or extrapolated) presented in accordance with the third paragraph of Articles R. 225 105 I and II of the French Commercial Code, namely the outcomes of policies, including key performance indicators, and actions implemented in respect of the principal risks.

Since we are engaged to form an independent conclusion on the Information as prepared by management, we are not permitted to be involved in the preparation of the Information, as doing so may compromise our independence.

It is not our responsibility to comment on:

- the entity's compliance with other applicable legal and regulatory provisions (in particular with regard to combating corruption and tax evasion);
- the compliance of products and services with the applicable regulations.

### Applicable regulatory provisions and professional standards

The work described below was performed in accordance with the provisions of articles A. 225-1 et seq. of the French Commercial Code and with the professional guidance of the French Institute of Statutory Auditors (CNCC) applicable to such engagements, as well as with ISAE 3000 (Revised).

### Independence and quality control

Our independence is defined by the provisions contained in Article L. 822-11 of the French Commercial Code and the Code of Ethics applicable to Statutory Auditors. In addition, we have set up a quality control system that includes documented policies and procedures designed to ensure compliance with all applicable legal and regulatory texts, the rules of business ethics and professional standards set by the French Institute of Statutory Auditors, as they apply to this engagement.

## People and resources

Our work involved the skills of three people and was conducted between October 2022 and February 2023 over a total period of five weeks.

We conducted ten interviews with people responsible for preparing the Statement, representing among others the risk management, compliance, human resources, health and safety, environment and procurement departments.

## Nature and scope of the work

We planned and performed our work considering the risk of material misstatement of the Information.

We consider that the procedures we performed based on our professional judgment have allowed us to provide a limited assurance conclusion.

- we reviewed the activities of all the entities included in the scope of consolidation, and the main risks;
- we assessed the appropriateness of the Reporting Framework in terms of its relevance, completeness, reliability, neutrality and understandability, taking account of the relevant industry best practices, where relevant;
- we verified that the Statement covers each category of information required by paragraph III of Article L.225 102-1 in terms of social and environmental considerations;
- we verified that the Statement provides the information required in section II of Article R. 225-105 where such information is relevant to the main risks, and includes, where applicable, an explanation of the reasons for the absence of information required in paragraph 2 of section III of Article L. 225 102-1;
- we verified that the Statement presents the business model and describes the main risks relating to the business activities of all the entities included in the scope of consolidation, including, where relevant and proportionate, the risks created by their business relationships, products, services, policies, actions and results, including those key performance indicators that relate to the main risks;
- we consulted documentary sources and conducted interviews in order to:
  - assess the process used to select and validate the main risks as well as the consistency of the results, including the key performance indicators adopted in relation to the main risks, and
  - corroborate the qualitative information (actions and results) provided in Appendix 1. For all risks, our work was conducted at consolidating entity level;
- we verified that the Statement covers the scope consolidated, namely all entities included within the scope of consolidation in accordance with Article L. 233-16 within the limits specified in the Statement;

- we reviewed the internal control and risk management procedures implemented by the entity concerned and have appraised the completeness and accuracy of the related information;
- For those key performance indicators and other quantitative results presented in Appendix 1 that we considered most important, we have applied:
  - analytical procedures to verify the correct consolidation of the data collected and the consistency of their change over time;
  - detailed sampling-based tests consisting of verifying correct application of definitions and procedures, and reconciling the data with supporting documents. This work covers 100% of the consolidated data selected for these tests;
- We assessed the overall consistency of the Statement with our knowledge of all those entities included in the scope of consolidation.

The procedures performed in a limited assurance engagement are less extensive than those required for a reasonable assurance engagement performed in accordance with the professional guidance of the French Institute of Statutory Auditors (CNCC); a higher level of assurance would have required a more extensive review.

Independent third party, Mazars SAS

Paris La Défense, March 15, 2023

**Gaël Lamant,**  
Partner

**Souad El Ouazzani,**  
CSR  
& Sustainable Development  
Partner

## APPENDIX: INFORMATION CONSIDERED MOST IMPORTANT

### Qualitative information regarding the main risks

- Loss of Human Capital/Demotivation/ Workforce Unrest;
- Skills gaps and lack of expertise;
- Violations of human rights and environmental protection measures in our supply chain;
- Threats to the health and safety of our employees;
- Environmental impact;
- Societal and environmental acceptability of our business activities;
- Risk of damage to the Group as a result of internal/external fraud.

### Quantitative indicators, including key performance indicators

- Annual consumption of electricity, gas and fuel oil;
- Carbon Assessment Scopes 1 & 2;
- Percentage of at-risk employees trained in business ethics;
- Percentage of employees working in ISO 14001 sites;
- Frequency rate (Fr);
- Percentage of buyers trained;
- Percentage of FTEs completing at least one training program;
- Absenteeism rate;
- Percentage of women among executive managers and on management boards;
- Average no. of FTEs (excluding temps)/workforce with IFM (contract-end indemnity) at 12/31.

### ESG criteria

- Accident indicator: Frequency rate (in France);
- Carbon footprint indicator: Scope 1 & 2 emissions in metric tons of CO<sub>2</sub>e (in France);
- Diversity indicator: Percentage of women among executive managers and on management boards (in France).





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