

CORPORATE
SOCIAL RESPONSIBILITY
REPORT

2021

INCLUDING THE STATEMENT OF
NON-FINANCIAL PERFORMANCE



Editorial



Didier KAYAT
Chief Executive Officer

“Daher is now ready to succeed in the key challenges facing its industry, and is preparing actively for a more responsible future”

In a business environment still so strongly affected by the health crisis, Daher managed to return to operating breakeven in 2021, an entire year earlier than forecast. The crisis exit plan implemented very quickly with the unanimous approval of all our stakeholders in mid-2020 has really paid off, and the many signs of recovery now emerging are allowing us to look to the future with greater confidence.

The combined efforts of all our managers and employees have helped significantly to limit the impact of the crisis on jobs. Resulting in fewer than 130 compulsory redundancies, the job protection plan we implemented in 2021 has highlighted the high quality of social dialog at Daher, and the sense of responsibility shown by everyone in the company. Those employees made redundant in this way by the Group have received personalized support to help them find new jobs elsewhere.

With a new Executive Committee lineup that included the arrival of three new manufacturing experts in 2021 - two of them women, marking a first in the Group's long history - Daher is now ready to succeed in the challenges facing its industry, and is actively preparing for the future.

The recovery underway in the aviation market, particularly in terms of demand for single-aisle aircraft, the strong momentum of the general aviation segment, the organic growth we are seeing in services, and external growth opportunities all come together to create a positive outlook for 2022 and beyond. The acquisition of the Triumph metal aerostructures plant in Stuart, Florida, has raised the profile of Daher in the USA, increasing its chances of success in the aerospace marketplace.

This project is one part of a global roadmap within which the principle of driving innovation to create a more sustainable and responsible future for aviation is central. In today's world, the future of air transportation depends more than ever on the ability of the entire aviation industry to succeed in a series of major global challenges. Daher is well aware of this need, and has a long track record of addressing environmental issues as central priorities of its technology roadmap to ensure its ability to offer mature solutions for the new generations of greener commercial aircraft.

Now under construction in Nantes, the Shap'in innovation center that will develop the advanced composites needed to create the aerostructures of the future is an excellent illustration of that momentum. The new center will extend Daher's technological lead in this key area: in addition to improving aviation's environmental performance by reducing aircraft weight and therefore fuel consumption, new-generation composites like thermoplastics require less energy in production, and have the added benefit of being recyclable.

Shap'in will be joined by the two other tech centers launched in 2021: Log'in for logistics in Toulouse, and Fly'in, for aircraft in Tarbes. Both will pursue the same goal of decarbonizing our business, at the same time as extending Daher's technological lead in all its core businesses. These new facilities will go live in 2022, embodying the values of creativity and innovation that are our trademarks at Daher, and encouraging collaborative interaction between our shop floor teams and design teams, our customers, new entrants (startups, disruptive technologies, etc.) and public- and private-sector partners.

At Daher, 2022 will mark the end of the five-year cycle of the Succeed Together strategic plan, which has successfully accelerated its transformation and pace of international growth. Therefore, it will be the year in which the next plan for the 2023-2027 timeframe will be prepared with the ultimate aim of onboarding all our employees, customers and partners in a new collaborative and collective dynamic – setting a framework for which the achievement of successes with today's major environmental challenges will be key.

Responsible, bold, united... Daher's corporate purpose revealed at the First Quarter, 2022 reflects the characteristic traits that have enabled Daher to survive for over a century and a half. Developed with input from the Daher family, it actively champions the collective ambition to perpetuate the unique status of Daher in the industrial history of our country. As we emerge from a period of crisis that tested all of us, the challenges we face in consolidating Daher's leading role in all its markets are daunting – and exciting – in equal measure.



Lise Nobre

Chair of the
Governance Committee

“Daher has acquired some powerful tools to ensure its successful decarbonization”

2021 once again highlighted a number of qualities intrinsic to Daher; qualities that distinctively set us apart from others and which give us our essential strength. Although the aerospace industry recovery seems to be underway as we begin 2022, the same was far from true during the past 12 months, which were still very significantly affected by the crisis. In the very unusual business context of 2021, Daher was able to draw on all of its resources to successfully prepare for a positive exit from the crisis.

Our return to operational breakeven in 2021 is a particularly telling achievement. It once again demonstrates the resilience of the Daher business model, which allowed us partly to offset the extreme decline in manufacturing activity against the sustained dynamic of our general aviation and services businesses.

It also is the resilience demonstrated by the rather unique governance structure implemented by Daher that has enabled us to ensure our long-term future, and to move forward as a united team of company employees and shareholders. At the height of the storm, everyone fully played their part, and demonstrated the levels of responsibility, solidarity and constructiveness required to envision and implement the solutions we needed to survive and bounce back.

Despite the challenges, Daher remained on course without ever losing sight of the goals set out in our Succeed Together strategic plan – and particularly that of developing new business with American aircraft manufacturers. It is why Daher announced its 2022 acquisition of an aerostructures production plant in Florida. Thinking about acquisitions in the midst of a crisis is a bold move indeed, but one that Daher is making to ensure that we maintain forward momentum and look ahead to the medium term.

Daher has acquired some powerful “tools” to ensure its successful decarbonization: the 2021 introduction of our first - and highly proactive - climate strategy, and the creation of all-new innovation centers for each of its core businesses (aircraft manufacture, logistics and supply chain services provision and aerospace equipment manufacture) position the environmental challenge at the epicenter of their individual roadmaps.

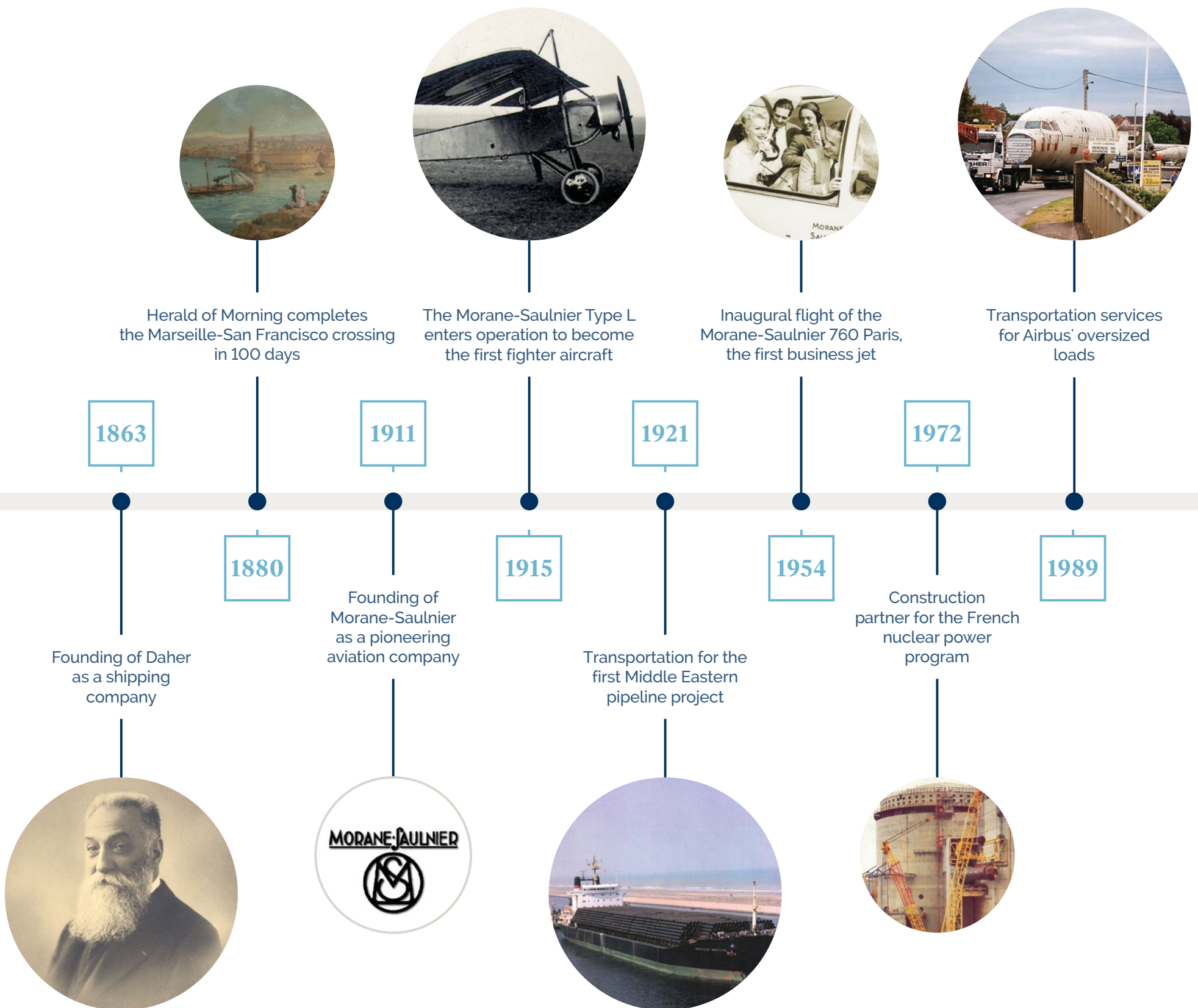
And because we understand that our people are the life force of our business, Daher fully implemented the recommendations of the governance committee as its top priority over the past year, with the launch of the Safety@Work program backed by very high levels of commitment and involvement at all its sites.

The announcement of our corporate purpose at the beginning of 2022 marked the culmination of three years' work with family members, shareholders and employees – opening a new page in the long history of Daher and reasserting its determination to plan for the (very) long term. Therefore, the adventure continues, and it promises to be a very exciting ride.

History

Daher pioneered the convergence of manufacturing and the provision of services

Daher has been forged by logistical challenges and has, throughout its history, made a proactive contribution to successive industrial revolutions by developing a breadth of expertise that spans shipping, handling, transportation and logistics. Today, it designs and operates logistics services for the aerospace and advanced technology industries. In terms of manufacturing, its involvement dates back to 1911 and the pioneering aircraft producer, Morane-Saulnier. With its range of TBM and Kodiak single-engine turboprop aircraft today, Daher is the world's oldest aircraft manufacturer still in operation.





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



Opening of a second production plant in Tangier



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



Delivery of the 1,000th TBM

2001

Signature of the contract to manufacture landing gear doors for the entire Airbus A350 XWB family of airliners



2009

2013

2017

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



2018

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



2019

2020

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



2021

A business model that creates value for a

As a leading aviation industry Group, Daher set a series of ambitious targets in 2018 as part of its Succeed Together strategic plan.

The Group put in place all the resources required to achieve these targets for the benefit of all its stakeholders and without compromising its history and values.

Permanently committed to applying a sustainable and long-term business model, Daher continues to build on its strengths to create value that it shares with the five stakeholders: its shareholders, employees, customers, suppliers, and industry and innovation partners.

All of our resources are assets in the sense of...

...a business

Financial capital

Family and state shareholders committed to the long term. Daher enjoys low levels of debt, and has no hesitation in redeploying its assets. Daher secures funding from French and European institutions.

Industrial capital

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

Ecosystems

Regular dialog with the Daher ecosystem and stakeholders: shareholders, government regulatory authorities, public authorities (including EASA, OSAC and DGAC), employment catchment areas (local authorities, education systems and official bodies), business partners/customers, suppliers and the wider innovation ecosystem (IRT Jules Verne, IoT Valley, Aerospace Valley, etc.).

Natural resources

Raw materials, energy resources, production-specific purchases and general purchases: Together with its suppliers and service providers, Daher consumes those natural resources required to produce its aircraft, equipment and logistics and supply chain services.

Intellectual capital and expertise

Patents, intellectual property and industrial processes, Daher's Kodiak and TBM brands, aerospace industry accreditations, qualifications and certifications: Daher is committed to effective protection and development of its expertise and intellectual capital.

Human capital

Daher relies on the skills and talents of its employees, whose diversity reflects the Group's expertise.

38.5% Debt-to-equity ratio (gearing)

13 production facilities in France and abroad

20 partner startups for proof-of-concept

92,700 MWh energy consumption (gas and electricity) in France during 2021

350 design office engineers

9,398 average headcount

Challenges and context

In 2020, the covid-19 crisis brought the aerospace industry growth to an abrupt halt. Air traffic began to recover from the second half of 2021 and the market recorded a strong upswing in new orders for more energy-efficient aircraft, pushing up production rates sharply, especially for single-aisle aircraft. The fragile economic environment and technological paradigm shift driven by ever greener aircraft are transforming the supply chain.



LOGISTICS & SUPPLY
CHAIN SERVICES

Daher is a French company whose shareholders are family shareholders. It has a presence in 13 countries with a turnover of €1.1 billion in 2021, generated by 9,398 employees.

Daher generates 80% of its revenue in the aerospace sector as a result of its manufacturing and services.

The remaining 20% comes from hi-tech industries, emphasizing its focus on transport.

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, and will create sustainable value for all its stakeholders.

all stakeholders

The business model development process


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.

This value chain is based on the capital model recommended by the International Integrated Reporting Council (IIRC). We have selected the types of capital most relevant to our business and our stakeholders: financial, industrial, intellectual and social.

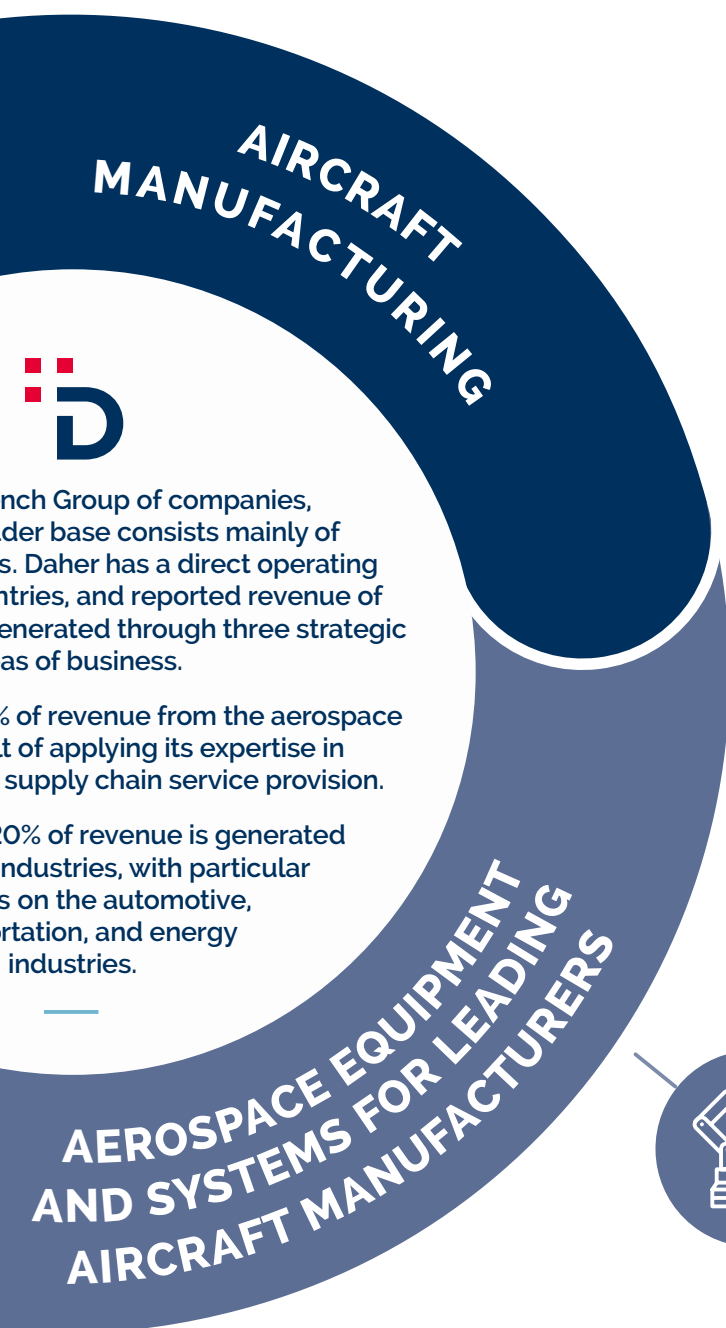
For more information, visit www.integratedreporting.org

Business model...

Our businesses



Daher is an aircraft manufacturer and industrial equipment and services provider operating in three completely compatible businesses as an aircraft manufacturer, an aerospace equipment manufacturer, and a provider of logistics and supply chain services. Daher designs global solutions that respond effectively to the major challenges of its customers and the critical requirements of the 4th Industrial Revolution.



... of revenue from the aerospace... of applying its expertise in supply chain service provision.

... of revenue is generated... industries, with particular... on the automotive, transportation, and energy industries.

Our strategy

To meet the challenges, Daher applies a responsible and value-creating strategy for establishing itself as a key global player in its sector. For the purpose, it has set itself three priority goals that align with the company's Succeed Together plan: to boost its added value and profitability; to accelerate its growth in North America; and to become a leading force for digital technology and innovation in the aerospace sector.

...which creates value for all stakeholders

Shareholders

Creating shareholder value is central to the Daher strategy, and operates in a context of long-term family shareholding that favors a value-added approach to its financial and non-financial investments. The policy of active interaction between family shareholders and the Group, its senior executives and employees, is central to the value creation policy.

Employees

The responsible values of Daher underpin the conditions essential for its success and ability to drive innovation forwards in a fast-changing competitive environment. The Group's priority is to attract, retain and support its employees, and meet their professional, entrepreneurial and autonomous responsibility expectations.

Customers

Leaving its customers free to focus on their core businesses is central to the Daher value creation strategy. With its ability to design, develop and operate innovative solutions, Daher is widely recognized as one of the most highly rated stakeholders in its business sectors, and shares its performance gains with customers.

Suppliers

Daher relies on its suppliers to provide long-term support in addressing production challenges. The Group favors multi-year agreements with preferred partners, builds long-term contractual relationships, and supports all its suppliers, including those which are locally based.

The innovation ecosystem and sector stakeholders

Daher is supported by the work performed by its engineering, R&D and open innovation centers to drive the company's ambition of delivering increasingly innovative solutions to customers. As a company with broad interests, Daher also is actively involved in the lifecycle of the aerospace and defense industries.

Civil society

Fully aware of its responsibilities as a manufacturer, Daher has processes in place to measure and reduce the carbon footprint imposed by its business activities. Taking these issues into account for its future corporate purpose, the company fully aligns itself with the Paris Climate Agreements in the way it conducts operations, manages customer and supplier relationships, and sets the innovation priorities.

Family shareholding **87.05%**
at December 31, 2021

of Daher team members are women **25.5%**

key customers in 2021 (revenue above €50 million) **2**

million Group share of purchases in 2021 **€589**

French civil aviation research council (CORAC) projects **15**

CORAC | Aéronautique
Environnement
Recherche

First climate strategy **2021**

Our corporate purpose

To use our business activities to release the potential¹ of those

1

Releasing the potential...

Daher puts people before technology by offering every individual the opportunity to write their own personal story and take a proactive role in building their career, moving forward, daring to excel and powering innovation. At Daher, we do everything hand-in-hand with colleagues, which gives us our irresistible strength and resonates with "Dare Daher".

2

...of those...

All our employees – without exception – are part of a team, alongside our founding partners, which is absolutely central to the core of everything it does.

Our values



DARING,

to succeed in the major challenges of today and tomorrow

Over the generations, Daher has consistently **taken carefully calculated risks**, bounced back and forward-looking.

We succeed in enormous challenges every day: we became an aircraft manufacturer in 2007 in America with the 'Succeed Together' strategic plan launched in 2018, and four years later for all our business lines in North America, with the bold acquisition of an aerostructures pro



RESPONSIBLE CAPITALISM,

to deliver multifaceted performance for the long term

As a major force in our industry, we have a duty to act **responsibly** in everything we do. Our indicators highlight the effectiveness of our efforts in **all three of these areas**, and have a positive corporate image and ability to attract some of the most talented people in the jobs market. us all – whether they are employees, customers, partners or shareholders.



Cultivating the **TEAM** spirit needed,

to take action collectively alongside our stakeholders

Since our beginnings in 1863, our people, shareholders and family have been a **team in the truest sense**. We have always been determined to grow and develop the company with **our teams**. This strong relationship is at the heart of our working lives as members of the same team. At Daher, **team cohesion can never be imposed**;

se² who will take the world forward³

3

...who will take the world forward

Daher is a company with an uncompromising attitude to excellence and a clear commitment to creating a better world. We are all about collective intelligence and an insatiable appetite for challenge. We believe in progress by meeting the challenges of tomorrow's industry and living up to our economic, social and environmental responsibilities.

exception – are members of the Daher family and shareholders. People are company, everything it stands for and

ck from crises, and dared to be innovative

09 with the TBM, gained a foothold have successfully established a presence production plant in Florida.

ESG (Environment, Social and Governance) positive impact on our economic performance, These three areas of responsibility concern

est sense. Throughout our history, we have nship is clear in everything we all do in our daily it is a lived experience we all share.

Our manifesto

**How many times have we been told that something is impossible?
That it's too far, too big, too heavy, too risky...
How many times have we been put to the test?**

Since 1863, Daher has drawn its strength from collective effort; an effort that never stops building the unique story we have created over such a long period of time.

The heroes of our story are people and their dreams and **what unites them: their strong values**, perseverance and trust. Together, the company, its people, its shareholders and its founding family form a single team committed to making the future happen.

Ever since 1863 – through good times and bad – we have been guided by our **daring instincts** and spirit of innovation to support the great champions of the aviation industry.

With each industrial revolution and each new challenge – however complex and ambitious – we put **our expertise, our uncompromising excellence and our creativity** to work for the success of exceptional projects.

**The impossible? It's something we do every day.
Ingenuity? Our driving force.**

Even today, we face immense challenges and we remember those who came before us and their understanding that hope triumphs. All of us today are the successors of those creative and innovative trailblazers.

This heritage is something which inspires us every day by feeding our collective imagination and our determination **to pass it on to future generations**.

It is also what underpins our belief in a model of **responsible capitalism** driven by financial, social and environmental performance so that **the progress we make serves the greater good of society**.

Together, we dare to make exceptional projects a physical reality, and embrace our responsibility for building a sustainable business model that is fair to everyone... which is why we have set ourselves the following mission:

**To use our business activities
to release the potential of those
who will take the world forward.**

STRATEGIC CSR PRIORITIES

THE UNITED NATIONS
SUSTAINABLE DEVELOPMENT GOALS



MAKING DAHER MORE RESILIENT

Co-constructed in 2017, the Daher CSR strategy is an integral part of the Succeed Together strategic plan for the period 2018-2022. It is designed to establish the Group as a corporate social responsibility leader across all its business sectors by 2022.

Shaping the Future Together has made it possible to formalize the ambitions of Daher in terms of how it achieves its business goals and conducts its operations and sets out the ambition of contributing to sustainable value creation for the benefit of all Group stakeholders.

In 2018, it focused on priority challenges - particularly those related to risk management and stakeholder dialog - by constructing a materiality matrix.

In 2019, the priorities identified by the materiality matrix and completion of a comprehensive "Bilan Carbone" assessment of our activities gave us the information we need to detail the central planks of our strategy, as described in this report.

Throughout the unprecedented year of 2020, our CSR Strategy made a difference across every part of the Group, making a valuable contribution to helping us through the health crisis and its economic and social consequences, which have significantly impacted our business sectors and employees.

In 2021, our CSR strategy made a difference across every part of the Group, making a valuable contribution to helping us through the health crisis and its economic and social consequences, which have significantly impacted our business sectors and employees.

The Sustainable Development Goals (SDGs) set by the UN. The Group policy is to contribute to the United Nations Agenda for Sustainable Development and to measure the progress of performance using relevant indicators that are updated annually. Between 2018 and 2022, the Group is participating in the United Nations Global Compact SDG Ambition acceleration program in line with the SDGs and current societal challenges, but with particular focus on the most relevant ones.

Not achieved by Daher or the expectations of stakeholders.

Combining risk management with CSR s

Daher has based its CSR strategy on identifying non-financial risks as part of minimizing the negative impacts of its business activities. At the same time, the Group also wants to maximize its positive impacts by integrating CSR management at every level of its operations.

RISK CONTROL... A COLLECTIVE CHALLENGE

Group risk management is supervised by the Risk, Corporate Audit & Sustainable Development Department, with governance and oversight provided by the Risk Committee, which meets four times per year.

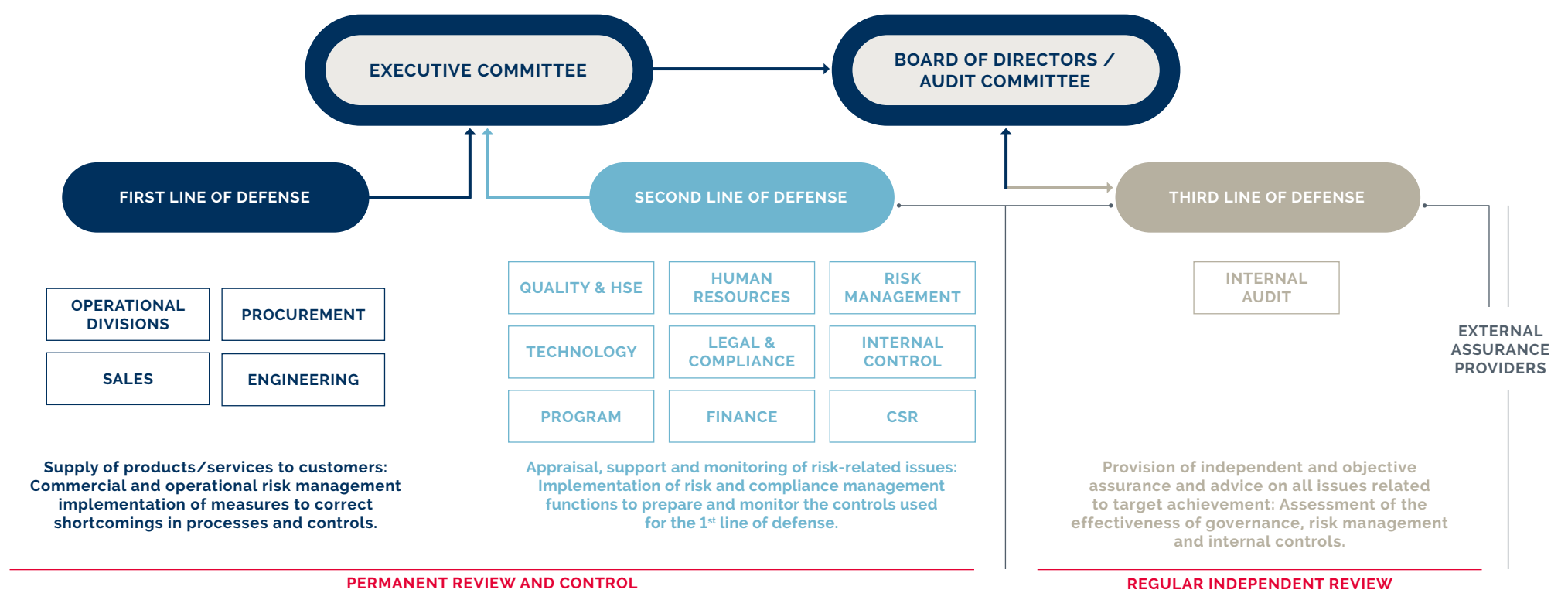
Its membership comprises the members of the Executive Committee, the Group General Counsel, the Risk, Corporate Audit & Sustainable Development and the Head of Risk Management, who acts as secretary. The purpose of the Risk Committee is to validate the risk management system and risk map, and monitor action plan progress.

Its findings are 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 contributors to the 1st or 2nd line of defense.

First line roles implementing activities from the contract bid phase through to product end of life, and managing risks. These roles are concentrated in operations management, sales and procurement.

Second line roles providing support, assistance and follow-up on risk management issues. These are functions that respond more specifically to risk management.

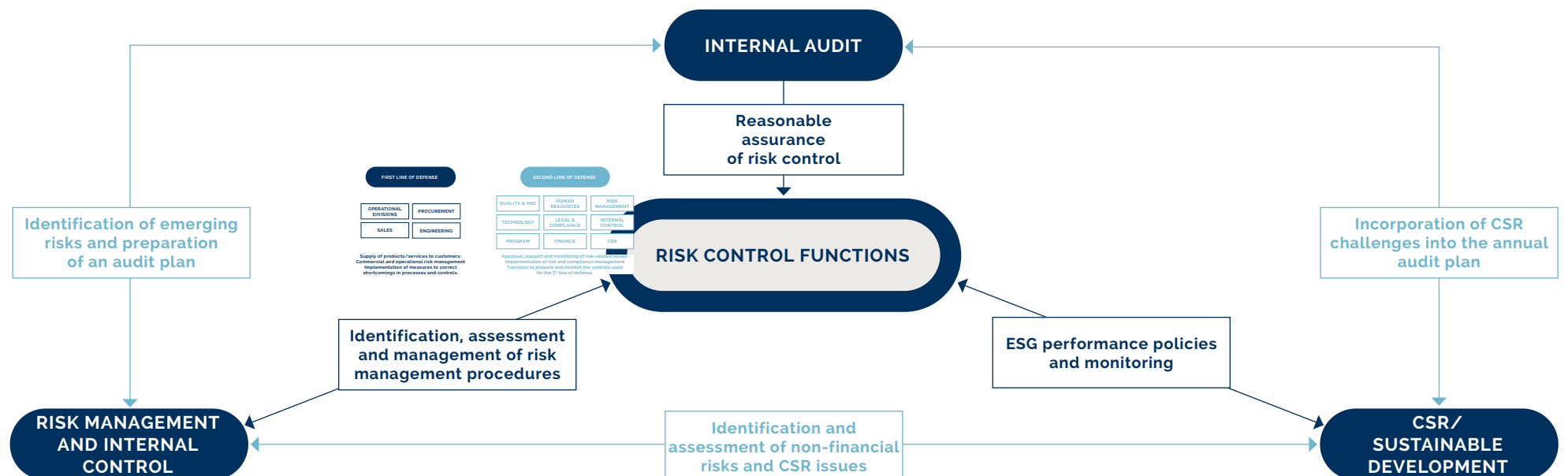


USING KNOWN RISKS AS THE BASIS FOR IDENTIFYING PRIORITY CSR ISSUES AND ENSURING THE GROUP'S LONG-TERM FUTURE

From the Daher corporate responsibility perspective, sustainable development contributes to the long-term future of the Group, mainly ensuring that the external positive and negative influences generated by its business activities are fully and responsibly managed. This integrated approach, therefore, involves managing risks and opportunities of all types – whether operational or strategic, financial or non-financial. In order to deliver an effective long-term response to these influences, Daher took the decision in 2017 to combine Risk, Corporate Audit and Sustainable Development management in a single department. Daher believes that such innovative CSR governance is an immediate source of value creation, and facilitates more effective coordination between risks and the policies implemented to control them. This belief is interpreted in the core purpose of the department: the

Risks, Corporate Audit and Sustainable Development 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 specifically targeting risks that are essentially non-financial in origin or impact, Daher ensures that it implements a policy that covers them effectively, and complements its system with an action plan monitored and managed on the basis of key indicators. Governance of this process is provided by the CSR Committee with input from the Executive Committee.

ASDR Management



strategy

of its business activity.
every level of the company, and adapting its challenges accordingly.

NON-FINANCIAL RISKS IDENTIFIED AND ADDRESSED IN 2021



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 redundancies. The quality of social dialog and the delivery of continuous improvements in working conditions via the Workplace Quality of Life (WQL) roadmap are essential levers for managing this risk.



Mismatch of skills and know-how

Since the Group operates across a diverse range of industry sectors, it requires an equally broad range of skills, talent and expertise – without which we would be unable to fulfill our contractual commitments. Changes in these 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. Risks related to the Job Protection Plan are integrated into this system, because the measures put in place to manage the risk of any shortfall in skills and expertise are closely related to them.

Violations of human rights and environmental protection violations in our upstream 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.



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. The 2021 financial year was impacted not only by the Covid-19 pandemic and as a result of extending the Job Protection Plan, and particularly the continued implementation of support mechanisms. The Group has addressed the challenge of re-energizing safety issues across all its operations through the application of its Safety Policy and the rollout of its Safety@Work program.

Environmental impact

As a result of 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 the achievement of continuous improvement based on clearly defined priorities.

Societal and environmental acceptability of our business activities

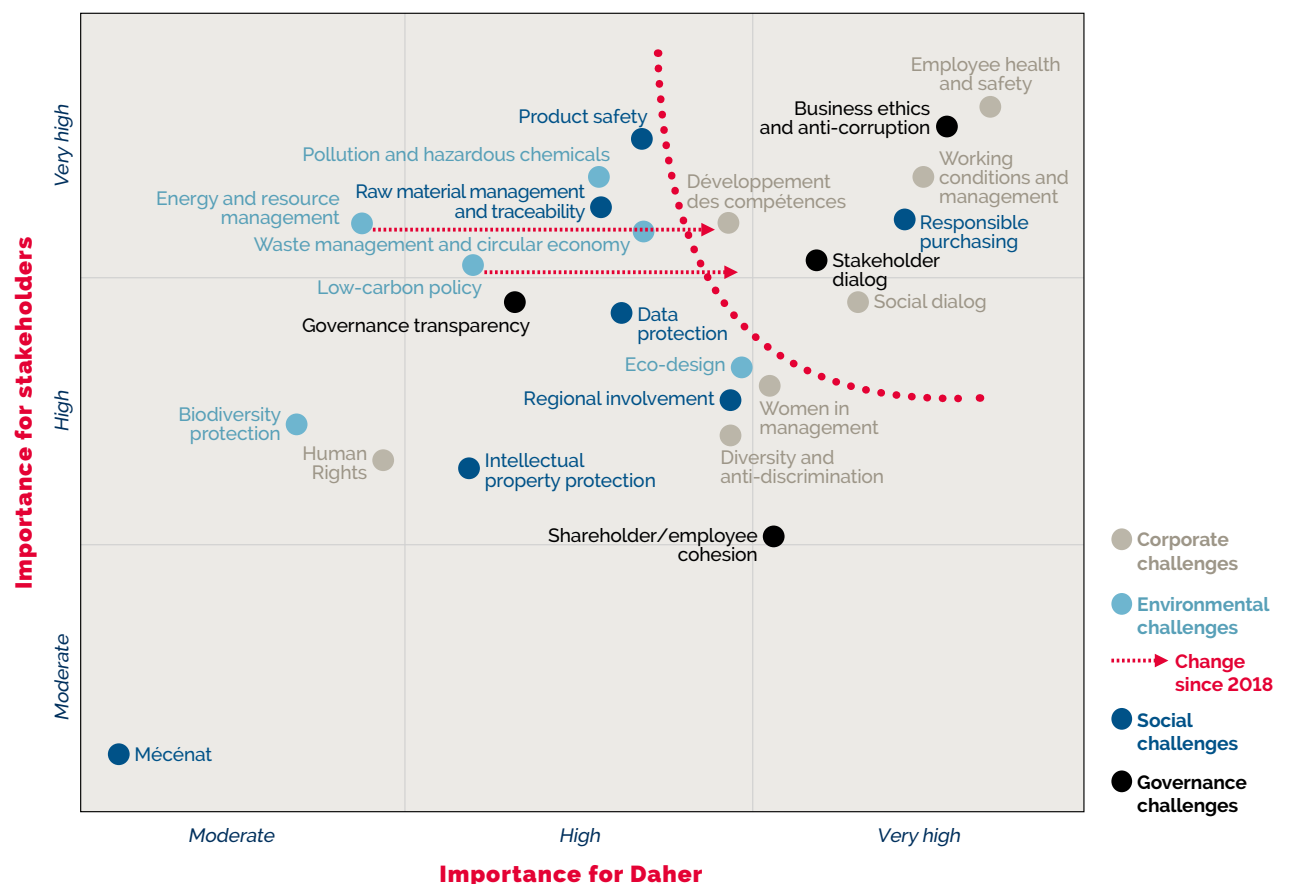
This risk has its roots in negative public opinion on the subject of air travel and the industrial manufacturing model as a result of their combined carbon footprints. It could, for example, take the form of extremely high taxes on greenhouse gas emissions which would significantly affect the cost structure of industrial or logistics facilities and products. The process of developing its first Climate Strategy has enabled Daher to structure its responses to the issues involved 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 product and service policies.

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

The 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 all existing internal procedures and applicable legal requirements. 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.

DAHER GROUP MATERIALITY MATRIX

The results of this materiality analysis confirm and underline the priorities set out in the CSR strategy and deployed since 2017. Since then, they have provided new insight into the importance placed on certain challenges by stakeholders, particularly those concerned with environmental issues. In 2019, the Daher executive management team responded to these results by clarifying the environmental ambitions set out in its HSE policy and CSR strategy. As a responsible business, Daher stepped up its environmental commitment to stakeholders in 2020. The materiality analysis was conducted in collaboration with specialist consultants B&L Evolution. In 2021, the Energy Management and Low-Carbon Policy sections were updated in terms of their importance to Daher, and are now among the Group's top priorities.



The challenges and implementation of a

OUR CSR POLICY

Co-constructed in 2017 and fully consistent with the 2018-2022 Succeed Together strategic plan, the Group's CSR strategy has provided the framework for formalizing the ambitions set by Daher and finding ways in which it will achieve its goals and conduct its business operations to create sustainable value for all stakeholders. It aims to establish the Group as a corporate social responsibility leader within its business sectors by 2022.

Shaping the future together THE CSR STRATEGY

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



CORPORATE SOCIAL RESPONSIBILITY (CSR) AT THE HEART OF OVERALL GROUP MANAGEMENT

The formalization of Daher's CSR ambitions led to the 2017 introduction of a Group-wide CSR management system accompanied by a characteristically ambitious and committed governance model. Managed by the Compagnie Daher Board of Directors Governance Committee, the CSR strategy is supervised and guided by a CSR committee, and is coordinated by a network of CSR ambassadors at site and regional level. These ambassadors have responsibility for making CSR issues and good practices a daily reality with the support of the Transformation, Risk and Sustainable Development Department.

■ A GOVERNANCE COMMITTEE

to oversee deployment of the strategy

The four director members of this committee supervise the Corporate Social Responsibility (CSR) policy and corporate compliance with business ethics standards. It oversees implementation of the CSR policy, is informed of key CSR-related risks, and ensures compliance with the support of the CSR Committee.

■ A RISK, AUDIT & SUSTAINABLE DEVELOPMENT DEPARTMENT

to coordinate CSR strategy and lead on non-financial performance

Daher has taken the innovative step of entrusting Group-level CSR policy coordination to the Risk, Audit & Sustainable Development Department of the General Secretariat. This department also has responsibility for internal compliance. The strength of this department lies in its ability to centralize information about those financial, non-financial, operational and/or strategic risks identified in coordination with the Group Executive Management team, and provide other departments with recognized expertise in anticipating and controlling these risks. This cross-functional coordination and process control role is an important factor in ensuring that the Group CSR strategy is implemented and applied in accordance with the highest standards.

The Group Risk, Audit and Sustainable Development Department provides leadership on non-financial performance issues, which are managed at operational department level in parallel with financial performance.

■ A CSR COMMITTEE

to supervise responsible value creation

The CSR Committee members are challenge leaders in the three strategic areas of "One Daher," "Together" and "Daher Way." The committee's mission is to ensure the dynamic rollout of CSR policy within the Group, and to pass on, support and share Daher's CSR ambitions.

■ A NETWORK OF AMBASSADORS

to make CSR part of daily life for all employees

Making social responsibility an integral part of day-to-day performance demands a dynamic commitment to working as closely as possible with every business line. Therefore, the Group formed a network in 2019 of some 30 CSR ambassadors identified and selected by their own managers for their ability to unite and influence Daher teams, and gave them the responsibility of providing - with management support - CSR roadmap leadership within their own scopes of responsibility. By the end of 2021, the network covered all regions of France and Morocco, and the great majority of Group core businesses. In 2022, the network will be expanded internationally to include Germany and the United States. The ambassadors support the operational departments with shop floor implementation of initiatives and making their contribution to Group non-financial performance.

Corporate responsibility strategy

THE INTRODUCTION OF A CORPORATE RESPONSIBILITY POLICY

It was in 2017 that Daher made a formal commitment to supporting and implementing the human rights, international labor standards, environmental protection and anti-corruption initiatives of the United Nations Global Compact.

At the same time, Daher also identified its principal social responsibility challenges by engaging in a broad collaborative approach to the issues involved. A Steering Committee assisted by specialist consultants worked on the basis of

ISO 26000 guidelines and the results of the materiality matrix carried out in parallel to identify its most substantial CSR issues. Brought together in an ambitious CSR strategy, these issues are directly addressed in the company's five-year strategic plan (2018-2022). Bringing together the three key initiatives of "One Daher," "Together" and "Daher Way" under the generic title of "Shaping the Future Together" highlights the proudly held central values that have guided Daher for more than 150 years.

2022 will be the year in which we prepare our new strategic plan for 2023-2027. All the topic-specific working groups have integrated CSR parameters into their roadmaps for the ongoing rollout of a corporate responsibility policy at every level of the company.

THE DAHER STATEMENT OF NON-FINANCIAL PERFORMANCE

The formal Daher Statement of Non-Financial Performance contained in this document explains the links between:

- the principal challenges of the CSR strategy in responding to the issues identified by the materiality analysis of our business model;
- the non-financial risks identified by risk management and assessed annually by top management;
- the policies implemented by the business line management teams to reduce risks;
- the monitoring indicators adopted and audited by the independent third-party.

Since 2019, the Daher Risk, Audit & Sustainable Development Department's CSR team has continued building on the initial progress by

providing leadership and management of these challenges at three levels within the company:

- the business lines responsible for managing CSR strategy challenges, where roadmaps are in place for achieving policy ambitions: the maturity levels of these challenges are reviewed half-yearly by the CSR team, the results of which are fed back to the business lines to use when prioritizing their goals;
- the operating divisions, where non-financial performance has been integrated into financial performance routines using dashboards to monitor CSR key performance indicators, and measure progress towards the targets set; monthly reviews of two key challenges are conducted as part of the divisional business

reviews, and all key performance indicators are reviewed half-yearly;

- the operating regions, in which a network of around 30 CSR ambassadors work closely with management to implement practical initiatives to deliver the strategy and ensure that all teams take ownership of these challenges and contribute either directly or indirectly to achieving our non-financial performance targets.

The Statement of Non-Financial Performance for 2021 presents the policies implemented by Daher to continue the process of taking its achievements to a new level of maturity and preparing for 2022, the year of transition to a new strategic plan covering the period 2023 to 2027.

Executive Summary

"2021 was the year we transitioned from a mature CSR strategy to ESG performance management"



A process of **social dialog** that has been strengthened by the crisis, with a number of measures made permanent, support changes that further encourage and facilitate employee and management commitment.

Employees and shareholders are aligned on diversity issues and support for non-profit organizations provided via the corporate-family endowment fund, Fondaher.



Dialogue with the operating divisions in each region has made it possible to map the skills present and necessary to support the development of the professions and needs for ever more added value with our customers.

Daher and the regions have come together to create three technocentres for our three Daher's key businesses, and are situated in three regions that are related to these business operations.



A process of **dialog with all Group businesses** to ensure that employee safety remains a constant priority, and that the decarbonization commitment is reflected in all Group business activities and decision-making bodies.

Operations and support functions are united in a common goal of delivering decarbonization within the framework of our first climate strategy.



2021 CDP (Carbon Disclosure Project) rating: B-rated for Management, compared with the D rating of 2020



ECOVADIS rating Environment Employee relations Human rights Responsible procurement

64/100

Our solidarity commitment

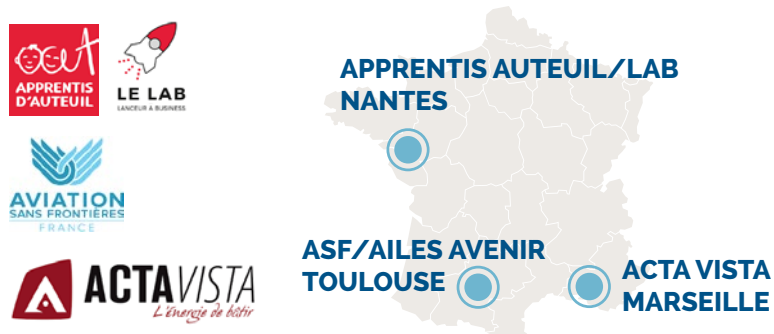


Fondaher

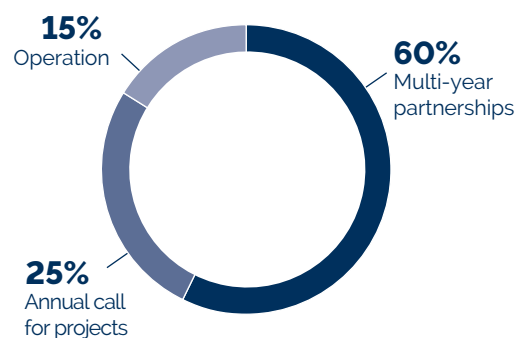
Fondaher is an endowment fund set up by the Daher family in 2012, and supported by the Daher Group since 2018. Fondaher supports initiatives that promote excellence in the context of the social and solidarity economy. It also issues an annual call for projects to encourage members of the Daher family and Group employees to suggest and sponsor projects in all its areas of activity.

Key figures for Fondaher

48 projects supported since 2018



3 major partnerships



Budget breakdown 2021

Prix One Daher The One Daher Award for committed projects!

In 2021, the One Daher Award was presented to the AJE Paris project. In 2020, the amount of funding shared between winning projects was doubled thanks to the votes of employees and Daher family members.



In 2021, the fourth call for projects from employees and Daher family members invited non-profit projects focusing on employment integration and reducing the rate of school dropout.

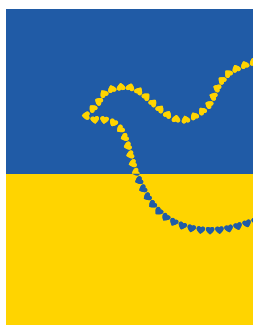
9 projects were selected



FIND OUR INFORMATION ON LINKEDIN



Baltazar Christian sponsor of the association and its Director receiving the One Daher Award from Richard Daher, President



The Ukraine E

Launched in March, the Ukraine E... Ukraine has mobil... the Daher Group. C... **CSR Ambassador** n... have organized reg... goods and clothes.

Fondaher has made... for employees and th... financial donations to... organizations that wil... the foundation.

€30,000 has been... three non-profits as a



At least seven Daher sit

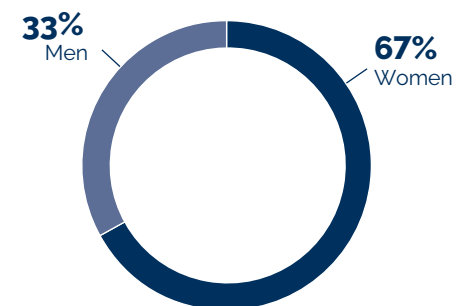


Our CSR ambassadors

The network of CSR ambassadors was created in 2019 to support the rollout and implementation of the Daher Group CSR strategy at grassroots level. Our ambassadors work on the frontlines of the business, and are closely involved in their regions at the point where Daher values converge with the issue of sustainable development. With the support of local management teams, they lead initiatives directly related to the Group CSR strategy. This role enriches careers by adding real CSR value. There are currently some 40 ambassadors covering all our operating regions in France, and this initiative will soon be expanded internationally.

Key figures for CSR ambassadors

| | | | |
|---------------------------|----------|--------------------|----------|
| PARIS IDF | 7 | MONTRICHARD | 2 |
| TOULOUSE & SO | 7 | NANTES | 2 |
| TARBES | 6 | TOURS | 2 |
| SAINT-NAZAIRE | 3 | ST VALLIER | 1 |
| MARIGNANE & SE | 6 | | |



Breakdown of ambassadors by location

Breakdown of ambassadors by gender

Regional operations

WQL IN SOUTH-EASTERN FRANCE

The South-East region organized a WQL week to involve teams around the issues of environment and cohesion. Employees took part in a different activity every day, ranging from sophrology exercises, apiary visits, a boules competition and a clean-up day. The 4.5/5 satisfaction rating awarded by the teams for this event bodes very well for the next WQL week event!



WESTERN FRANCE RECYCLES SURGICAL MASKS INTO T-SHIRTS

In 2021, 50 kg. of masks were collected and recycled thanks to the collection points set up at several sites and the commitment of our employees. The initiative has been formally recognized by certification.



SOUTH-WESTERN FRANCE GIVES BLOOD

During WQL week, Daher provided the logistics required to host an EFS (Etablissement Français du Sang) blood donor session. Daher employees filled every available slot in the timetable. This first session was so successful that EFS plans to repeat it every six months, and our customer Airbus has also asked to be included in future donor sessions.



PROCUREMENT AND SITES BECOME INVOLVED WITH CARPOOLING

Following the successful experiment conducted at Marignane, Daher is now working with the Klaxit and Karos platforms to give all employees access to carpooling solutions, either as drivers or as passengers.



Emergency

In 2022, Operation... Coordinated by the... network, all our sites... national collections of...

its website available... their families to make... selected non-profit... then be matched by...

en earmarked for... result of this initiative.



es are already involved.

THE DAHER TEAM IS ON FACEBOOK



Boosting cohesion between employees

Having grown with the commitment and shared values of its shareholders and executive management team, and benefitting from its long-term vision, Daher is convinced of the importance of boosting cohesion between its employees and shareholders in preparing responsibly for the future.

TAKING EMPLOYEE AND MANAGEMENT COMMITMENT TO A NEW LEVEL...

... through social dialog

Historically, Daher has always placed great emphasis on social dialog. Since the very beginning of the COVID-19 health crisis, this commitment has demonstrated its true value, because effective and constructive dialog with the social partners made it possible to emerge successful from the most challenging months 2020 – having minimized the effects of the pandemic on Daher and its employees. In addition to the CSSCTs (Health, Safety & Working Conditions Committees) in each of the Group's operating regions, two central CSSCTs were formed in 2020 as forums for discussion of all the health, safety and working conditions issues impacted by the crisis. Both central CSSCTs met several times in 2020 and 2021. The positive discussions held with regional authorities quickly led to initiatives being implemented immediately to ensure the health safety of employees and limit the effects of the job protection plan.

Having been formed at the height of the crisis in 2020, these central committees are now permanent features – helping to increase the quality of social dialog and facilitate high levels of national coordination with regional authorities. This is one of the successful outcomes of 2020, which has since enabled discussions with the central CSSCTs to continue into 2021, a positive contribution to implementing the Daher WQL (Workplace Quality of Life) roadmap.

Discussions with Employee Representative Bodies (ERBs) resulted in the signature of a new social dialog agreement in October 2021. Signed unanimously by all five trade unions, this agreement increases the total amount of resources available to the ERBs, and sets a specific budget for each.

The new social dialog agreement also reflects Daher's intention to set aside time dedicated to the social dialog process, over and above the statutory meetings required under French legislation. The time devoted by the company to discussion with the social partners facilitates clearer understanding, better adoption and closer alignment of goals and actions.

■ A profit-sharing scheme for the 2020-2022 timeframe

As part of continuing to help and support all employees, the management team and trade unions took the decision to extend their responsible and constructive dialog process along with the ongoing process of developing the job protection plans. As a result, an agreement on a three-year profit-sharing scheme was reached on the basis of a majority vote held at the end of August 2021. The scheme is built around the principles of solidarity and resource pooling, and sets shared goals.

Additional profit-sharing payments are made on the basis of two performance criteria (reduction of absenteeism and reduction in the costs stemming from poor quality), and a third non-financial performance criterion linked to a reduction in the occupational accident rate.

Profit-sharing allows everyone to benefit and share the results of their efforts and operational achievements. The signature of this three-year agreement opens up opportunities for the future, and confirms the importance of profit-sharing within the Group's social contract.

The changes made at Group level in 2021 mean that all employees now have a financial interest in the achievement of safety and WQL targets. And those employees whose total compensation package includes a variable element are now invested not only in terms of financial criteria, but also through initiatives that promote safety, good working conditions and good workplace relationships.

... to improve the occupational quality of life

Improving the Workplace Quality of Life (WQL) in consultation with our stakeholders with the aim of achieving a healthy balance in performance between employees and the company has long been a cornerstone of the Daher Health, Safety, Security & Environment Policy. Work on this issue began in 2011 with a project led by the Group executive management team to improve physically-challenging working conditions. This initial joint project along with the trade unions and risk prevention teams was the first cross-functional consultation and coordination process to address issues around the working conditions of employees in all the Group's French companies.

The accident risk prevention teams – made up of representatives of HSE, HR, Preventive Occupational Health Services and Employment Climate Assistants – have gradually rolled out a series of initiatives in coordination with managers and introduced Preventive Health & Safety meetings. In 2017 and 2019, these meetings were structured around new topics, including targeted research to identify levers for reducing absenteeism, and the introduction of professional dialog with employees to discuss the factors influencing WQL. The resulting initiatives were implemented in some 15 scopes of application, and have resulted in site-specific practical solutions. Since then, ideas and initiatives have multiplied with examples such as the 2021 introduction of well-being spaces dedicated to facilitating dialog between employees and managers, and the intensification of meetings with employees returning to work after an absence.

In 2020, as part of the work carried out to prevent the negative impacts of the reorganization on employee health and working conditions, Daher took the step of preparing a Health and WQL roadmap. Later in the same year, this resulted in the creation of a new position dedicated to health, workplace quality of life and working conditions in collaboration with the preventive health teams, and the introduction of the Daher Barometer employee survey to facilitate dialog and measure employee satisfaction.

The first step undertaken in 2021 was to gain a clearer understanding of employee expectations and the strengths of the company in terms of WQL. This diagnostic analysis was based on the Barometer survey – which was repeated in June 2021 – and on the process of dialog established between employee and management representatives to interpret the results and consider future actions. A series of regionally-facilitated workshop sessions were held in September as part of the CSSCT network to discuss the results of the survey (see the inset).

MORE THAN 2,000 DAHER BAROMETER RESPONDENTS

The second Daher Barometer employee opinion survey conducted in June 2021 allowed us to identify the latest expectations of employees in terms of the way work is organized, the working environment, workplace quality of life, job satisfaction and work/life balance. The responses received will be used to review and adapt our current action plans in ways that address these expectations more effectively. Positive responses included solidarity between colleagues, management availability and attentiveness, along with the importance placed on safety, pride in work done, and the level of autonomy in carrying out tasks. The main areas for improvement were flagged up as: recognition of the work accomplished, information on changes in the company's wider operating context, the resources required to work effectively under good working conditions, and the effectiveness of meetings. A total of 2,065 employees responded to the 2021 Barometer survey.



Two technicians at work on the TBM final assembly line at Tarbes.

The COVID-19 health crisis has led to the emergence of new working methods. On April 27-28, 2021, an employee survey committee began a process of consulting and considering these new working methods, which included the balance between office-based and remote working, shared workspaces, digital nomadism, massive/exclusive use of IT, etc. In total, three joint working group and feedback workshop sessions were held to prepare for the post-Covid era. In the final quarter of the year, three negotiation meetings to discuss an ambition shared by management and employee representatives resulted in the definition of an initial scope of application for these New Working Methods, and the launch of an 18-month experimental phase on the basis of a call for projects. As a result, managers and social partners will provide support for the January 2022 introduction of collective rules for remote working from home or from locations other than those in which employees are normally based.

A first step toward a specific policy for family caregivers was taken in 2021, with the hosting of a webinar in June to raise awareness of the issues involved, and the negotiation of new working methods. By experimenting with these new working methods, Daher is committed to providing flexibility of working hours and locations as part of developing working patterns that support family caregivers, facilitate their continued employment, and ensure the workplace inclusion of people with disabilities.

In parallel with these initiatives, a project also is underway to develop techniques that prevent and manage the effects of stress. This work is being carried out in partnership with Symbiofi, whose expertise in the techniques and technology of cardiac coherence is applied to help individuals acquire stress management strategies. An initial test phase focusing on our Tours site began in June, and will continue in 2022 with the training of specialist points-of-contact in the Preventive Occupational Health teams to extend these experiments.

“ Daher has always maintained a approach to high-quality social us what a valuable asset it can be close-knit team.

Jean-Christophe Dalstein, Head of Employee

and shareholders



CHALLENGES

- Taking employee and management commitment to a new level
 - Social dialog
 - Occupational quality of life
 - Collaborative working
- Ensuring diversity and fairness
 - Women in management
 - Disability inclusivity
 - Combating all forms of discrimination
- 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

Operational non-financial risk, which includes the loss of human capital, demotivation and employee unrest, has been identified as being symptomatic of a level of disengagement among employees and management. Daher is addressing this risk directly through the ONE DAHER initiative, and more specifically the "Strengthen Employee and Management Commitment" challenge by building on the solid employee relations foundation of current agreements and a WQL roadmap. Absenteeism (excluding long-term absenteeism) is the Group-wide metric used to quantify this overall level of commitment, where the ambition for 2022 is to return to the 2019 pre-crisis level. Each division conducts a detailed analysis of this indicator every month.

| Non-financial risk | | Challenge | | Policy | |
|--|--------|--|-------|--|-------------|
| Loss of Human Capital / Demotivation / Workforce Unrest | | To strengthen employee and management commitment | | Foundation constituted by current agreements | |
| Performance indicator | Scope | 2019 | 2020 | 2021 | 2022 target |
| Absenteeism rate | France | 3.5% | 4.5% | 4.3% | 4.1% |
| Other indicators | Scope | 2019 | 2020 | 2021 | 2022 target |
| Number of days not worked | Group | N/A | 2,039 | 2,241 | N/A |
| Social barometer survey response rate | France | N/A | 45% | 31% | 45% |
| Percentage of digital projects/tools addressing ESG issues | France | N/A | N/A | 43% | N/A |

N/A: not available.

PINK OCTOBER: A MONTH DEVOTED TO CANCER AWARENESS

The "Pink Masks Against Cancer" campaign was run in October 2021. Throughout the month, Daher conducted a cancer awareness and information campaign for employees with the goal of preventing high-risk lifestyle choices (smoking, alcohol, poor diet, lack of physical activity, excessive exposure to sun, etc.) and encouraging the uptake of screening.

At the same time, a webinar open to all teams was screened to encourage changes in habits and lifestyles, and to answer participants' questions.

... by developing collaborative working

Digitalization is a core priority of the Succeed Together strategy. Using digital technology to increase employee involvement in more interactive, more collaborative working methods is one way to encourage collaborative working.

Previously, digitalization projects focused almost exclusively on improving operations and controlling costs, but 2021 saw a significant shift in perspective. Now, issues such as improving customer experience, employee practices and the environmental impact of our activities are gradually becoming systematically integral to projects to introduce and roll out new digital technologies. These projects include our on-site CSR data collection tool, TOOVALU, and the YELHOW ALEX app for managing versatility and skills within teams.

- As a result, by the end of 2021 the new figures showed that:
- 58% of our digital projects are intended to deliver improved operational performance;
 - 27% to deliver an improved employee experience;
 - 10% to deliver an improved customer experience;
 - 6% to reduce our environmental impact.

very respectful and constructive dialog. The health crisis has shown the need for the Group to have such a

ENSURING DIVERSITY AND FAIRNESS

Increasingly seen as a key factor in company operational and economic attractiveness and performance, diversity – and more specifically, gender balance – has been a major focus for Daher since 2019. It is important to note that encouraging women to join the company and ensuring their equality of opportunity and treatment are issues to which Daher has been committed for some years. Its first agreement on workplace gender equality and diversity was signed in 2016. In 2017, a benchmark survey was conducted at the initiative of the Organization and Compensation Committee. The results provided the opportunity to review the status of gender equality within the Group, and compare our position with that of other companies in our business sectors.

In 2018, an in-house consultation process was launched around the same issues to assess the sensitivity of our employees to them, and identify priorities for future work. A year later, in 2019, Daher committed to the D4her program with the aim of improving the representation of women at every level in the Group, beginning with management in order to reach – by the end of 2022 – the point where women have the same level of representation in top management as in the rest of the company: 26%.

Although the COVID-19 health crisis forced us to slow the pace of our communication and awareness events on this subject, D4her continued to focus its efforts on more accurately measuring the targeted indicators, monitoring them and alerting management in the event of any off-target deviation. D4her has also consolidated its roadmap for the future with the publication of the Equal Opportunities Guide developed jointly with Human Resources. In 2021, our initiatives promoting diversity and fairness resumed, since when significant progress has been made in a number of areas.

Increasing the presence of women in top management roles

In January 2021, two women were appointed to the Group Executive Committee, whose membership now consists of two women and seven men. These appointments were the first in the history of Daher. The 17% representation rate of 2021 reflected a slight decline on 2020 as a result of one woman member leaving the top management team, and not being replaced. Nevertheless, this fact has not changed the target of ensuring that 26% of top management roles are to be occupied by women by the end of 2022. To ensure that this target is met, Daher has developed a series of tools to measure and monitor the percentage of women at every level of the company's management structure. With these and other measures, the Group will achieve gradual alignment with the provisions of the French Rixain legislation adopted at the end of 2021, which requires women to occupy 30% of senior management roles by 2027, and 40% by 2030.

Consolidating the Gender Equality Index gains of 2019

In 2021, Daher declared a Gender Equality Index rating of 88 for Daher Aerospace and 84 for Daher Technologies. The company has now achieved all of its targets in terms of pay gaps, raises, promotions and return from maternity leave. Nevertheless, further efforts are needed to consolidate this situation and to ensure that women are represented among the 10 highest paid employees.

Equal Opportunities Guide

Daher's determination to resume its diversity and equal opportunities initiatives in 2021 is what led to the publication of the Equal Opportunities Guide. Produced with input from the Group's HR teams, this guide draws on findings, ideas and the work provided from the shop floor to create a framework for concerted initiatives that will be rolled out during 2022. The Equal Opportunities Guide puts the focus on the obligations in terms of ensuring gender equality. It then examines the situation at Daher, and restates the importance of non-financial performance generally, and gender equality in particular.

The Equal Opportunities Guide proposes a three-part action plan:

- Workplace fundamentals, which aims to create a safe work setting and working environment for women;
- Open social environment, which aims to put in place the right conditions for female talent development; and
- An attractive place to work, which aims to create the right conditions for making our careers more attractive to women.

The Equal Opportunities Guide also sets out the following ambitions:

- to introduce a sexual harassment management procedure and ensure its Group-wide operability;
- to raise employee awareness of behavioral biases and gender stereotypes through communications or training;
- to encourage managerial ownership of the targets to increase the number of women in management roles by applying the indicators set for increasing the number of women employed at all levels of the company;
- to network and share experiences with talented women and women in executive management roles; and
- to introduce special catch-up compensation packages for women as part of the mandatory annual pay negotiations.

Boosting cohesion between employees

“ Daher has made a conscious decision to prioritize the feminization of top management with the conviction that doing so will provide the impetus required to feminize every level of the company. ”

Sophie Pardi, Daher Group CSR Manager



| Non-financial risk | | Challenge | | Policy | |
|--|--------|---|--------|---------------------------|-------------|
| Loss of Human Capital / Demotivation / Workforce Unrest | | To increase the presence of women in top management roles | | Equal Opportunities Guide | |
| Performance indicator | Scope | 2019 | 2020 | 2021 | 2022 target |
| Women as a percentage of all executive managers ⁽¹⁾ | Group | 18% | 18% | 17% | 26% |
| Women as a percentage of all employees | Group | 26% | 26% | 25% | N/A |
| Women as a percentage of all managers | Group | 27% | 26% | 26% | N/A |
| Women as a percentage of all those identified as talents | Group | 23% | 23% | 21% | 26% |
| Women as a percentage of all experts | Group | N/A | N/A | 22% | 26% |
| Gender Equality Index | France | 73/100 | 88/100 | 88/100 | N/A |

⁽¹⁾ indicators are tagged 'EuroPP' because they relate to ESG criteria applying in the context of the EuroPP bond issue for which particular targets have been set. The Statement of Non-Financial Performance audits conducted by the Independent Third-Party will provide assurance to financial institutions. N/A : not available

Inclusion of disabilities and combating discrimination

Daher has been fulfilling its obligation to employ staff with disabilities in France since 2017. To achieve its goal and become more closely involved in the communities around its sites, all Group structures subcontract their work to disability-friendly companies (EAs) and/or ESATs (assisted employment centers). Daher also partners with temporary employment agencies to help bring disabled employees into the world of work and ensure their continuity of employment. A major campaign to update employee personal data was run in 2020 as part of the new HR information

system rollout. This update made it possible to boost inclusion within the company and its business lines.

The Hiring Charter introduced in 2019 reminds all managers responsible for hiring employees of the major principles embraced unreservedly by Daher:

- Respect for diversity, parity and equal opportunity;
- Implementation of a professional and ethical hiring process;
- Applicant transparency and follow-up; and
- Respect for the confidentiality of personal data.

| Other indicators | Scope | 2019 | 2020 | 2021 |
|--|--------|------|------|------|
| Employees with disabilities as a percentage of all employees | France | 4.7% | 6.9% | 8.6% |

EMPLOYMENT INTEGRATION WITH ANDRA

Daher has two transportation, storage and repackaging contracts with Andra (the French National Agency for Radioactive Waste Management), both of which include a clause requiring the company to integrate jobseekers into the labor force. In practice, this means that Daher has agreed to recruit jobseekers in one of Andra's operating regions. Now midway through the contract schedule, Daher is approaching 150% of the target. 2,800 hours of employment integration training have already been delivered, compared with the contractual requirement of 1,900 hours. In achieving this level of performance, Daher has partnered with the Champagne Troyes Métropole joint communities authority to identify, pre-select and train candidates.

ENSURING THE LONG-TERM FUTURE OF OUR SHAREHOLDER GOVERNANCE AND THE TRANSPARENCY OF OUR FAMILY-BASED MODEL FOR RESPONSIBLE CAPITALISM

Robust and transparent governance

The Daher family has held the majority of company shares since its formation in 1863. The Générations Daher family association was formed in 1994 to ensure a high level of cohesion between Daher family members (more than 630 individuals, of whom more than 360 were CoreDaher shareholders in December 2021) and help them to perpetuate the family culture and values. It was also in 1994 that the family shareholders came together to form CoreDaher (formerly Sogemarco-Daher), the holding company that leads the Daher Group.

All the operating rules of the governance structure are set out in writing: family charter, shareholder agreements, internal regulations, etc. are formalized in documentation. Nevertheless, they are not "set in stone", but are sufficiently flexible to be reconsidered and adapted in response to changes in the challenges faced by the company and its shareholding family. This governance model allows Daher family members – whether current or future shareholders – to speak with a single voice and share the same vision in setting the major strategic directions for the company.

This shared vision is implemented practically through the Vivre Ensemble (Living Together) and *Entreprendre Ensemble* (Entrepreneurship Together) strategic plans introduced in 2018 along with the Succeed Together corporate strategic plan.

Resilient governance during the covid-19 crisis

The governance model demonstrated its robust structure and adaptability throughout the 22-month COVID-19 crisis. When the crisis emerged, the Supervisory Board members and general partners of the CoreDaher holding company met via videoconferencing whenever necessary, maintained their usual level of commitment with a Board meeting attendance rate of close to 100%, and paid exceptionally close attention to the views of family shareholders and to providing them with up-to-date information.

Three CoreDaher Conventions, three Supervisory Board meetings and 10 General Partners meetings were held face-to-face and by videoconferencing during the crisis, as well as eleven monthly videoconferences.

| Other indicators | Scope | 2019 | 2020 | 2021 |
|--|--------|-------|-------|-------|
| Number of training hours received by shareholding family members | France | 1,713 | 1,004 | 1,457 |

and shareholders (continued)



Collaborative work - Hardware.

The Company Shareholders' Meeting of June 5, 2021 was held for the second year in succession by video conference, and the shareholder partners were once again asked to vote by e-mail in advance of the meeting. 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 by e-mail or by phone.

More than 143 shareholders attended the June 5, 2021 videoconference which covered the shareholders' meetings of CoreDaher and Générations Daher. The attendance rate of CoreDaher shareholders equated to 92.81% of its equity capital. The shareholders voted by a majority of 99.41% to waive their dividend for the second year in a row.

The Board of Directors of the Générations Daher family association was also very active, holding 12 meetings in 2021, the majority of them by videoconference.

Preparing the shareholders of tomorrow

To ensure the long-term future of our governance model, we train and prepare the shareholders of the future. The ultimate aim of doing so is to ensure a long-term succession of committed shareholder with the ability to appreciate the key challenges facing the company and take up possible positions as Board members.

The pre-crisis initiatives implemented to prepare the next generation of family shareholders continued in 2020 and 2021, adapted as necessary to respect social distancing. Our new information tools (the Daher app, newsletters, social media and videoconference sessions available to all shareholders) proved their effectiveness where face-to-face meetings were no longer possible. Launched by the Générations Daher association in December 2019, the Daher app has been downloaded by more than 465 existing

and future shareholding members of the Daher family. In 2021, more than 22 news updates were posted on this app, generating around 1,500 logins per month.

In October 2021, a new monthly newsletter was launched to provide the younger members of the Daher family with the best-possible help in securing an internship or work/study contract.

Although the provision of training for Daher family members continued in 2020 despite the crisis, 2021 saw a sharp acceleration in training delivery, with around 1,500 hours of training completed; a year-on-year increase of 50%.

Additionally, a face-to-face meeting was held on September 30, 2021 which brought 45 members of the shareholding family together with members of the Management Committee to celebrate the official opening of Daher's new offices.

BOOSTING COHESION BETWEEN EMPLOYEES AND SHAREHOLDERS

Throughout its history, Daher has embraced a model of responsible family capitalism with the aim of creating long-term value that can be passed on to the next generation of shareholders. The success of this model relies heavily on building and maintaining close relationships between employees and shareholders to build and strengthen the strong sense that unites Daher's 9,300 employees with the 600 or so members of the Daher family who are –or will become – shareholders, all of whom embrace the same values and vision for the future.

Although the health crisis required that opportunities for employees and family shareholders to meet were strictly limited in 2020, meetings were able to resume much more frequently in 2021.

Fondaheer, a shared foundation

One of the main levers of cohesion between employees and shareholders is the Fondaheer endowment fund, which was set up in 2012, serving as the focus for all Daher family-driven corporate sponsorship and patronage initiatives until 2017. In accordance with the corporate CSR strategy, Fondaheer merged with the company in 2018 to create a Family and Corporate foundation, whose key role would be to facilitate long-term access to jobs through training opportunities structured around the quest for excellence. The Foundation governance structure reflects the commitment to maintaining a close working relationship between shareholders and employees, with a Board of Directors whose members are three company employees, one of whom is the Foundation treasurer; and four family directors, who include the Chairman and secretary. Employee members of the Board of Directors also work within their own scopes of responsibility to inform as many other employees as possible about the work and achievements of the Foundation.

Taking action on jobs

Fondaheer is an endowment fund whose core mission is to promote and facilitate access to, or return to, employment for vulnerable persons through its support for multiple non-profit employment integration organizations, the majority of which are based in our employment catchment areas.

Three of these organizations have received multi-year support from the Foundation under the terms of partnership agreements:

- Supported since 2013: Acta Vista in Marseille, which plays an active role in employment integration and skills training for economically and socially underprivileged people through heritage restoration projects; and
- Supported since 2019: The Le Lab business launcher 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;

- In 2021, Fondaheer and Daher Aerospace became partners in 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 plane designed by students at the Sup'Aero Toulouse aerospace engineering graduate school. To help them achieve their goal, the trainees alternate theory training sessions with workshop time.

These 3 partnerships have built strong links with employees in their regions and have facilitated important two-way synergies.

One Daher Awar

Every year since 2018, Fondaheer has launched an annual call for projects, which invites all employees and Daher family members to submit a non-profit organization and project they would like the Foundation to support. A vote is then held to select ten winning projects from all those submitted. Each winning project receives a contribution of up to €5,000 towards ensuring the successful outcome of their project.

The initiative evolved further in 2021 with the presentation of the first One Daher Award, which is supported by Fondaheer, and invites employees and Daher family members to vote for their favorite winning project. The One Daher Award winner then has its initial contribution doubled.

In its first year, it generated high levels of involvement and strong competition between project promoters within the company to ensure the success of their sponsored non-profit. The 2021 One Daher Award was won by AJE-Paris (Association Jeunesse Éducation Paris), which provides support and guidance to struggling school students.

The 2021 call for projects also was a great success, with three times more projects being submitted online than in 2020. Following close analysis of the eligibility criteria, 17 submissions went forward for assessment by the Board of Directors on the basis of a standard scoring system. As a result, 10 new projects will now be supported by Fondaheer and their sponsors in 2022, and all will compete to win the One Daher Award in the spring.

Family shareholders as part of CSR governance

Since 2018, representatives of family shareholders have been members of the Group Governance Committee to provide oversight of the guidelines and implementation of the company CSR strategy. The Governance Committee, therefore, is informed not only of CSR achievements, but also of ESG performance outcomes.

| Other indicators | Scope | 2019 | 2020 | 2021 | 2022 target |
|--|--------|------|------|------|-------------|
| Number of projects submitted during the Annual Call for Projects | France | 35 | 13 | 31 | N/A |
| Number of projects supported as a result of the Annual Call for Projects | France | 10 | 9 | 9 | N/A |

N/A: not available.

Partnering with our stakeholders

Since Daher creates value in its ecosystems as a result of its positioning as a partner and integrator, as well as through – and because the complexity of the industrial challenges to which Daher requires demands collective intelligence – convinced of the importance of acting as an integrator partner of its stakeholders in order to respond effectively to

IMPROVING THE EMPLOYABILITY OF OUR PEOPLE

Daher pursues a responsible employment policy that takes the long-term view. Its aim is to anticipate Group personnel needs in order to ensure that its teams align closely with the expected development of the business, at the same time as safeguarding jobs. To achieve this, Daher uses three fundamental tools:

- A policy reviewed and upgraded via its Employment & Career Management Agreement;
- A Strategic Workforce Plan; and
- An Annual Group Skills Development Plan.

Employment and Career Management

A GEPP (Employment and Career Management) agreement was signed by all five of the Group's trade unions (CFDT, CGT, FO, CFTC and CFE-CGC) in December 2020. The plan was then introduced in 2021 to replace its predecessor. It covers all French employees, which represents roughly 80% of our total labor force.

This new agreement reflects the shared desire to implement a system for a manpower and skills forecasting mechanism as part of an ongoing transparent process of dialog between the social partners. The GEPP allows us to produce shared analyses of those careers with a bright future, and those where further training or reskilling will be required. The agreement therefore provides employees with the forward visibility and resources they need to enhance their employability and secure their careers. Importantly, the GEPP provides more effective career development support with a series of updated resources that include skills assessments and annual appraisals. It also offers more extensive support for geographic mobility and an optimized end-of-career support package. Full implementation of the plan in all its aspects is monitored and supervised by a joint committee, which meets twice per year and prioritizes further action on the basis of the results achieved during the previous period.

Strategic Workforce Plan

The Strategic Workforce Plan was developed in 2020 and introduced in 2021 to align the GEPP with the Group Medium-Term Plan, which details the challenges facing the operational departments of Daher for the next five years. The medium-term plan details the key trends in business activities, revenue estimates and the provisional budgets.

Based on these business forecasts, the Strategic Workforce Plan provides a three-year forecast of personal requirements for each Group entity to ensure that they have people with the right skills, in the right place, at the right time.

Submitted to the Executive Committee in November 2021, the analysis prepared using this new tool provided input for preparing the skills development and hiring plans for 2022.

Group Skills Development Plan

The Group Skills Development Plan is built around the Daher strategic guidelines with input data from the forecasts contained in the Strategic Workforce Plan. Its purpose is to ensure that employees receive the training they need to gain more qualifications relevant to their careers and/or to learn

the skills required to transition to a new career opportunity for which demand in the Group is high. An initiative scheduled for implementation in 2022 will introduce mobility gateways that encourage and facilitate internal mobility within the Group, with particular emphasis on new sectors of the business.

In 2022, the Group Skills Development Plan will focus on four core priorities:

- Digitalization;
- Management;
- Logistics expertise and industrial services; and
- Versatility and multiskilling.

Talents Program

Five years ago, Daher also set up a Talent Program to identify the leaders of tomorrow within its teams. These high-potential individuals are then offered a tailored career development support program, which includes a career progress appraisal, in addition to the standard annual appraisal. This new appraisal is an opportunity to understand their ambitions for career development within the Group, and to work with them on identifying those skills that may need further development in order to achieve these ambitions.

Three training programs have been designed specifically for these talented individuals in collaboration with CEDEP, the global executive education club of which Daher is a funding partner.

Expert Channel

In 2021, Daher set up its Expert Channel in response to the outcomes of a 2020 consultation on the proposal to introduce a policy for identifying, developing and retaining experts within the Group. The purpose of the Expert Channel is to make greater use of the specialist expertise that already exists within the Group, structure the development of this expertise, 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.

A Group-wide invitation for applications was issued in April 2021 to identify an initial intake of experts. Of the 48 candidates identified, 20 experts covering 18 strategically important areas of expertise were selected in October 2021.

DAHERLAB: 61 OPEN INNOVATION PROJECTS

Since the beginning of 2019, DaherLab has discussed projects with more than 415 companies. 61 proofs of concept (PoC) have been completed with some of these partner companies, achieving a 48% success rate – meaning that the project concerned has entered the industrialization stage, and there are plans to implement the solution concerned on completion of the PoC and subject to end-of-project feedback. The fact that more than 65% of these collaborations have originated in the startup ecosystem built by DaherLab makes this an exceptionally dynamic source of new and innovative ideas.

“Daher has introduced new tools to help employees direct their careers towards the Group's high-growth areas of expertise.”

Camille Raymond, Employment and Skills Manager at Daher Group



Daher arrives in Bremen, Germany – Under the terms of a logistics and customs services contract for Airbus Defence and Space.

ough innovation,
ce – the Group is
to shared CSR issues.



CHALLENGES

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

The strategically important non-financial risk presented by misalignment of available skills and expertise has been highlighted by the high levels of employment market tension we saw in 2020, and the problems created by lengthy training programs in high-growth disciplines. Daher is addressing this risk by improving the employability of its employees through an Employment & Career Management (GEPP) agreement and a Strategic Workforce Plan (SWP). The percentage of employees trained in France is the indicator used to measure the success of the training plan rollout. An indicator directly linked to the SWP will be developed in 2022 to monitor actual implementation of the plan. A detailed analysis of training rates will be produced monthly and forwarded to the divisions.

| Non-financial risk | | Challenge | | Policy | |
|--|--------|---|-------|---|-------------|
| Skills and expertise mismatch | | Improving the employability of our people | | Employment & Career Management (GEPP) agreement | |
| Performance indicator | Scope | 2019 | 2020 | 2021 | 2022 target |
| Percentage of employees completing at least one training program | France | 74% | 56% | 72% | N/A |
| Other indicators | Scope | 2019 | 2020 | 2021 | 2022 target |
| Average number of training hours delivered per FTE | France | 14 | 9 | 14.4 | N/A |
| Headcount (FTE) | Group | 10,060 | 9,482 | 9,341 | N/A |
| Headcount (Statement of Non-Financial Performance reporting scope) | Group | 9,662 | 8,410 | 9,291 | N/A |
| Headcount (France) | France | 8,577 | 7,655 | 7,448 | N/A |
| Percentage of employees on permanent contracts | Group | 74% | 83% | 81% | N/A |
| Percentage of employees at management grade | Group | 21% | 21% | 16% | N/A |
| Percentage of employees receiving regular personal and career development appraisals | France | 95% | N/A | 78% | N/A |
| Percentage represented by work/study trainees | France | 2.6% | 2.3% | 1.6% | N/A |

N/A: not available.

INCREASING DIALOG WITH STAKEHOLDERS IN OUR HOST COUNTRIES AND REGIONS

As a leading force in the aerospace industry, Daher has two central goals for the process of dialog it maintains with its stakeholders. The first is to play a full role as contributor to the local economies of its operating locations. Daher is the leading manufacturing industry employer in the two employment catchment areas of Tarbes (in the Hautes-Pyrénées region of France) and Bois (Loir et Cher). In four other employment catchment areas – Toulouse, Marseille, Nantes and Saint-Nazaire – Daher is a significant employer within what are highly dynamic aerospace ecosystems.

The second goal is to work with the wider industrial fabric of the regions in which it operates to develop partnership initiatives that leverage innovation. Historically, the Group has made significant investments in such initiatives. In fact, Daher already was involved in collaborative projects based in competitiveness clusters two decades ago. In 2014, the Group created Daher Lab as a space in which to collaborate with multiple startups working in different sectors of manufacturing industry. Open innovation is one of the Daher Group's key levers for technological excellence.

Three new TechCenters

Since 2020, Daher's participative approach to innovation has taken on a new and much larger importance as it significantly scaled up with the creation of a TechCenter for each of its three core businesses: aircraft manufacturing; the manufacture of aerospace equipment; and the provider of logistics and supply chain services.

All three TechCenters are being developed in collaboration with local authorities with external funding, which includes substantial support from the France Relance national recovery plan.

The first of these TechCenters – Log'in – already is operational on the Corlog site in Cornebarieu, France (in the Toulouse region). The Log'in platform is dedicated to the development of innovation in industrial logistics, and is the result of a partnership announced in March 2021 with the Occitanie region to develop and support the transformation of the region's industrial logistics sector. It welcomed its first partner startup at the end of 2021 (see the inset).

The second is the Shap'in TechCenter. Located on the Daher site at Saint-Aignan-de-Grandlieu in the Jules Verne industrial innovation cluster near Nantes, Shap'in will bring together the full spectrum of Daher's aerostructures and composites expertise when it opens in October, 2022. The building's foundation stone was laid on November 26, 2021.

The third TechCenter – Fly'in – will open in the final quarter of 2022 at the TBM aircraft production site in Tarbes, France, and will focus exclusively on aircraft development.

Fly'in will include a materials laboratory, rapid prototyping workshops, mechanical engineering and systems integration test facilities, test flight preparation and operation, along with other facilities.

These three Daher TechCenters will respond directly and effectively to the technical, economic and environmental challenges faced by the industry, while at the same time providing training for our most talented young people. Its research projects will focus particularly on digital technologies, eco-responsibility and low-carbon aviation.

“ Our three TechCenters will be innovation spaces in which we can welcome and work with external brainpower on developing tomorrow's technological solutions. ”

Sébastien Leroy, Vice President of Open Innovation at the Daher Group



Partnering with our stakeholders (continued)

Collaborations as part of CORAC

Daher has been a member of the CORAC (French Civil Aviation Research Council) steering committee since its creation, and is a voluntary contributor to its work. CORAC provides the framework for the Daher partnership with Airbus and Safran to develop the EcoPulse™ distributed hybrid propulsion aircraft demonstrator. The project was launched in 2019 to demonstrate the feasibility of a TBM-based eco-responsible aircraft, and is now well advanced with a maiden flight scheduled for 2022.

It also is important to remember that while a significant proportion of Daher's program of participative innovation involves established manufacturers and startups, the Group also works closely with academic institutions. In 2019, Daher partnered with ISAE-SUPAERO and the ISAE-SUPAERO Foundation to create the five-year research chair for Design and Certification of Innovative Architectures for Light Aircraft with Hybrid-Electric Propulsion.

MORE THAN 15 CORAC-RELATED PROJECTS

Since 2019, Daher has collaborated on 15 projects carried out within the CORAC (French Civil Aviation Research Council) framework, with the ultimate ambition of facilitating the emergence of solutions for more sustainable forms of air travel. Daher is acting as coordinator for seven of these projects.

- Five projects focus on researching and developing solutions for lighter aerostructures and new production technologies. For example, the Trampoline project is investigating the use of thermoplastic composites in aircraft structures – a field in which Daher is a leading expert, while the Terra Preta project is developing techniques for recycling carbon-based composite materials used in aerospace applications.
- Ten projects involve research and development work to identify solutions relevant to the forward development of general aviation, including the EcoPulse™ distributed hybrid propulsion aircraft demonstrator.

Across the full spectrum of these collaborative projects, Daher brings with it a group of SMEs, technical centers and other service providers that together provide an average of 30% of the technical input.

STRENGTHENING OUR RESPONSIBLE PROCUREMENT POLICY

In its 2018-2022 strategic plan, Daher set the goal of assuring its customers of full supply chain responsibility. Sustainable procurement is an essential lever for achieving this ambition, and is therefore one of the five cornerstones of the Group strategic plan.

Formalized at the end of 2021, our responsible procurement policy focuses on three key priorities:

- Compliance with the 10 commitments set out in the French Responsible Supplier Relations Charter labeling scheme;
- Creating value with our suppliers by building strong, long-term partnerships; and
- A global initiative that involves every link in our supply chain.

Restructured procurement functions

At the beginning of 2020, the Group launched a project to restructure its procurement functions, making major changes to its supplier selection matrix and introducing a new policy of assessing supplier suitability on the basis of total cost, rather than simply purchase cost. The result of this restructuring is that CSR criteria are now integral to the new contract bid assessment process. These changes were made on the basis of three strong convictions:

- That our customers evaluate us on the basis of our CSR approach, so being recognized as setting the industry benchmark for responsible procurement gives us a competitive edge;
- That responsible procurement helps to boost our performance as a manufacturing company; and
- That responsible procurement raises the quality of our procurement processes and, therefore, our relationships with suppliers.

At a time when major suppliers are now in a position to choose their customers, it is for these reasons that Daher has set itself the goal of being the preferred customer of its most important suppliers. On this basis, responsible procurement makes it easier to consolidate a loyal ecosystem of those suppliers on which Daher relies for achieving its manufacturing performance goals.

In March 2020, the Group procurement department launched a project to improve the on-time payment of suppliers. Also in 2020, Daher published its new responsible procurement charter, which then evolved at year-end into a fully structured policy covering all Group procurement activities.

Other key reference points for the procurement function are set out in the Code of Responsible Procurement Ethics for Suppliers, which details the CSR commitments the Group requires its suppliers to sign up to.

Raising buyer awareness

In September 2020, the procurement department brought its teams together for a seminar presenting the new guidelines and goals for the procurement function. The key messages included the fact that annual targets now include the CSR criteria applied to the procurement functions.

The Group's buyers also have been offered a series of training programs focusing on these issues. The first anti-corruption training module was introduced in 2019, followed by a responsible procurement module in the first half of 2020, and a module devoted to CSR risks and the duty of care in the second half of the year. Since that time, these two modules have become an integral part of the on-boarding training provided for new employees joining the procurement function teams.

A training module dedicated to the circular economy currently is under development for introduction in 2022.

Supplier assessment

The individual Group entities are progressing well with work on their own supplier assessment procedures. The Group Responsible Procurement Charter is annexed to all new contracts, together with the Supplier Code of Ethics, and CSR clauses are included in all procurement contracts. For example, all new Aircraft Division procurement contracts signed since 2020 have been assessed on the basis of CSR criteria.

As a result, 100% of new contracts are fully consistent with the Daher CSR procurement policy. The Group has set itself the target of ensuring that 50% of all current contracts contain CSR clauses by the end of 2022. Existing contracts are also assessed as and when they come up for renewal. In the Aircraft Division, the target is to ensure that every one of its procurement contracts complies fully with this metric. The Group's other divisions are pursuing the same goal by integrating this requirement into every renewal or amendment of an existing contract.

To support its suppliers through this process of responsibility-based empowerment, Daher introduced an initial level of supplier self-assessment of CSR maturity at the end of 2021, giving suppliers the opportunity to benchmark themselves against six key issues (Safety Management, Environmental Management, Working Conditions and Employee Health, Human Rights, Sustainable Development, and Ethics and Responsible Procurement) as the basis for identifying their strengths and areas for further improvement. At the end of November 2021, the Group hosted the Daher Suppliers' Day (DSD) to meet its suppliers face-to-face and get to know them better. During the event, our CEO, along with other members

“ The Daher ambition is to set the responsible procurement benchmark for the industry.

Paul-Marie Dubreuil, Group VP Procurement at Daher



“ The ability of Daher to demonstrate its commitment to major customers has become a key competitive advantage.

Sophie Pardi, Daher Group CSR Manager

of the Executive Committee and the Procurement community highlighted the importance of sustainability in the relationships between Daher and its suppliers; sustainability not only over time, but also in the sense of today's crucial CSR issues.

The Group responsible procurement policy has also been expanded and extended in other ways. A whistleblowing system was introduced in 2020 to give customers, suppliers and other stakeholders outside the Group the opportunity to draw the attention of the Daher Group General Counsel & Compliance Officer to potential breaches of the responsible procurement rules adopted by the Group (see the section entitled 'Respecting business ethics and combating corruption and influence peddling on p. 28).



The operational non-financial risk posed by violations of human rights and/or environmental rights by any stakeholder involved in our upstream supply chain has been identified as significant in terms of our duty of vigilance. Daher is addressing this risk by strengthening its responsible procurement procedures with the introduction of a new Responsible Procurement Policy. The percentage of the French Procurement community trained in the duty of care is the indicator used to measure the extent to which all the issues involved have been taken on board and integrated into all our supplier relationships. The ambition is to have delivered this training to 100% of the employees concerned by the end of 2022, and then to extend it to every part of the Group. The monitoring of CSR clause inclusion in contracts is the metric used to measure implementation.



Presentation by Group VP Procurement Paul-Marie Dubreuil at the 2021 Daher Suppliers Day.

| Non-financial risk | | Challenge | | Policy | |
|---|--------|--|------|--------------------------------|-------------|
| Violations of human rights and environmental protection measures in our upstream supply chain | | Strengthening our responsible procurement commitment | | Responsible Procurement Policy | |
| Performance indicator | Scope | 2019 | 2020 | 2021 | 2022 target |
| Percentage of the Procurement community trained in the duty of care | France | N/A | 96% | 73%* | 100% |

* 94% of buyers completed this training in 2020. Another training campaign was run in 2021, but due to the expansion of the Purchasing community as a result of restructuring, the percentage of the Procurement community trained during 2021 fell to 73%. The 2022 goal remains 100%, which is why there now is a mandatory Duty of Care training program for all new Procurement function employees.

INTEGRATING CSR INTO OUR BUSINESS LINES, PRODUCTS AND SERVICES AS A SOURCE OF ADDED VALUE FOR OUR CUSTOMERS

Integrating CSR into our business lines

The CSR Committee has met several times per year. Its members represent those departments involved in developing corporate social responsibility initiatives and providing leadership for action plan implementation. The ultimate goal of these CSR Committees is to empower each business line to integrate CSR issues into its activities and address them effectively. Initiated in 2019, this process continued through 2020 with new corporate responsibility roadmaps for Innovation, Procurement, the ISD, R&D and Transportation. The rollout then continued throughout 2021. The process of addressing issues effectively at local level is facilitated by a network of CSR Ambassadors across the majority of our business lines and operating sites. The Daher CSR community currently includes 135 persons.

Training is a key part of integrating CSR into Group's business lines, and Daher plans to expand the range of training programs available on Environmental, Social and Governance (ESG) issues.

Integrating CSR into our contract bidding process

A sustainable approach to business is central to Daher strategy because the Group sees it as a powerful lever that sets our manufacturing and service businesses distinctively apart from competitors. This is why the Sales Department works closely with the Group's main customers to develop products and services that align with their expectations. For its corporate business-to-business customers, Daher has introduced a customer satisfaction process based on continuous improvement and systems for gathering feedback and improving operational performance. Daher also plays a special role through its provision of on-site logistics services to customers, and more specifically by contributing to their performance in terms of diversity and inclusion.

In its business-to-customer business as the manufacturer of TBM aircraft, Daher has implemented an internal organizational structure built around customer satisfaction.

This approach takes practical form in the sustained and constructive process of dialog with the TBM Owners and Pilots Association.

Pilots also have the Me & My TBM app to track their fuel consumption and carbon emissions. In 2021, Daher also came out on top in a survey of aircraft owners' satisfaction with manufacturers conducted and published by the U.S. magazine Professional Pilot.

Responding to customer demand

Integrating CSR into our business lines, products and services also means responding directly to customer demand around CSR issues. We therefore have introduced a process of CSR-focused dialog with our largest customers to ensure full alignment of our respective strategies. Five of these customer meetings were held in 2021 with Airbus, SAE (Safran), Colas Rail, Stelia and Rolls-Royce, all of which gave us very good feedback in terms of our proactivity and ability to deliver on their expectations.

In 2021, SAE surveyed more than 70 of its suppliers to quantify the CO₂e emissions attributable to the products it purchases. Daher was one of just four suppliers to provide this customer with a fully documented response that met its expectations. In the more general sense, Daher is able to provide all customers and third-party organizations with the data needed to make their own environmental assessments. For example, the Track & Trace system used by Daher in its Transportation businesses enables us to generate emissions reports that are made available to customers on request.

Lastly, the CSR performance of Daher is regularly assessed by EcoVadis, which awarded the Group its Silver level of certification in 2020. Also during 2020, Daher responded for the first time to the CDP (Carbon Disclosure Project) at the request of its customer, Airbus, and was awarded a "D" rating. When the procedure was repeated in 2021, we were rated 'B' grade, which aligns with the expectations of our largest customers for the period to 2025. Again at the request of Airbus, the Group has also completed the GIFAS Duty of Care questionnaire.

strate alignment with the CSR strategies of its an important differentiating factor for the Group.

At the end of 2020, the Group appointed an internal ombudsman affiliated with the GIFAS (French Aerospace Industries Association) college of ombudsmen. The ombudsman may be requested by suppliers to arbitrate over disputes involving the procurement function using the procedure set out in a document published in 2021. Work has begun on a compliance program to govern the procurement of conflict minerals, and is currently in the finalization stage. Lastly, as part of delivering practical outcomes from its responsible procurement procedures and to materialize their benefits, the Daher procurement community set a major goal for itself in 2021: to be awarded the RFAR (Responsible Supplier Relations & Procurement) label in 2022. This final accreditation labeling scheme commits members to implementing an ambitious 150+-plus point improvement plan over three years.

ROBOTS LIGHTEN THE LOAD ON OPERATORS

Using mobile robots to assist the teams at the Hub Ouest logistics center in Saint-Nazaire in speeding up the process of preparing parts kits for shipment to Airbus production lines is the ambition of the Buck project, launched in July 2021 in partnership with Nantes-based e-cobot (creator and manufacturer of the Husky range of smart autonomous robots). The central concept here is to lighten the workload of the operators by delegating part of the order preparation process to robots which move between preparation zones inside the warehouse to collect the individual components of each kit and take them to the shipping area.

The project has been developed in a collaboration between the teams at DES (Daher Engineering Services), DaherLab and the startup company e-cobot to provide a joint response to a call for projects launched by the SHOP4CF program. This EU-funded program aims at testing innovative robotics solutions for connected production plants. A six-month testing cycle began at Hub Ouest in November 2021.

Managing our operations responsibly now and in the future

Because CSR demands a global approach to performance, and because Daher takes its responsibilities to present generations seriously, the company is convinced of the importance of finding solutions to manufacture more responsibly and engage with the development and innovation needed to move towards more sustainable products and services.

IMPROVING EMPLOYEE SAFETY

Throughout our history, employee 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, which launched many initiatives at the height of the crisis in 2020.

Daher's uncompromising commitment to employee safety is reflected in the Health, Safety, Security and Environment policy document signed off by the CEO and updated in 2019. It also is channeled through 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. A series of initiatives were implemented in 2021 as part of the Safety@Work program. During the year, the HSE community provided feedback on the introduction of the QSE Walks introduced to identify and prevent any and all risks to which employees may be exposed, and to raise awareness of good safety practices. As a result of this feedback, a new QSE Walks model will be introduced in 2022. The impetus for this development came in Safety Week at the beginning of December 2021, during which members of the Executive Committee and TopEx used a standard checklist to carry out

their own QSE Walks at a large number of Daher sites. During the same week, the teams were invited to take an online quiz (also available on mobile devices) to test their knowledge of occupational safety. Those who achieved the highest scores received Safety Awards during New Year's greeting week at the beginning of January 2022.

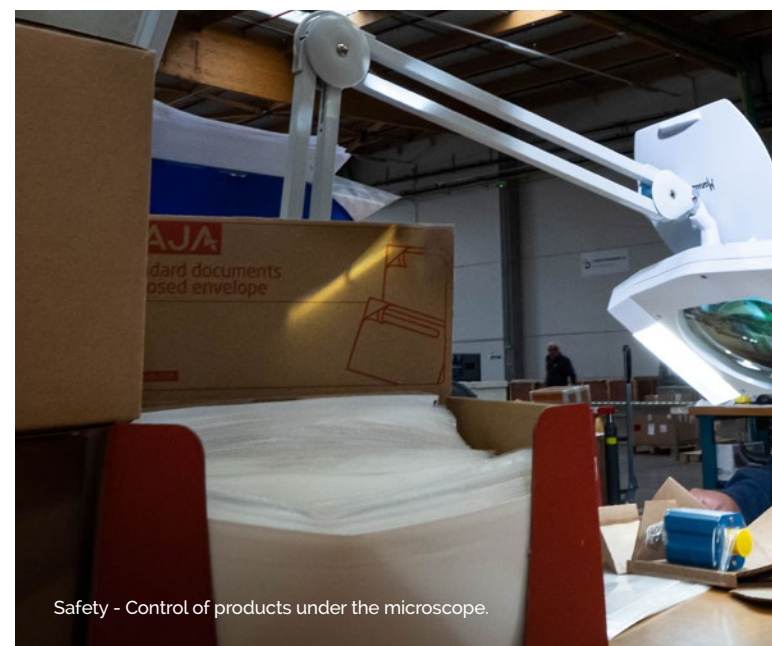
The "My Safety, Our Priority" print and digital communication campaign featuring the experiences of employees involved in occupational accidents was rolled out for all French sites during the year, and extended internationally at the beginning of 2022. The campaign enabled the company to reach out to all employees on issues of direct concern to them, and to encourage them to play an active role in ensuring their own safety and the safety of others.

MORE THAN 1,000 ACCIDENT-FREE DAYS AT BRAIS

On September 16, 2021, the teams at our Brais thermal/acoustic insulation blanket production site in Saint-Nazaire lunched together to mark an important milestone: 1,248 accident-free days, which represents a timeframe of nearly three and a half years.

Over the past three years, the Brais teams have shown a proactive and personal commitment to accident prevention, with particular emphasis on close monitoring of operator practices and actions. This approach has resulted in a redesign of workstation layout to ensure that right-handed and left-handed operators enjoy the same level of safety. The site also has moved ahead with the rollout and systematic application of best practices as part of the Safety@Work program.

By December, the number of accident-free days at Brais had increased to 1,325. The teams have now set themselves a new goal of exceeding 1,500 days.



Safety - Control of products under the microscope.

“Introducing Safety@Work has enabled Daher to empower everyone to think, make suggestions and take action on a daily basis for their own safety and the safety of everyone around them.”

Natacha Rouzeau, HSE expert in chemical risks

The operational non-financial risk posed by serious or fatal injury among our employees has been identified as significant for Daher and all our stakeholders. Daher is addressing this risk as part of its challenge to improve employee safety with the introduction of a Health & Safety policy and dedicated Safety@Work program. The effectiveness of safety initiatives is measured using the lost-time occupational accident frequency rate for France and the Group. The ambition for 2022 is to achieve an overall reduction of 20% on the figures for 2021. Each division conducts a detailed analysis of its accident frequency rate every month.

| Non-financial risk | | Challenge | | Policy | |
|----------------------------|--------|---------------------------|------|------------------------|-------------|
| Threats to employee safety | | Improving employee safety | | Health & Safety Policy | |
| Performance indicator | Scope | 2019 | 2020 | 2021 | 2022 target |
| Accident frequency rate | Group | N/A | N/A | 13.4 | 13.2 |
| Accident frequency rate | France | 19 | 15 | 15.5 | N/A |

N/A: not available.

MINIMIZING OUR ENVIRONMENTAL IMPACTS

Preventing pollution related to our 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 the achievement of continuous improvement based on clearly defined priorities. The Group strives continually to improve its environmental performance.

The Health, Safety & Environment (HSE) structures support environmental certification initiatives, work to reduce pollution and environmental damage, and support existing risk management processes. Daher has an Environment network in place to promote environmental awareness among employees through personal and collective initiatives.

THREE SITES GRANTED ISO 45001 CERTIFICATION

Our Epothémont, Laudun-L'Ardoise and Saint-Vallier sites were granted ISO 45001 Health & Safety Management certification in October 2021.

The excellent involvement of the teams at Laudun-L'Ardoise (nuclear waste management, etc.) made it possible for us to look at their processes and develop and implement prevention measures.

The operational non-financial risk of significant environmental damage from manufacturing activities. Daher addresses this risk by minimizing our environmental footprint by applying its Environmental Policy and ensuring ISO 14001 certification in an ISO 14001-certified site in France and throughout the Group in the

| Non-financial risk | |
|---|-------|
| Environmental damage | |
| Performance indicator | Scope |
| Percentage of employees working in ISO 14001 certified facilities | Group |

N/A: not available.

HESTIA CUTS THE ENERGY CONSUMPTION OF LOGISTICS

At the beginning of 2020, DaherLab began working collaboratively with French startup Kipsum as part of the Hestia project. The Kipsum artificial intelligence solution processes data from a set of connected sensors installed throughout a logistics building. The system creates a digital model of the

building and generates a profile based on the layout, temperature and humidity settings, the usage patterns and even the weather. The system provides optimization recommendations displayed on a web-based

and future
responsibly today,
and in the future.



its facility, Daher and its insurance broker have proactively analyzed the strengths and weaknesses of the document setting out the methods for responding to similar accidents and protecting personnel, property and the environment at the only SEVESO-classified facility it operates in Poincy. In addition to reviewing the documentation, the capability of implementing the methods and crisis management procedure it contains have been verified at the plant. In 2020, an exercise in implementing the internal operational plan for the Poincy site was conducted with support from the Group crisis management unit.

ment of employees at
clear site maintenance,
(etc.) and at Epohémont
(processing and storage)
to take a very operational
cases as the basis for
implementing practical risk

At Laudun-L'Ardoise, where employees make many business trips, the Drivata solution has been tested to develop/strengthen a culture of road safety and eco-driving by analyzing driver behavior, scoring driver skills and organizing intra-site challenges.

age has been identified as significant in the scope represented by our
environmental impacts and, more specifically, by preventing pollution
tion for all its manufacturing sites. The percentage of people working
the indicator used to ensure that this risk is properly addressed.

| Challenge | | Policy | |
|--------------------------------------|------|--------------------|-------------|
| Minimizing our environmental impacts | | Environment Policy | |
| 2019 | 2020 | 2021 | 2022 target |
| 47% | 55% | 52% | N/A |

BUILDINGS BY 30%

an energy consumption
out of the site, ambient
dity, ventilation, heating
terns of site personnel
ner outlook. Energy
mendations are then
ed or mobile dashboard.

The PoC launched at our Tamaris site in 2020 was followed by a second at Hub Ouest. One year on, the solution has delivered a 30% reduction cut in energy consumption at both sites simply by adjusting heating settings. These results are now being assessed in preparation for a potential rollout on a larger scale.



CHALLENGES

- Improving employee safety
- Minimizing our environmental impacts
 - Preventing pollution related to our business activities
 - Optimizing energy and resource management
 - Rolling out a low-carbon policy for our business lines and processes
- Respecting business ethics and combating corruption and influence peddling
- Ensuring the safety of our products and services, and the security of our data

Optimizing energy and resource management

Daher has made protecting the environment an integral part of Group general policy. The environmental policy with which the company is engaged guarantees full regulatory compliance, the monitoring of environmental indicators, and continuous improvement based on clearly defined priorities. In order to achieve its goals, the Group is supported by a network of HSE managers responsible for promoting environmental awareness among employees and encouraging personal or collective initiatives for action on the issues involved.

Taking account of its environmental impacts has always been a long-term core value of the Daher Group. As part of the ISO 14001 certification process, Daher teams have been working since the early 2000s to identify the environmental impacts of their activities and to implement appropriate improvement initiatives. As a result, work has been carried out on reducing our consumption of raw materials, gradually introducing LED lighting, optimizing transportation, and recovering thermoplastic scrap for reuse in the production cycle – an area in which significant progress has been made over the past three years.

Rolling out a low-carbon policy for our business lines and processes: our first Climate Strategy

In 2021, Daher announced its first Climate Strategy, which has since been validated by all relevant bodies. On the basis of the 'Bilan Carbone' carbon assessment conducted across all its activities in 2019, the Group made the decision to structure its approach to decarbonization in the form of a policy. This first version presents our understanding of the current situation, and – perhaps more importantly – the expectations of all our stakeholders:

- Our current and future employees expect the Group to make commitments to a low-carbon future;
 - Our family shareholders require us to address the climate issue seriously for the benefit of future generations;
 - Our customers expect us to match their level of commitment; and
 - Our investors include CO₂e emissions in their requirements.
- The Climate Strategy analyzes our current position and identifies the levers of action available to us:
- Scope 1 & 2 emissions are our sole responsibility;
 - Scope 3 upstream mobility-related emissions, for which we share responsibility with all our employees;
 - Scope 3 upstream procurement-related emissions, for which we share responsibility with all our suppliers;
 - Scope 3 downstream emissions related to the aircraft we manufacture, for which we are solely responsible; and
 - Scope 3 downstream emissions related to the aerospace equipment we manufacture, for which we share responsibility with our customers.

The strategic non-financial risk posed by changes in the social and environmental acceptability of our activities has been identified as significant in the context of climate change. Daher is addressing this risk by taking up the challenge of minimizing its environmental impact in general, and more specifically by optimizing its energy and resource management and implementing a low-carbon policy. The measures implemented by Daher are underpinned by its new - and first - Climate Strategy, which details its commitments to roll out low-carbon initiatives through all its business lines and decision-making bodies. The indicator used for these measurements represents the Scope 1 & 2 CO₂e emissions of all French operations, and will be extended to the full Group and Scope 3 upstream emissions as soon as a robust reporting procedure is in place. Scope 1 & 2 emissions are reviewed every six months by the divisions, which share the common goal of reducing them by 5% every year.

| Non-financial risk | Challenge | Policy | | | |
|--|--------------------------------------|------------------|--------|--------|-------------|
| Societal and environmental acceptability of our business activities | Minimizing our environmental impacts | Climate Strategy | | | |
| Performance indicator | Scope | 2019 | 2020 | 2021 | 2022 target |
| Scope 1 & 2 CO ₂ emissions (metric tons) | France | 15,480 | 14,377 | 14,803 | 14,706 |
| Scope 1 & 2 CO ₂ emissions (metric tons) pro forma for 2019 | France | 15,480 | 14,377 | 14,133 | 14,706 |
| Other indicators | Scope | 2019 | 2020 | 2021 | 2022 target |
| Weight of hazardous waste (metric tons) | France | 689 | 670 | 670 | N/A |
| Weight of non-hazardous waste (metric tons) | France | 3,774 | 3,143 | 3,330 | N/A |
| Percentage of waste recovered/recycled | France | 62% | 61% | 62% | N/A |

N/A: not available.

- In response, Daher has made four fundamental commitments:
- To work on reducing our operational emissions in line with the Paris Agreement (the +2°C scenario);
 - To make the challenge of reducing CO₂e emissions an integral part of our mobility and procurement policies;
 - To help reduce emissions resulting from the use of our products (which alone contribute 93% of Daher's carbon footprint); and
 - To train and inform Daher teams about the challenges posed by the climate transition and the carbon performance of the Group.

Led by the Executive Committee, this latest commitment to collective acculturation began to take practical form with an awareness-raising introductory webinar session on the Group Climate Strategy held in November 2021 for TopEx (top executive) members, the HSE community and Experts. The first Low Carbon Explorer module was then offered in December 2021 with the goal of sharing the fundamental issues to be addressed to achieve decarbonization efficiently and in an orderly manner. A second module is planned for the first quarter of 2022, which will involve management teams in gaining a very operational perspective on the processes involved and preparing their own actions.

The Climate Strategy provides input for the framework that will be used to prepare the next Strategic Plan for the period from 2023 to 2027. In 2021, the Scope 1 & 2 CO₂e emissions for our operating divisions were included in the 2022 budgeting process for the first time, along with two other non-financial indicators (accident and absenteeism data) to ensure that CO₂e forecasts were prepared in the same way as the financial results. From 2022, this exercise will be repeated annually, with integration of the 5-year medium-term plan.

At the same time as formalizing the Group's climate ambitions and commitments, the Climate Strategy also will provide a framework for the many initiatives already implemented at the shop floor level. This is the case with the ODDICEA program launched in 2019 at our Nantes site with the aim of studying and optimizing its energy consumption by installing appropriate instrumentation on production systems. The Aircraft Division also is working to reduce the environmental footprint of its aircraft and is collaborating with local authorities to promote the use of biofuels. A biofuel pump currently is being installed at our Tarbes site in partnership with the Occitanie Region. Since 2021, the Me & My TBM app for pilots/operators of TBM aircraft has included a CO₂ emissions metric in the flight analysis data provided to pilots.

Lastly, a seminar was held in November 2021 for the HSE community on the subject of pollution and environmental protection, setting out the details of an action plan to be implemented in 2022.

Managing our operations responsibly now

RESPECTING BUSINESS ETHICS AND COMBATING CORRUPTION AND INFLUENCE PEDDLING

The Daher Group takes a voluntary and proactive approach to maintaining the highest standards of business ethics and combating corruption as well as insider influence. This commitment became a practical reality in 2015 with the introduction of the Group's first Code of Ethics and Good Conduct for its French businesses, which was prepared on the basis of its core values. The Code of Ethics details the rights and duties of employees, provides recommendations on business ethics issues, and ensures compliance with current regulations. It has also allowed us to take action ahead of the expectations of our major customers, and particularly those in the aerospace industry, which are now asking us to align our CSR commitments with theirs. When these same customers later introduced a contractual requirement for us to comply with their own codes of ethics, Daher was ready and willing to do so.

The Code of Ethics and Good Conduct was reviewed and updated in 2019, and introduced for all Group structures in France and internationally. As part of the updating process, the Group also set out its Gifts Policy, which applies to all employees.

The current version of the Code of Ethics incorporates the full range of Group best practices, and provides detailed procedures for each of the issues covered (see inset). The Code of Ethics and Good Conduct contains practical examples selected to help Group employees gain a clearer understanding of situations in which risks can arise. It covers all the mandatory aspects of the French Sapin I and II legislation, and the obligations imposed under the Due Diligence legislation. The Code of Ethics and Good Conduct is now an integral part of the Group's internal regulations, and is one of a series of documents which all new employees are required to sign.

Code of Ethics rollout

The current version of the Code of Ethics and Good Conduct applies internationally, and therefore to all Group subsidiaries. Daher therefore requires each of its structures to act in full compliance with French regulations, in addition to the local regulations applying in the country where it operates.

The Group is committed to making its Code of Ethics understandable and applicable by all its subsidiaries, with particular emphasis on ensuring that it complies fully with all local regulations. An awareness-raising campaign has also been running since 2019 to ensure full adoption and ownership of the Code of Ethics by all teams. This campaign includes regular training and awareness information sessions organized and held in individual Group structures.

In 2020, the Group identified those categories of personnel most likely to be exposed to business ethics and compliance risks in order to prioritize awareness of the Code of Ethics and Good Conduct among these individuals, who include those who interact regularly with our key stakeholders: customers, suppliers, service providers and government agencies. At the end of 2020, Daher introduced an awareness plan to accelerate the training of these employees, and throughout 2021, those concerned received awareness training focusing specifically on business ethics anti-corruption issues.

More than 112 people completed this training program in 2021, and the Group aims to continue its implementation in 2022. In addition to raising awareness of these risks among those groups most exposed to them, the Group has asked all new managers joining the company under open-ended contracts of employment since 2019 to read and sign the Code of Ethics. From 2022 onwards, the Group intends to go further still by asking those exposed to these risks to confirm in writing that the actions they undertake on a daily basis comply fully with the

provisions of the Code of Ethics, and that they are unaware of any compliance failures.

Lastly, a summarized and simplified version of the Code of Ethics and Good Conduct was distributed in 2021 to facilitate its adoption by the maximum number of employees.

Double whistleblowing system

As part of reviewing and updating its Code of Ethics and Good Conduct in 2019, Daher introduced two whistleblowing systems: one for internal use, and the other for its external stakeholder ecosystem. The operation of these whistleblowing systems is described in detail in the Code of Ethics.

The internal system is available for all Group employees to use. Designed to comply with all current regulations on whistleblower protection, it is based on the WhistleB system to ensure full compliance with new European whistleblower protection laws. This external online platform is independent of the company (but can be accessed via a link on the Daher intranet), and provides a channel through which an employee can anonymously and securely draw the attention of the Group to flag up issues observed in three types of situations:

- Violations of business ethics (corruption, money laundering, etc.);
- Violations of employee rights (harassment, obstruction, etc.); and
- Violations of human rights, fundamental freedoms and the health and safety of individuals and the environment.

The second system is public and available for anyone to use by completing the "You want to..." "Would you like to alert us" contact form on the Daher website. The information provided is forwarded to the (non-anonymous) compliance@daher.com e-mail address administered by the Daher Compliance Officer.

The Compliance Officer receives all whistleblowing reports via the WhistleB platform or the compliance@daher.com e-mail address, and assesses them on a case-by-case basis by calling a meeting of an ad-hoc Committee whose members are the Compliance Officer, the Risk Director, the Group HR Director and the Chief Financial Officer. This Committee is responsible for all decisions relating to alerts and for responding to the whistleblower accordingly. It submits quarterly reports to the Risk Committee.

Ethics compliance checks

In 2019, the Group conducted an internal audit to assess the methodology used for the rollout of its Code of Ethics and Good Conduct. The audit was conducted in accordance with AFA (French Anti-Corruption Agency) guidelines. The results revealed at the beginning of 2020 highlighted a number of areas for improvement in terms of duty of care. One of the most important was the necessity for more effective assurances that the provisions of the Daher Code of Ethics were being applied in full by its suppliers and service providers.

In 2021, a commitment to ensure full compliance with the Code of Ethics was included in all the contracts signed by the Group with its suppliers. This initiative is another component of the Group's commitment to improve risk management through contractual arrangements with its suppliers, which has been in place for the past three years.

The level of progress reached with the rollout of the Code of Ethics and Good Conduct, duty of care and other resources throughout the Group is monitored by the Risk Committee. The Procurement Steering Committee is a corporate body that identifies suppliers at risk, decides on the actions to be taken, and reports back to the Risk Committee.



Nuclear activity - Wearing PPE – control.

“ By involving our suppliers, the Code of Ethics and Good Conduct now covers every link in the Daher value chain. ”

Jérôme Sarrajozi, Group General Counsel & Compliance Officer

OUR CODE OF ETHICS AND GOOD CONDUCT IS...

■ A guide to social and environmental ethics:

- Respect for the dignity of individuals and the promotion of mutual trust;
- Respect for diversity and the promotion of equal opportunities;
- Occupational health and safety protection and the promotion of occupational well-being;
- Respect for individual and collective freedom of expression and freedom of association;
- Prohibition of child labor;
- Prohibition of forced labor; and
- Protection of personal data.

■ A guide to business ethics:

- Anti-corruption policy;
- Relationships with public authorities;
- Financial integrity and anti-money laundering policy;
- Compliance with competition law;
- Compliance with international trade law;
- Policy for the selection of suppliers and partners.



Duty of care plan

In accordance with the legal provisions set out in Articles L. 225-102-4 and L. 225-102-5 of the French Commercial Code, Daher has prepared and implemented a due diligence plan that is publicly accessible via its website. The compliance plan applies to all Daher Group companies, as well as its subcontractors, suppliers and customers.

The plan meets the following requirements:

Risk map

Daher has identified four categories of supplier for which it carries out not only upstream checks as part of the partner selection process, but also downstream checks during the contract period. A number of digital tools are used to ensure optimal identification of risks.

Continuous assessment procedures

Daher has Group-wide procedures in place that enable the exercise of robust and formalized governance.

Environmental assessments

Management system maturity is regularly assessed, with particular emphasis on its environmental aspects in accordance with the standards set out in our SeeD operational excellence program.

Supplier assessments

The financial health of each supplier is analyzed regularly. The Group also brings together all of the documents required to exercise its duty of care.

The new supplier evaluation matrix incorporating human rights, health and safety, environment, ethics and responsible purchasing criteria was introduced in 2021. This matrix is used when suppliers join the panel, and as part of supplier audits.

The operational non-financial risk of internal or external fraud with the potential to be detrimental to the Group has been identified as significant for some of our employees, either as a result of their status and/or the situations they may encounter in the course of their duties. Daher is addressing this risk as part of its challenge of respecting business ethics and combating corruption in all its forms by introducing a Health & Safety policy and dedicated Safety@Work program. The percentage of employees in France receiving training on these issues is the metric used to measure the success of Code of Ethics' adoption. A detailed analysis of training rates will be produced half-yearly and forwarded to the divisions.

| Non-financial risk | | Challenge | | Policy | |
|--|--------|--|------|---------------------------------|-------------|
| 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 | |
| Performance indicator | Scope | 2019 | 2020 | 2021 | 2022 target |
| Percentage of senior executives and exposed persons trained in business ethics | France | 39% | 39% | 38%* | 100% |
| Other indicators | Scope | 2019 | 2020 | 2021 | 2022 target |
| Number of whistleblowing reports | France | 0 | 1 | 2 | N/A |
| Number of whistleblowing reports confirmed and resolved | France | 0 | 1 | 2 | N/A |

* The redefinition of the population exposed during the year has significantly impacted the training already carried out. The 2020 and 2021 results are therefore not comparable. But the goal remains 100% of the population in France. N/A: not available.

ENSURING THE SAFETY OF OUR PRODUCTS AND SERVICES, AND THE SECURITY OF OUR DATA

Protecting Group employees, our physical and intangible assets and the information entrusted to us against any malicious interference is one of our challenges. Since it operates in sectors with implications for national security, the Group continually improves and updates these policies.

In 2018, the Group made the decision that its Quality organization should report directly to the Executive Management Team, and has provided it with the resources and independence required to reduce quality failures, which has had an immediate impact on the safety of products and services delivered.

In 2020, Daher made its security function an integral part of its General Secretariat as a basis for developing a risk-driven process. At the same time, it completely revised its information systems security policy and appointed a Data Protection Officer.

In 2021, the Group formalized its Security Policy. This policy commits the company to a process of tangible and intangible asset protection, regardless of whether the assets concerned are owned by Daher or entrusted to our care. Working in close collaboration with our customers, partners, employees and relevant authorities, this policy is implemented in response to risk analyses, legal requirements and other imperatives.

- Preventing malicious acts; and
 - Reporting any breach of security to the appropriate parties.
- The Security Policy unveiled in September 2021 is accompanied by a series of shop floor initiatives for rollout in 2022 to address the two priorities of:
- Raising awareness among our employees and partners of the requirements as they apply to their areas of the business, with particular emphasis on the confidentiality of information; and
 - Stepping up the management and continuous improvement of our security performance to a level consistent with the development challenges faced by the Group in France and internationally.

Intellectual property

There are two aspects to our responsibilities around intellectual property:

- Securing and promoting innovative solutions owned by Daher, and ensuring that the Group is the only entity able to use them; and
- Respecting the intellectual property rights of our third parties: customers, suppliers, subcontractors, competitors, etc.

Daher fully complies with legislation involving Employee Inventor patents, and has experience of working on such cases during the past five years.

The Security Policy addresses the four key priorities of:

- Implementing security requirements designed to ensure that our employees behave irreproachably, in accordance with all applicable requirements, and in alignment with our values;
- Maintaining appropriate measures to protect infrastructures, assets, information and data;

SAFETY DAY AT MARIIGNANE

The Safety Day held by our Florides site at Marignane on June 8, 2021 attracted excellent levels of attendance. The aim of this one-day event was to raise employee awareness of safety issues through workshops and activities focused on preventing two risks that are among the most common causes of accidents at this location: movements and postures, and mechanical handling.

Over the last four years, the Les Florides site has introduced many more safety initiatives and almost halved the number of lost-time accidents (a 47% reduction between 2016 and 2020).

Business ethics:

Political parties;
Anti-money laundering
Competition rules;
International trade rules; and
Use of economic

An internal whistleblowing system:

- Prevention and declaration of conflicts of interest;
- Protection and respect for intellectual and industrial property;
- Fraud prevention;
- Respect for internal and external confidential data; and
- Document management and retention.

| CHALLENGES | Indicators | Scope | 2019 | 2020 | 2021 | 2022 target |
|---|---|--------|--------|--------|---------------|---------------|
| ONE DAHER | | | | | | |
| Employee and management commitment | Absenteeism | France | 3.5% | 4.5% | 4.3% | 4.1% |
| | Number of strike days | Group | N/A | 2,039 | 2,241 | N/A |
| | Social Barometer response rate | France | N/A | 45% | 31% | 45% |
| | Percentage of digital projects/tools addressing ESG issues | France | N/A | N/A | 43% | N/A |
| Women in top management | Percentage of women in the Group | Group | 26% | 26% | 25% | N/A |
| | Women as a percentage of all managers | Group | 27% | 26% | 26% | N/A |
| | Women as a percentage of all executive managers ⁽¹⁾ | Group | 18% | 18% | 17% | 26% |
| | Women as a percentage of the Executive Committee | Group | 0% | 0% | 22% | N/A |
| | Women as a percentage of all those identified as talents | Group | 23% | 23% | 21% | 26% |
| | Women as a percentage of all experts | Group | N/A | N/A | 22% | 26% |
| | Gender Equality Index | France | 73/100 | 88/100 | 88/100 | N/A |
| Disability inclusivity and combating all forms of discrimination | Employees with disabilities rate | France | 4.7% | 6.9% | 8.6% | N/A |
| Shareholder governance/ family-based model for responsible capitalism | Number of training hours received by shareholding family members | France | 1,713 | 1,004 | 1,457 | N/A |
| Cohesion shareholders/ employees | Number of projects supported as a result of the annual Call for Projects | France | 10 | 9 | 9 | N/A |
| TOGETHER | | | | | | |
| Employability of our people | Employees attending at least one training session rate | France | 74% | 56% | 72% | N/A |
| | Average number of training hours/FTE | France | 14 | 9 | 14.4 | N/A |
| | FTE headcount | Group | 10,060 | 9,482 | 9,341 | N/A |
| | Headcount (Statement of Non-Financial Performance reporting scope) | Group | 9,662 | 8,410 | 9,291 | N/A |
| | France headcount | France | 8,577 | 7,655 | 7,448 | N/A |
| | Percentage of employees on permanent contracts | Group | 74% | 83% | 81% | N/A |
| | Percentage of employees at management grade | Group | 21% | 21% | 16% | N/A |
| | Percentage of workforce receiving personal and career development appraisals | France | 95% | N/A | 78% | 100% |
| Responsible purchasing | Work-study trainees rate | France | 2.6% | 2.3% | 1.6 % | N/A |
| | Buyers trained in due diligence rate | France | N/A | 96% | 73% | 100% |
| DAHER WAY | | | | | | |
| Employee safety | Lost-time occupational accident frequency rate | Group | N/A | N/A | 13.4 | 13.2 |
| | Lost-time occupational accident frequency rate ⁽¹⁾ | France | 19 | 15 | 15.5 | N/A |
| Environmental impacts | Employees working in ISO 14001 certified facilities rate | Group | 47% | 55% | 52% | N/A |
| | Scope 1 & 2 CO ₂ e emissions | France | 15,480 | 14,377 | 14,803 | 14,706 |
| | Scope 1 & 2 CO ₂ e emissions (pro forma 2019) ⁽¹⁾ | France | 15,480 | 14377 | 14,133 | 14,706 |
| | Weight of hazardous waste (metric tons) | France | 689 | 670 | 670 | N/A |
| | Weight of non-hazardous waste (metric tons) | France | 3,774 | 3,143 | 3,330 | N/A |
| | Percentage of waste recovered/recycled | France | 62% | 61% | 62% | N/A |
| Business ethics | Percentage of senior executives and risk-exposed persons trained in business ethics | France | 39% | 39% | 38% | 100% |
| | Number of whistleblowing reports | France | 0 | 1 | 2 | N/A |
| | Number of whistleblowing reports confirmed and resolved | France | 0 | 1 | 2 | N/A |

(1) 3 indicators are tagged 'EuroPP' because they relate to ESG criteria applying in the context of the EuroPP bond issue for which particular targets have been set. The Statement of Non-Financial Performance audits conducted by the Independent Third-Party will provide assurance to financial institutions. N/A: not available.

METHODOLOGY

Scope

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

- In France:
 - Compagnie Daher s.a;
 - Daher Aerospace s.a;
 - Daher Nuclear Technologies s.a.s;
 - Daher Technologies s.a; and
 - Daher Valves s.a.s.
- In Europe:
 - Daher Aerospace GmbH (Donauwörth);
 - Daher Logistik GmbH;
 - Daher Nuclear Technologies GmbH;
 - Daher Projects GmbH;
 - Daher Aerospace S.L.; and
 - Daher Aerospace Ltd (Derby).
- In Morocco:
 - Daher Aerospace Maroc (Tangier).
- In the Americas:
 - Daher Aerospace Canada Inc.;
 - Daher Aerospace Inc. (Mobile, Alabama);
 - Daher Aircraft Inc. (Pompano Beach, Florida);
 - Kodiak Aircraft Inc. (Sandpoint, Idaho);
 - Daher Aerospace SA de CV; and
 - Daher Aerospace Queretaro SA de CV.
- In Asia:
 - Daher Business Consulting Shanghai Co Ltd.

The scope of the Group Statement of Non-Financial Performance includes 99.5% of the average total headcount at the end of December 2021.

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 100 FTE employees at the end of December 2021, 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 Statement of Non-Financial Performance indicators will not be available.

- All companies outside France have been included in the reporting scope of the Statement of Non-Financial Performance with no restriction on the number of FTEs, which was not the case in previous years. This decision reflects the increased maturity of our reporting. Priority has been given to safety so that we can report a Group-wide key performance indicator on this subject. Other data are currently being consolidated, which means that it is not yet possible to present a Group-wide figure, which is why non-headcount data are presented only for the France reporting scope to order to provide year-on-year comparability. The Group-wide indicators will be published as soon as the figures involved reach a sufficient level of maturity and representative coverage rate.

The scope of the Group Statement of Non-Financial Performance includes 14 ICPE-classified facilities.

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 overview of the Daher CSR strategy implementation in terms of the SDGs. Only those areas of SDG-related information not relevant to the business activities of the Group have been omitted from this report: combating food waste, combating food poverty, the commitment to promoting animal welfare and responsible, equitable and sustainable food.

INDEPENDENT THIRD PARTY REPORT

on the consolidated statement of non-financial performance included in the Management Report

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), 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, 2021 (hereinafter referred to respectively as the "Information" and the "Statement"), provided as part of the management report prepared for the year ended December 31, 2021, 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, 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:

As referred to in the "Methodology" of the Consolidated Statement of Non-Financial Performance, the key performance indicators for absenteeism, training, responsible procurement, business ethics and GHG emissions cover a limited scope, i.e., the French entities, which employ 80% of the labor force.

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;
- the preparation of the Statement in accordance with the legal and regulatory provisions, including a presentation of the business model, a description of the principal non-financial risks, a presentation of the policies implemented considering those risks and the outcomes of those policies, including key performance indicators and the information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy);
- designing, implementing and maintaining internal control over information

Period

The reporting period covered by these corporate responsibility data is the 2021 calendar year. Where indicators were included in the 2019 and 2020 CSR reports, they are presented relative to the corresponding 2021 data.

Exceptions include:

1. The "CO₂e (Scopes 1 & 2) emissions indicator" is measured on the basis of energy consumption (gas, electricity, fuel oil and other fuels) over a rolling 12-month timeframe from November 2020 to October 2021, because data for the final two months of the year were not available at the time this document was prepared; and,
2. The "Percentage of employees completing at least one training program" indicator covers only those training programs shown as completed and confirmed in the monitoring system. These data are updated at least one month in arrears, and the analysis and measurement are based on the rolling 12-month timeframe from November 2020 to October 2021.

Consolidation and control

A single CSR data collection and management system called Toovalu was implemented in France, Germany, Great Britain, Morocco and Mexico in 2019. Its purpose is to enable the sharing of indicator definitions and to consolidate data at Group level. Data is contributed by members of the Human Resources and Health, Safety & Environment teams. These data are consolidated by the Risk, Audit & Sustainable Development Department. In 2020 and 2021, data were gathered as centrally as possible, and are logged for reference purposes in the TOOVALU system.

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 or internal decisions (non-occupational accidents are not included). The scope used when calculating the occupational accident frequency rate is now France, but also includes all foreign subsidiaries. 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 2021; the consolidation will be made in March 2022, after publication of this document.

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 functions (for aircraft maintenance, transportation & logistics projects and services), procurement, finance and the divisional management committees. The JobID IS/HR code database is used to catalog all Group functions. The "Percentage of buyers trained in the Duty of Care Responsible Procurement" indicator is based on the same database, and more specifically on the Procurement function.

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. The resulting and inevitable time delay is the reason for the rolling 12 month analysis period from November 2020 to October 2021.

The "Scope 1 & 2 CO₂e emissions" environmental indicator is derived from source data provided directly the main electricity and gas suppliers for French sites. The "fuel oil" data are retrieved from the digital invoices held in our ERP system. The "fuel" data are derived from the source data provided by our supplier and are based on the use of gasoline agency cards. This system has been in the rollout phase for the past two years. The data it generates will become more comprehensive once it is fully rolled out, which is why we have chosen to publish a second set of proforma data for Scope 1 & 2 CO₂e emissions in 2019 (the benchmark year against which our targets are set) so that data can be compared on a like-for-like basis. The emission factors used to calculate the TCO₂e values for Scope 1 & 2 are the most recent available from the ADEME database. Each year analyzed reflects any changes in these factors.

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 the information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy), the French duty of care law and anti-corruption and tax evasion legislation);
- the fairness of the information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy);
- 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 four people and was conducted between December 2021 and February 2022 over a total period of three weeks.

To assist us in carrying out our work, we called on our specialists in sustainable development and social responsibility. We conducted 10 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;

The percentages shown for Ethics and Duty of Care training are based on defined populations. The population targeted by ethics training includes all senior managers and anyone exposed to these risks as a result of their normal duties. The level of exposure is set by the Legal and Risk Management Department on the basis of the JobIDs for all Group business lines, which are then used to identify each employee. The Procurement community receiving Duty of Care training includes all of those employees with a "Procurement" JobID.

The number of hours of training received by members of the shareholding family in 2019 and 2020 have been changed, following a comprehensive review of all the events during the year attended by members of the shareholding family to perfect their knowledge in all aspects of the shareholder role.

Three indicators are tagged "EuroPP" because they relate to ESG criteria applied in the context of the EuroPP bond issue, for which particular targets have been set. The Statement of Non-Financial Performance audits conducted by an Independent Third-Party will provide assurance to financial institutions.

GLOSSARY

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.

CSR

Corporate Social Responsibility.

ESG

The international acronym for the Environmental, Social and Governance (ESG) criteria used to conduct a non-financial analysis of a company.

Full-time equivalent (FTE) headcount

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

GEPP

Daher Employment and Career Management agreement.

GDPR

The EU General Data Protection Regulation.

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.

Hours of training

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

HSE

Health, Safety & Environment.

ICPE

A French classification used to identify facilities with the potential to pose environmental risks.

Non-hazardous waste

All forms of solid or liquid waste, excluding effluent.

Occupational accident frequency rate

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

Work/study rate

Number of work-study trainees with IFM end-of-contract payment/employee FTEs.

- We assessed the appropriateness of the Reporting Framework in terms of its relevance, completeness, reliability, neutrality and understandability, taking account of the relevant industry standards, 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 the entity (or where the entity prepares consolidated statements: 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 was carried out with a selection of contributing entities and covered between 80% and 100% of the consolidated data 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

MAZARS SAS

Paris La Défense, February 23, 2022

Edwige REY

CSR & Sustainable Development Partner

Gaël LAMANT

Partner

(1) ISAE 3000 - Assurance engagements other than audits or reviews of historical financial information.



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