



ESG CORPORATE REPORT

2nd EDITION – JULY 2024

**A COMMITMENT TO SUSTAINABILITY,
SOCIAL INCLUSION, SAFETY AND STANDARDS**

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SECTION ONE

EXECUTIVE MESSAGE

Since 2019 and with continued guidance from the board, ASL Airlines globally have made great efforts to meet the key performance indicators set out in ASL's ESG policy. Working committees were established at a group level to facilitate cooperation and learning, and airline cross-functional teams established ESG programmes both 'airside' and 'landside'.

This report outlines the activities undertaken across the ASL Group that have seen ASL's ESG commitment become a driver for progress and change in the way that we do business.

Our sustainability initiatives, including a major aircraft investment programme, have led to notable emissions reductions across our operating flight network and in our buildings and bases. This is a multi-year programme that is transforming our fleet, allowing us to meet our obligations as specified in our undertaking to meet the European airline industry's target of net-zero emissions by 2050.

Our social programme has seen ASL's female staff numbers reach 20% of our European total for the first time. ASL became a signatory to the IATA 25by2025 programme, which commits us to reaching 25% female employment by 2025, and our efforts to ensure equality and gender diversity are clearly effective, giving us confidence that we will meet this industry standard.

Our governance and compliance structure includes codes of conduct for ourselves, our supply chain network and modern slavery undertakings. We are now diligently preparing for the introduction of the Corporate Sustainability Reporting Directive (CSRD) - 2022/2464/EU. These policies, commitments and preparations confirm our dedication to carrying out our business honestly and ethically.

ASL has created a robust whistleblowing programme to allow violations of laws or core governance principles to be identified and investigated. Risks in our supply chain are monitored and concrete action to ensure compliance with our core principles is now part of our procurement, onboarding and contracting practices.

ASL will be obligated to comply with the European Union Corporate Sustainability Reporting Directive (CSRD) from the financial year 2025, and, as mentioned, our governance teams are preparing for the introduction of this important regulation.

The CSRD will draw together many strands of our ESG policies and practices and will require specific and measurable targets to be set across different headings.

ASL will need to demonstrate that corporate sustainability is firmly embedded in our decision making and corporate strategy. We, and other companies that will fall within the remit of the CSRD, have much work to do in preparing for its

implementation, but we are confident that the work we have been doing in recent years as demonstrated in this report will be critical to our ability to comply with the CSRD when it takes effect.

This report also describes how ASL is contributing to the development of new flight sustainability initiatives through the ASL CargoVision Forum. This forum's 16 member companies are at the forefront of technological advancement in new aircraft and drone design and new aircraft propulsion methods such as hydrogen and electric engines.

Our ESG policies and actions are critical to the future of our Group, our people, our customers and business partners. As ESG has evolved we have developed and grown our commitment to reduce our environmental impact, improve our social performance and ensure our governance standards.

ASL now works very closely with our customers on critical environmental and climate issues that will transform the aviation industry. We are striving to drive change across our Group so that we retain and build on our social licences to operate across the globe, and so that all our people can feel they don't just have a job, they are building their careers.



Hugh Flynn

ASL Aviation Holdings Board Director
Chairman, Board ESG Group

EXECUTIVE MESSAGE

Being a global aviation leader is a responsibility we take very seriously. For us, this is not just a brand claim or marketing statement, it's an obligation for ASL to show genuine leadership in areas critical to our industry.

This has become particularly important as ESG has developed to become a key part of aviation operations and future planning. Climate change, sustainability, gender diversity and equality and governance are now key elements on the business agenda and ESG reports are becoming as important as annual reports and financial returns in reflecting the performance and value of corporations.

ASL's policies and commitments have been developed to reflect the significance of ESG in business and specifically to our market segment in the aviation industry. As a market leader, we have developed sustainability and social programmes that improve our own performance across our global airlines and also support new initiatives that will deliver a better world in which aviation can thrive.

We understand fully that aviation impacts the environment. Aircraft movements create emissions, and the ground activities that support each flight are also emission generators. There is no doubt that the aviation industry must act to reduce and eventually eliminate its impact on the environment.

We also understand the vital nature of aviation to the global economy. Throughout the Covid pandemic, cargo airlines, including ASL's airlines, continued to operate, delivering critical supplies such as vaccines, personal protection equipment, medicines and fresh foods. They also supported national economies and the mental health of millions of people in prolonged lockdowns who turned to online shopping for respite.

Looking forward, aviation must find a way to provide cargo and passenger services in a sustainable way, and we at ASL are at the forefront of preparations to make this happen.

We adopted the provisions of Destination 2050, the European aviation industry's roadmap to net-zero emissions by 2050 and we endorsed the Toulouse Declaration on future sustainability and the decarbonisation of aviation. These were not simply gestures or public relations announcements. We have put external and internal programmes in place, backed by significant capital investment, to ensure that we meet and hopefully exceed industry emissions targets for 2030 and 2050.

Our people, customers, suppliers and business partners are key to our ESG success, and we have launched initiatives to improve our status to 'state of the art' across the social spectrum. This has included the introduction of the 'ASL Way', a group-wide programme to make ASL the best possible place for our people to work and build their careers.

We are also developing joint and cooperative ESG activities with our customers and suppliers so that our business together can be environmentally and financially sustainable. This cooperation extends to significant commitments of financial resources through investments in new technology that is being developed to create new methods of propulsion for aircraft. Such new technologies, based on electric and hydrogen powered engines will be deployed first on cargo aircraft, and ASL will be at the forefront of these operations.

As you will see later in this report, within a few weeks of each other in mid-2024, ASL made major announcements with two of our ASL CargoVision forum members.

Firstly, we confirmed that ASL has ordered 30 units of the Reliable Robotics autonomous flight system for the Cessna 208B Caravan. ASL and Reliable have been working together since 2022 to bring advanced automation and remote piloting into ASL's operations and have a shared goal of expanding the programme to include certain larger aircraft types.

We then confirmed that ASL had signed a conditional agreement to buy up to 20 Zero Avia Hydrogen-Electric Engines. The aim is to retrofit these engines onto our operated fleet of ATR regional turboprop aircraft, creating some of the world's first zero-emission freight aircraft of this scale.

Overall, it is estimated that fuel cell systems in aircraft could reduce in-flight emissions by around 90%. We also recognise that sharing the planet means more than tackling climate change and environmental concerns. We are proud of the social licence to operate that we hold, and we are continuing to build our outreach programmes so that we can operate in harmony with local communities across our global bases.

ESG is a way of life for ASL Aviation Holdings. We have made great strides to date, and we will continue to explore and develop ideas and initiatives to support economic growth and promote social wellbeing. This is what being a good corporate citizen is all about and at ASL it is our corporate commitment.



Dave Andrew
Chief Executive
ASL Aviation Holdings

ABOUT ASL

DELIVERING ON OUR PROMISES

At ASL we are all about delivery



Delivering on our promises to our customers to provide a service that exceeds their expectations.



Delivering on our promise to our people that the ASL Way is the best way to build a career in aviation.



Delivering on our mission, vision and corporate values.



Delivering on a commitment to ethical standards of governance and compliance.



Delivering on our duty to operate to the highest possible safety standards.



Delivering on our ESG Policy and Commitment.

ASL Aviation Holdings is a global business with a common focus through all our activities worldwide, striving to always deliver on our promises and commitments.

We use our expertise and experience, gained over more than five decades in aviation, to bring excellence to everything we do.



WHO WE ARE

Across our airlines ASL has been working for many years with world-leading express parcel integrators and postal networks. Today, we also work with the world's largest e-commerce companies in addition to our passenger flying, ACMI and leasing activities.

ASL builds partnerships and business relationships. Our customers' brands and reputations are as important to us as our own. The promises they make to their own customers become our promises and we are constantly developing and upgrading our capabilities to match our customers' requirements.

Our fleet of more than 150 aircraft are operated by our airlines in Europe and Australia and our associate airlines in South Africa, Thailand and India.

ASL's promise to our customers is delivered every day by our global team of 3,000 aviation professionals of 51 nationalities.

ABOUT ASL

WHAT WE DO

Our values underpin everything we do

SAFETY

Maintaining the highest possible levels of safety and safety oversight is paramount to our operations

PEOPLE

Our people make us what we are

PROFITABILITY

A profitable company delivers for its customers

RELIABILITY

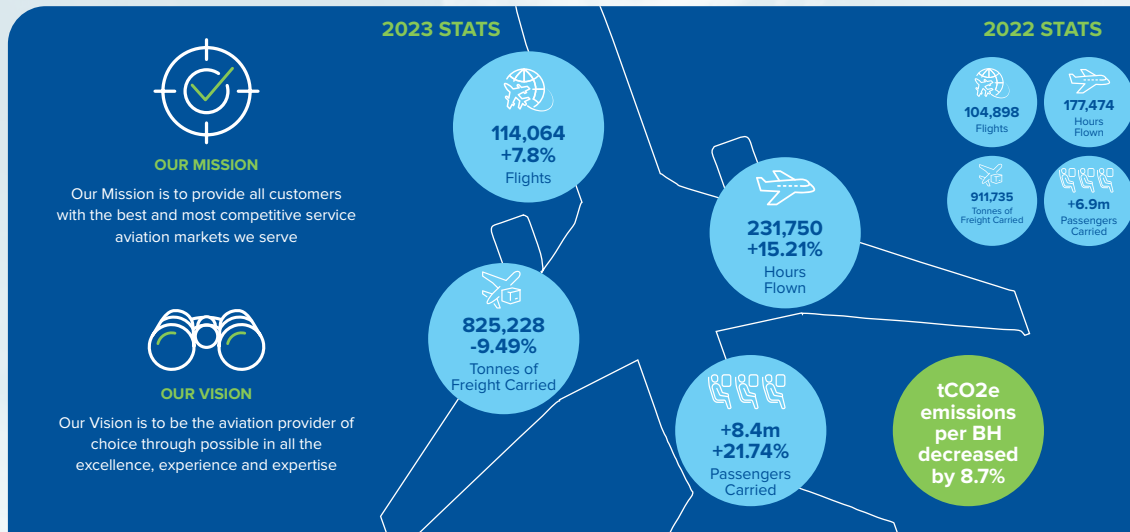
The prime customer requirement and a constant operational focus

QUALITY

Everything we do must be safe, compliant, reliable and of the highest standard

INNOVATION

Our path to future growth and success is founded on our ability to innovate



If we were to look at ASL's operations in terms of averages, we can say that every 5 minutes, somewhere in the world, an ASL aircraft takes to the skies.

That's every 5 minutes, all day, 365 days a year!

This all happens because ASL is a global aviation services company with airlines based in Europe, South Africa, Asia and Australia and is a world leader in ACMI airline operations serving major cargo and passenger airlines.

ASL's airlines operate cargo networks for the world's leading express parcel integrators and online retailers. ASL Group, joint-venture and associate airlines also operate scheduled and charter cargo and passenger services under ASL's own airline brands and on behalf of airline ACMI customers and postal services.

OUR ESG STRATEGY

ASL AVIATION HOLDINGS ENVIRONMENTAL, SOCIAL, GOVERNANCE (ESG)

ASL's ESG policy was introduced to further strengthen the Group's unwavering commitment to environmental sustainability, our people and social commitments and operating safely and responsibly in full compliance with all applicable regulations.

ASL Aviation Holdings' ESG activities and policies reflect the Group's awareness of our responsibilities to people and the planet. Aviation is vital to global social and economic wellbeing and will continue to advance essential connectivity between countries, economies, people and families. However, ASL is mindful that aviation, while fundamental, must also be sustainable, and we aim to promote and aspire to this sustainability through our ESG commitments.



ASL ESG POLICY

ACHIEVING CLIMATE NEUTRALITY

ASL Aviation Holdings recognises that aviation, like every industry and every individual, has an environmental impact. The fuel burned by aircraft emits CO₂, which amounts to 2.5% of global CO₂ emissions. While this is a relatively low figure, ASL fully supports the aviation industry's goal to reach net-zero emissions by 2050.

ASL Aviation Holdings recognises that aviation, like every industry and every individual, has an environmental impact. The fuel burned by aircraft emits CO₂, which amounts to 2.5% of global CO₂ emissions. While this is a relatively low figure, ASL fully supports the aviation industry's goal to reach net-zero emissions by 2050.

ASL is committed to helping to reduce emissions, eventually to the point of total elimination, through its own initiatives and by working closely with industry partners that have been established to tackle one of the most fundamental issues the world faces today.

Climate change is a huge global challenge and ASL supports the view that the aviation industry has a special responsibility to act because it can play an important role in meeting this challenge.

While recognising the necessity for air travel and air freight to our global economy and to travellers, ASL fully supports and participates in the vast amount of work being undertaken to reduce emissions to bring about sustainable aviation.

As a matter of policy, ASL is committed to working with the aviation industry to continue to reduce emissions and to meet and exceed the Paris Agreement targets on emissions reductions. We recognise the special responsibility that aviation must balance the benefits we bring to connectivity to economies and families with the requirement to cut emissions and make aviation sustainable.

ASL takes a 'whole group' approach to ESG, recognising its importance in the future development of all ASL companies, and the aviation industry generally. ASL's ESG policy therefore applies to all of our airlines, owned, joint-venture and associate, globally, in Ireland, Belgium, France, the United Kingdom, South Africa, Thailand, India and Australia.

This group-wide inclusive approach makes the best use of expertise and resources and involves people from all airlines and companies in the ASL Group.

The internal ASL Group ESG Committee sits as the nucleus, with two-way communication between it, the Board ESG Committee and cross-company workgroups that focus on specific ESG activities and responsibilities.

This structure allows ASL as a group to use resources and expertise across the global group to best effect. It promotes teamwork and ensures that ESG policy is promoted and developed in a synchronised manner in all ASL airlines and companies.

ASL's European airlines are members of the European Regions Airline Association (ERA) which represents over 50 airlines and more than 150 aircraft original equipment manufacturers and aviation companies. ASL works closely with the ERA ESG Group on sustainability in aviation.



ASL ESG POLICY

ASL BOARD ESG COMMITTEE

- Provides Strategic Direction
- Evaluates Group ESG Committee activities

ASL GROUP INTERNAL COMMITTEE

- Nucleus of ESG policy and activities
- Sets strategy and oversees implementation
- Manages and evaluates work groups

ASL SUSTAINABILITY WORKGROUP

- Manages group sustainability projects
- Monitors developments in sustainable technologies

ASL SAFETY REVIEW COMMITTEE

- Monitors and reports on airline safety performance
- Identifies safety concerns and required actions

ASL SOCIAL WORKGROUP

- Developed and now implements 'The ASL Way'
- Promotes gender equality and diversity
- Manages community outreach

INNOVATION

- Creates policies in compliance with an ethical approach to business
- Ensure CSRD compliance
- Evaluates global ESG regulatory activity



ASL ESG COMMITMENT

SUSTAINABILITY, SOCIAL INCLUSION, SAFETY AND STANDARDS

In 2020 ASL Aviation Holdings adopted a new ESG Commitment to reflect the Group's awareness of our environmental, social and governance responsibilities.

Care, Compassion and Compliance

ASL is committed to compliance and governance, to the safety and security of our staff, to our customers, the communities we serve and to act in the best interests of our environment and our planet.

Introduced at the same time as the Group ESG Policy, this commitment reflected ASL's existing allegiance to our customers, staff and the community. It remains valid today and underpins our strategic approach to ESG.

The initiatives covered in this report show that ASL's ESG strategy has developed to be more specific in its objectives and our commitment has evolved to represent the multi-year programmes that have been launched across our global business.

A Commitment to Sustainability, Social Inclusion, Safety and Standards

The refinement of the ASL ESG Commitment reflects the work undertaken across the global organisation to develop and implement ESG policies and commitments.

Sustainability

The aim to reach net-zero emissions by 2050 is the major challenge facing the aviation industry and this has been the focus of ASL's sustainability activities. To meet this challenge, we have implemented a wide programme of initiatives on the ground and in the air.

Immediate sustainability successes have been achieved with office projects, including changes to our power and light supply and technology. This has included the switch to solar panels for our properties to supply our properties at Johannesburg Oliver Tambo Airport.

We have also been successful in our wastewater management, particularly in our French airline, where we completed a successful project on aircraft washing.

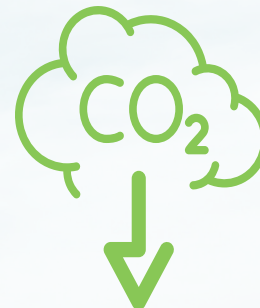
The greatest strides forward have been achieved in relation to our fleet, where we are midway through a five-year fleet renewal programme. We have already reached the point where we have more next-generation (NG) aircraft than classics (CL) operational in our 100-strong B737 fleet.

Next-generation sustainable fuels and propulsion technologies are critical to meeting the net-zero emission challenge. ASL has been exploring the use of Sustainable Aviation Fuels (SAF) individually and in close cooperation with our customers and we have successfully operated several experimental SAF fuelled flights on our European cargo network and most recently in India on our joint-venture airline, Quikjet India, in cooperation with a customer.

SAF supply is the major issue facing legislators, regulators, and the aviation industry, but ASL will continue to trial these fuels so that we are ready to operate sustainably when the supply issue has been resolved.

ASL recognised that new fuel and propulsion technologies such as electric hybrid and hydrogen would be used first for cargo operations with smaller loads covering shorter distances. As an industry leader, ASL has encouraged the development of these new technologies with the foundation of the ASL CargoVision Forum.

This forum now has 16 members, backed by hundreds of millions of investment dollars, who are achieving great success in electric, hydrogen and autonomous flight. As noted in this report, ASL Aviation Holdings has confirmed investment in new technologies with two CargoVision Forum Members.



ASL ESG COMMITMENT

Social Inclusion

ASL introduced Project Darwin to change the way our European airlines operate and cooperate. A fundamental element of Project Darwin will see our four European airlines evolve to effectively become one integrated airline with four core operating AOC's. This will allow us to greatly improve our customer service and our operational performance as we continue to build on our position as a global market leader.

With Project Darwin, we are building a single ASL ethos within our European airlines, and all are now working together as a focused organisation, ASL Airlines, with key operational entities.

A fundamental element of Project Darwin was the launch of the ASL Way. Through this programme, ASL aims to create a working environment that is better for everyone. Transparency, clarity, and simplicity will help everyone with their career planning and development, so that ASL staff can build a career, and not just have a job.

ASL has also signed the IATA 25by2025 campaign, a global initiative to change the gender balance within the aviation industry. This voluntary initiative aims to both raise awareness of the need to improve female representation in the aviation industry and to succeed in making the aviation industry more gender balanced.



Safety

At ASL, safety is our primary corporate value, and it underpins everything that we do in the office, in our hangars, on the ramp as well as in the air.

Safety is paramount, and we are developing an investment programme to enhance our safety performance. This includes the introduction of new IQSMS systems and a state-of-the-art flight data monitoring system.

Operations control and maintenance are critical to safety, and our systems investment includes the introduction of Sabre, AMOS and AIMS to streamline our performance and enhance our safety procedures.

Robust safety teams have been developed in all airlines and their work is supported by the ASL Group Safety Review Committee.

PROJECT
DARWIN



ASL ESG COMMITMENT

Standards

At ASL, we have evolved our thinking around governance to set compliance targets across our group that simultaneously establish standards for the way we do business. We have established our own Code of Conduct to embed within ASL and will follow the governance of these principles when conducting our business. These principles include commitments to anti-bribery and anti-corruption, protection of personal data, maintenance of fair employment practices and competing fairly and with integrity while always being mindful of our responsibilities to the environment and to the safety of our employees, customers and partners.



In our work to date, we have paid particular attention to the potential for risk in our supply chain. We have created a risk register reflecting the potential for third party risk in our business, and we have taken measures to minimise these where possible.

ASL adopted a Supplier Code of Conduct and Modern Slavery Policy Statement, which we require suppliers to accept as part of our onboarding and contracting process to ensure that they share with us the same commitment to good governance and compliance practices.

To ensure that we keep active lines of communication open with our people, our customers and our suppliers, and in line with new EU regulatory requirements, we have updated our whistleblowing process and procedures and have engaged a third-party supplier, Safecall, to provide a platform across the ASL Group for accepting reports of wrongdoing from our employees and others.

Our updated policies and reporting platform, along with training provided by Safecall, have significantly improved ASL's ability to investigate and respond appropriately to reports of any activity that may violate our internal policies, our legal obligations, or our governance principles generally.

Mindful that the concept of good governance means constant improvement, we continue to keep our policies and practices under review to ensure that we are identifying concrete measures we can take to minimise risks.

We are also keeping an eye on our future obligations derived from the EU Corporate Sustainability Reporting Directive (CSRD). The CSRD will expand obligations on companies, including ASL, to report on corporate sustainability as part of their audited financial statements.



Expected to apply to ASL from the financial year 2025, the CSRD will require ASL to set specific and measurable targets across key areas, including environmental sustainability, employee welfare and supply chain risk management.

The report will need to reflect a culture of sustainability that is firmly entrenched in ASL's decision making, governance, and company strategy at the highest level. While we wait for the European Commission to set reporting standards under the CSRD later in 2024, preparations are underway to ensure that the new obligations are understood, that information is being gathered, and that necessary action is taken to ensure that ASL is in the best position to comply with these future requirements.

FLEET RENEWAL PROGRAMME

Fleet Renewal Programme

At ASL Aviation, we are dedicated to continuously improving our quality and reliability and simultaneously reducing fuel burn in our quest to reach the aviation industry's commitment to net-zero carbon emissions.

Airline carbon emissions are caused mainly by fuel burn, and at ASL, fuel burn is responsible for more than 98% of our carbon emissions. We have pledged to reduce this, and our fleet renewal programme is a major part of how we will honour that pledge.

Our airlines provide critical connectivity and services that are essential to society, but we are dedicated to becoming more carbon efficient in how we operate. We look at fleet renewal as necessary to improve and grow the services we offer our customers, and also as a key part of our strategy to reduce our carbon emissions.

At the Paris Air Show in Le Bourget in June 2019, ASL signed an agreement with Boeing for 10 B737-800 Boeing Converted Freighter (BCF) conversion slots plus 10 options. The 10 options were confirmed in February 2021.

At the European Regions Airline Association (ERA) conference in Malta in March 2022, ASL Aviation Holdings announced a new order with Boeing for up to 20 additional 737-800 Boeing Converted Freighters (BCF). The announcement was for 10 slots and 10 options, and the 10 options were later confirmed, bringing ASL's commitment to 40 B737-800BCF conversion slots.

Next-generation B737 aircraft not only burn 15% less fuel but they also allow us to carry more over longer distances in less time. The 737-800BCF carries more payload – up to 23.9 tonnes (52,800 lbs.) – and flies farther – 2,000 nautical miles (3,750 km) compared to 737 Classic freighters.



As of July 2024

- 28 B737-800BCF aircraft have been converted and 23 of these aircraft are in active service with 5 in the entry into service programme. Additionally, 9 leased B737-800BCF aircraft have joined the fleet, and 12 aircraft are still to come through the Boeing conversion programme.
- ASL now has more Next-Generation than Classic B737s in the fleet. The ASL Group is operating 79 next generation B737 aircraft, both freighters and passengers and just 36 remaining B737 Classic aircraft which are being phased out of the fleet on an ongoing basis.

This significant capital investment facilitates geographical expansion while improving fuel efficiency and lowering operating costs. As well as greater range and payload, these aircraft offer greater reliability and, crucially, reduce carbon emissions.

The rapid moves towards aircraft generating fewer emissions extends to the Turboprop fleet. ASL now operates 4 ATR72-500 freighter aircraft and, on behalf of our customer, FedEx, now operates 9 ATR72-600 custom built freighter aircraft. These aircraft have lower fuel burn and emit 15% less emissions than their predecessors, the ATR72-200F and ATR 42-300F. Both of these aircraft types have been completely phased out of the ASL fleet.



THE ASL WAY

A PREFERRED PLACE TO WORK

ASL's success is built on the quality of its people. The ASL Way ensures that ASL continually strives to be the employer of choice.

ASL has successfully completed many great acquisitions, which has in turn, created the European airlines that we have today. However, each airline acquisition brought its own set of job titles and job evaluation systems.

With the ASL Way, we have simplified how we describe work at ASL, introducing new job titles so that we have the same title for the same job in each airline. We also have one common job description for every unique position title, making each role transparent to all staff.

A new Career Band Map has created a single method of job evaluation, so staff employees will be able to see where their role sits relative to others within the same job family and among different job families.

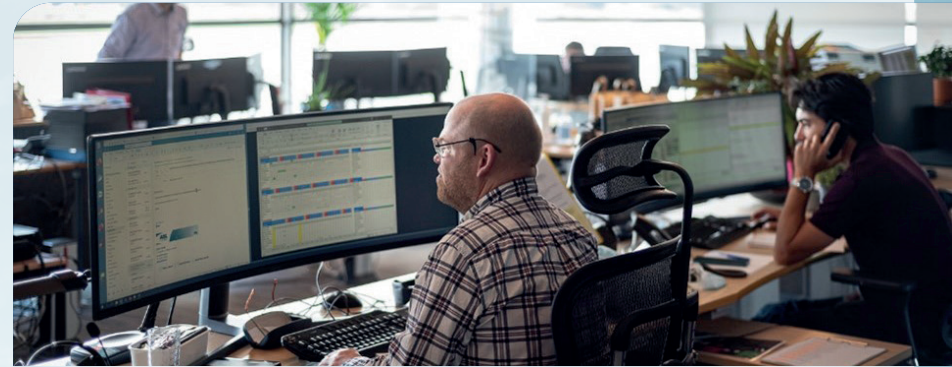
The ASL Way is all about the people of ASL, and the competencies we develop to form the ASL Way defines the behaviours that underpin ASL's values. It will support Project Darwin and enable wider talent development and succession planning within our group.

ASL Way Projects

Our HR teams across Europe divided The ASL Way into a series of projects that would touch all parts of our business. The aim has been to discover and then utilise best practices in all these diverse business areas.

The infographic shows the original project scope and the percentage of project completion. In 2024, our focus will be on MyPMD, Talent Management and Employee Engagement. These projects are all underpinned by the ASL Learning Academy, which aims to provide a mix of:

- Online training;
- Self-study; and
- Face to face training sessions.



Annual Engagement Survey

Every year we complete a European-wide Employee Engagement Survey with a high percentage of respondents from all companies.

The purpose of the survey was to provide a framework for understanding and meeting employees' needs. This provided ASL with a unique insight into employee experience and their perspective of working with ASL. This insight helps us focus our best efforts to ensure employees' needs are being met and creating a motivated, engaged and highly productive workforce.

Performance Management - MyPMD

The MyPMD system uses feedback from the employee survey, particularly around the ASL Learning Academy. Future training will focus on giving our managers the tools to become effective leaders, coaches and motivators. In addition, we have structured guidelines for selecting people for new roles.

Training modules have been created and staff can reserve places on these through the ASL Learning Academy. These modules support line managers in their day-to-day people management, supporting their team members' ongoing performance and development.

THE **ASLWAY**

the EMPLOYEE LIFE CYCLE JOURNEY

Simplifying ASL Human Capital to create greater efficiencies and reduce cost, leading to a true High Performing Organisation.

75%
to be completed
by the end of
May 2020



ONBOARDING

Onboarding ensures a smooth transition from recruitment through to commencement of employment. This will enhance the employer brand and strengthen the Psychological Contract between ASL and employees



100%
survey
completion
2021



MOTIVATION & RETENTION

Standardisation of Job Descriptions / Organizational hierarchy will mean career options are clear allowing for career ownership, and Psychological contract will be met due to transparency from Organisation on options .



65%
completed
implementing
LMS Summary 22



DEVELOPMENT

Create 4-tier Organizational Structure allowing for clear career maps; Utilise behavioural indicators to define and measure capability; and Develop PMDS to reflect competencies – measure performance against standardised yard stick



66%
Developing
people for
growth



TALENT



Creation of talent program based on internal talent needs; Talent identified via consistent performance management system, regardless of unit or geography; and Talent will be grown via org structure and career maps seeking to develop people to grow as well as supporting the growth of our business.

THE **ASL** LEARNING
ACADEMY



ASL CARGOVISION

ASL CARGOVISION

RAISING AWARENESS OF NEW SUSTAINABILITY TECHNOLOGIES

ASL Aviation Holdings developed the ASL CargoVision Forum to raise awareness of ASL and the Forum members' position on both innovative new technologies and sustainability for air cargo operations.

Today 16 companies are CargoVision members, and each is working at the leading edge of new technological developments in electric, hydrogen and autonomous flight.

ASL signed LOI's for the provision of retiring ATR aircraft to support the hydrogen propulsion work of CargoVision member, Zero Avia. ASL Aviation Holdings later went on to sign a conditional agreement to buy up to 20 Zero Avia Hydrogen-Electric Engines. The aim is to retrofit these engines onto ASL's operated fleet of ATR regional turboprop aircraft, creating some of the world's first zero-emission freighter aircraft of this scale.

ASL has also confirmed a deposit backed order for 30 units of the Reliable Robotics autonomous flight system for the Cessna 208B Caravan. ASL and Reliable have been working together since 2022 to bring advanced automation and remote piloting into ASL's operations and have a shared goal of expanding the programme to include certain larger aircraft types.

Sustainable aviation is the future. ASL, through the European Regions Airline Association (ERA) has signed up to Destination 2050, the aviation industry led programme to achieve net-zero emissions in aviation by 2050.

Although 26 years away, the challenge is huge, and it is therefore essential that the foundations are laid between now and 2030 to realise net zero CO2 emissions in 2050 and reduce reliance on economic measures.

Sustainable Aviation Fuels (SAF) are likely to play a big part in the near-term sustainability programmes of airlines operating medium to large passenger and cargo aircraft.

Aircraft powered by electric engines and aircraft powered by hydrogen are now quite advanced in the development process. These next-generation aircraft are opening new possibilities for cargo operations, serving the express parcel, postal and online retail markets.

This would be a new market and a new area of aviation, but it will also be the foundation on which the industry will build the solutions that will bring us to Destination 2050. ASL and the other members of the CargoVision Forum will promote these new technologies as they bring sustainability to the aviation industry, and particularly to cargo operations.



AIMING TO HIT THE 2030 AND 2050 EMISSIONS TARGETS

As industries and governments are taking increasing steps to address the threat of climate change, much focus is being placed on the transition that aviation will need to fit into its own industry goals but also wider climate goals. ASL Aviation Holdings has committed to several governmental and industry roadmaps to lower carbon emissions by 2030 and net-zero emissions by 2050. To ensure we reach this goal, ASL has established a committee to introduce, monitor, track and report on green initiatives within the organisation.

Monitoring and managing several environmental aspects will be vital to reducing carbon emissions and enforcing sustainable practices within ASL's entities. These include greenhouse gas inventory and mitigation, waste management, water usage, energy usage, printing and paper usage, virtual and sustainable meetings and employee awareness on environmental matters.

To effectively reduce carbon emissions and promote sustainable practices, ASL is actively monitoring and managing several key environmental aspects within its entities. These areas include:

1. Office/Hangar Electricity, Recycling and Waste
2. Electric Vehicles
3. CORSIA Preparations
4. Drone (UAV) Operations
5. Aircraft Onboard Recycling

ASL acknowledges the significance of ESG factors and is committed to adopting innovative and environmentally sustainable practices and technologies. To achieve meaningful reductions in CO₂ emissions, ASL is targeting specific areas across its seven entities and three joint venture and associate airlines.

Supporting ASL entities on the journey towards climate neutrality and environmental sustainability is important. Good practices, sustainability initiatives, and reports on each entity's progress will be shared across ASL by working alongside team leaders in each entity to track and advance environmental sustainability in ASL Aviation Holdings.



AIMING TO HIT THE 2030 AND 2050 EMISSIONS TARGETS

Project Goals and KPI's

We have and are applying several practical measures to propel ASL towards the industry's target of achieving net-zero emissions by 2050:

1. Office/Hangar Electricity

- Replacing all office lighting with energy-efficient fluorescent fixtures.
- Disposal of electrical equipment through specialised e-waste providers.
- Introduce solar panels to ASL offices.

2. Paper Usage

- Introduced staff education programmes on corporate sustainability.
- Adopted paperless schemes for filing/administration, training handouts and payment methods.

3. Financial Audits

- Minimising paper usage and encouraging more paperless audit activities.

4. Recycling and Waste

- Increasing the number of designated recycling and compost bins in ASL offices.
- Phasing out single-use plastics in ASL offices.

5. Electric Vehicles

- Gradually transitioning to hybrid/electric vehicles and installing more charging facilities across all ASL entities.

6. Drone (UAV) Operations

- ASL Future Flight has been awarded Ireland's first Aircraft Operators Certificate (AOC) for drone operations and is now in the process of preparing for drone flight operations.
- Overtime, we will produce cost-benefit analysis and benefits realisation plan to ASL entities.

7. Onboard Aircraft Recycling

- Reduced pilot paper usage via digital programmes and documentation.
- Exploring options for more eco-friendly practices on board passenger flights.

8. CORSIA Participation

- Reduction of Other Resource Usage.
- Reduce Cleaning Cloth Consumption (A-Checks).
- Fuel Consumption – Step Climb during cruise level.
- Minimise Fuel Cost.
- Reduced classroom rental and encourage virtual classrooms.

ASL Aviation Holdings' commitment to climate neutrality and environmental sustainability is driven by a comprehensive and proactive approach. By targeting key areas for emission reduction and promoting sustainable practices across its entities, ASL aims to play a significant role in mitigating climate change while fostering a greener future for the aviation industry.



3R'S PROJECT – REDUCE, RE-USE, RECYCLE

Aligned with our commitment to ESG principles, ASL has chosen to engage in the 3R's Project (re-use, reduce, recycle) as part of its environmental sustainability efforts.

In today's world, the importance of responsible resource management cannot be overstated. As stewards of the environment, we are responsible for minimising our ecological footprint and embracing sustainable practices. The creation of our 3R team reflects our commitment to fostering a culture of environmental awareness and taking concrete steps towards a greener future.

The 3Rs Project is run by individuals from various departments across the ASL Group who share a common passion for sustainability. This team combines their expertise, creativity and dedication with the aim of raising awareness, informing, educating and driving ASL's efforts to implement practical measures that align with our commitment to responsible resource management.

The mission of this Project is to embed the principles of 'Reduce, Re-use, and Recycle' into the fabric of ASL, aiming to minimise waste generation, maximise resource efficiency, and inspire positive change in our workplace and beyond. By fostering a culture of mindfulness and responsibility, the group intends to lead by example and contribute to a more sustainable future.

The team discusses and brainstorms new ideas and developments in various areas of sustainability, including how to reduce, re-use, and recycle at home and in the office, promoting energy efficient practices, reducing paper usage, conserving energy, understanding sorting and recycling guidelines, proper disposal of hazardous waste and aircraft recycling.

Embracing the principles of the 3R's Project is vital for a sustainable future. By consciously reducing our consumption, re-using items, and recycling materials, as outlined in the 3R's Project initiatives and informative internal newsletter articles, we can make a positive impact on the environment, conserve resources, and create a more sustainable world. Every individual's contribution counts, and by collectively adopting these practices, we can pave the way for a greener and more sustainable future.



SECTION TWO

THE DATA ASL'S 2023 SUSTAINABILITY REPORT

Every year, ASL airline teams diligently gather data on our environmental sustainability efforts. This enables us to produce the annual ASL Sustainability Report.

These reports allow us to measure our progress towards our aim to reduce our emissions to net-zero by comparing each annual report on a like-for-like basis.

One key observation from the last report, covering 2023 compared to 2022, is that our Scope 1 CO2e emissions have increased by just over 5%. This increase, however, was primarily due to the inclusion of ASLA and Quikjet operations, which accounted for 3.5% of this rise. These airlines were not included in the 2022 report.

Additionally, ASL block hours (BH) rose by 15% in 2023. Despite these increases, our CO2 emissions per BH have decreased by an impressive 8.7%, reflecting a significant achievement.

A noteworthy statistic is that 99% of ASL's Scope 1 emissions stem from the consumption of Jet-A1 fuel, emphasising the importance of improvements in this area, through new technologies and Sustainable Aviation Fuel.

Total tonnes of CO2e emissions from all data provided:
2,461,926.26

Scope 1 emissions summary

Total tonnes of CO2e 2,017,434.46

Scope 1 emissions are all the emissions that are derived from direct combustion of fuel, e.g., in company vehicles, plant and machinery. This includes use of gas or heating oil for premises where relevant and leased, as well as fully owned vehicles and plant.

Scope 2 emissions summary

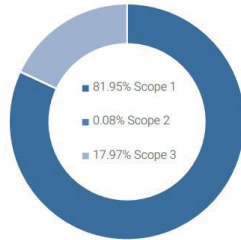
Total tonnes of CO2e 2,022.74

Scope 2 emissions are those derived from purchased heat, steam or electricity. Most commonly for companies this is electricity. This does not include transmission and distribution emissions for electricity, which are a Scope 3 value.

Scope 3 emissions summary

Total tonnes of CO2e 2,461,926.26

Scope 3 emissions are all indirect emissions generated from the use of purchased services, such as business travel, freight and all emissions not specifically covered in Scope 1 and Scope 2 categories.



OUR CARBON EMISSIONS

2,461,926

Total Tons of CO2e Emissions – 2023

2,394,444

Total Tons of CO2e Emissions – 2022
Overall ASL's GHG emissions increased by **2.82%**
Driven by Additional Airlines, Flying and Passengers

2,017,434
1,918,439

Scope 1 – Direct CO2e Emissions 2023
+5.16%

2023 figures now include:
ASL Australia and Quikjet India
Increased Flights, Block Hours and Passengers Carried

Additional Elements

Scope 1 Comparison with 2022

2 Additional Airlines	+3.09% tCO2e
Less SAF Available	+0.03% tCO2e
More Passenger	+1.36% tCO2e
More Flying	+1.07% tCO2e
Less Freight	-0.78% tCO2e
	+5.16% tCO2e

2022 FLIGHT STATS

Flights	104,988
Hours Flown	177,474
Freight Tons	911,735
Passengers	6,900,000

2023 FLIGHT STATS

Flights	114,064	+7.8%
Hours Flown	231,750	+15.21%
Freight Tons	825,228	-9.49%
Passengers	8,400,000	+21.74%

tCO2e emissions per BH decreased by 8.7%

TOTAL EMISSIONS

SCOPE 1

Direct Emissions
2,017,434

+5.16%

*Additional Flying
99% of emissions from the consumption of Jet-A1 fuel

SCOPE 2

Indirect Emissions Purchased Energy
2,022

- 11.6%

SCOPE 3

Indirect Emissions Purchased Services
442,470

- 6.59%

OVERALL TREND

POSITIVE



Emissions Reducing



SECTION THREE

ESG NEWS AND DEVELOPMENTS

ESG NEWS AND DEVELOPMENTS

ASL Orders 30 Reliable Robotics Flight Systems

ASL Aviation Holdings, parent company of ASL Airlines and fellow CargoVision Forum Member, Reliable Robotics announced that ASL has placed a deposit-backed order for 30 units of the Reliable autonomous flight system for the Cessna 208B Caravan.

ASL and Reliable have been working together since 2022 to bring advanced automation and remote piloting into ASL's operations and have a shared goal of expanding the programme to include certain larger aircraft types.

The Reliable autonomous flight system fully automates an aircraft through all phases of operation, including taxi, take-off and landing, enabling it to be operated by a remote pilot in a ground control station. Reliable's system is aircraft agnostic and utilizes multiple layers of redundancy and advanced navigation technology to improve safety and achieve the levels of integrity and reliability necessary for uncrewed flight.



ASL To Buy 20 Zero Avia Hydrogen-Electric Engines

Zero Avia announced that ASL Aviation Holdings has signed a conditional purchase agreement for up to 20 hydrogen-electric engines for retrofit into its operated fleet of ATR regional turboprop aircraft – creating some of the world's first zero-emission freight aircraft of this scale.

The firm order of 10 engines, with a further option for up to another 10 and an agreement related to retrofit services, builds on an earlier MOU between the two companies announced in November 2021.

Hydrogen-electric engines use fuel cells to convert hydrogen fuel into electricity using an electrochemical reaction. Overall, it is estimated that fuel cell systems in aircraft could reduce in-flight emissions by around 90%.



ASL Airlines Awarded the FedEx Bravo Zulu – Fuel Sense Award

In 2022, ASL's European airlines started working on several initiatives to reduce fuel consumption and, consequently, CO2 emissions. Each airline was at different stages of operational efficiency, but by mid-2023, everyone was aligned, and several initiatives had been implemented.

- Delayed APU start,
- Single-engine taxiing,
- Reference payload for flight planning,
- Cost index reduction,
- Commercial Alternate Policy Review,
- NADP2



This represents a potential yearly saving of up to 5,000 tonnes of fuel and 16,000 tonnes of CO2 emissions for ASLB alone.

The extraordinary work carried out by all the airlines has not gone unnoticed by our major customer, FedEx, who has recognised our extraordinary achievements by awarding ASLB, ASLF and ASLI staff the 'Bravo Zulu – Fuel Sense Award'.

This award recognises the outstanding 'Operational Performance and Fuel Efficiency' achievements by the airlines and the work done by the ones implementing the projects but also the ones keeping them alive every day, be it in the office or in the cockpit.

ESG NEWS AND DEVELOPMENTS

CAPTURING SOLAR ENERGY IN BOTH HEMISPHERES

ASL Group airlines are developing solar energy projects in Europe and South Africa.

At **Johannesburg's O.R. Tambo Airport**, FlySafair has completed the installation of solar panels in two areas of the airline's premises. This new solar farm delivers enough power to meet all the airline's needs in the offices, hangars and warehouses.

- 620 kWp (DC capacity)
- 480 kW (AC capacity)
- 1,149,540 W solar panels
- 967,000 kWh annual generation capacity

The electricity generated by the solar plant is now reducing CO2 emissions by an estimated 580,200 kg of CO2 per year.

Getting the required authorisation for the installation was no simple task and included the following:

- A detailed glint and glare assessment was completed by an entity approved by the South African Civil Aviation Authority (SACAA)
- Approval from the local authority to generate electricity for FlySafair's own consumption, with any excess electricity exported to the grid. Storage capacity was not part of the project.
- Approval from Air Traffic Navigational Services (ATNS) following obstacle penetration, radar, and operational impact assessments.

This FlySafair solar energy project has reduced emissions while decreasing the airline's dependence on the electricity grid.



ESG NEWS AND DEVELOPMENTS

CAPTURING SOLAR ENERGY IN BOTH HEMISPHERES

ASL Group airlines are developing solar energy projects in Europe and South Africa.

At Liège Airport, Belgium, ASL Airlines Belgium is now using solar energy to power the airline's fleet of electric vehicles. Their solar panel installation, installed in 2024, is expected to save 90 tonnes of CO₂ on an annual basis and extend other initiatives taken previously, such as LED lighting and low-energy equipment.

580 x 420kWp panels have been installed on the roof of the ASL Maintenance hangar, providing 245kW of power on sunny days. This represents 16% of green energy, and as ASLM's peak operations switch from night to day operations, the savings could be even greater!

The challenge was to find spare parts for the low-voltage cabin, find available hangars to install the cables and manage safe airside access for workers.

Fourteen double sockets are available to charge 28 electric cars at the same time, and ten slow charge sockets are available for long stays, for example, pilots using the base for more than 24 hours.

ASLB has not forgotten electric bikes and scooters and three sockets are available to charge them. A charge distributor will manage the distribution of solar energy between the building and the charging stations. A policy will soon be published to monitor and optimise the installation.

Driving Electric

In line with ASL's sustainability efforts, ASL Aviation Holdings, ASL Airlines Ireland and ASL Airlines Belgium have all changed their car policies.

All now have a 100% ban on fuel and diesel company cars. Hybrid vehicles are still allowed during a transition period, after which only fully electric vehicles will be allowed.



ESG NEWS AND DEVELOPMENTS

THE CRUCIAL ROLE OF ACCURATE AIRCRAFT FUEL BURN DATA FOR ASL

Fuel burn data serves as the bedrock for measuring and subsequently reducing an aircraft's carbon footprint. This information is indispensable for airlines, manufacturers, and policymakers as we all strive to meet ambitious sustainability targets.

Accurate data collection is paramount in steering the aviation industry towards a more sustainable future.

1. Measuring Carbon Footprints:

Accurate fuel burn data allows us to calculate the precise amount of carbon emissions produced by each flight. By understanding the environmental impact on a granular level, we can set realistic and impactful sustainability goals.

2. Identifying Inefficiencies:

Detailed fuel burn data aids in identifying inefficiencies in aircraft operations. By analysing this information, ASL Airlines can pinpoint areas where fuel consumption is higher than optimal, leading to increased emissions. This knowledge enables us to develop and implement technological advancements and operational improvements, fostering a culture of continuous improvement and resource efficiency.

3. Regulatory Compliance:

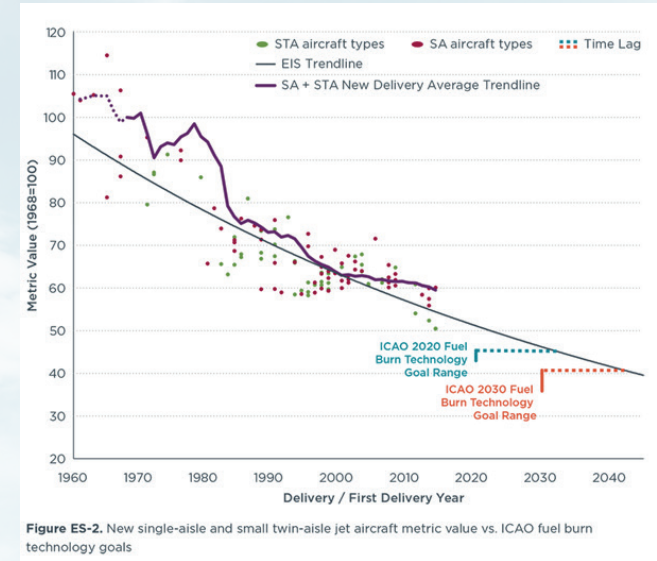
Governments and international bodies are increasingly implementing stringent regulations to limit greenhouse gas emissions from aviation. Accurate fuel burn data is crucial for ensuring compliance with these regulations. By staying ahead of the regulatory curve, we can avoid penalties, contribute to global environmental goals, and maintain a positive public image.

4. Driving Innovation:

The collection of precise fuel burn data acts as a catalyst for innovation. Armed with accurate information, aircraft manufacturers can develop more fuel-efficient engines and airframes. Airlines can invest in newer, greener technologies and operational practices. This not only aligns with sustainability goals but also fosters a competitive environment where efficiency and environmental responsibility go hand in hand.

Our industry stands at a critical juncture where sustainability is no longer an option but a necessity. Accurate data on aircraft fuel burn serves as the compass guiding the industry toward a future where air travel is not just efficient but also environmentally responsible.

At ASL, we measure this data at each of ASL's airlines and report it on a quarterly basis. It is still a very manual process with all the potential errors that it brings. In 2024, we are striving to improve our performance on this data collection and reporting to allow us the confidence that is necessary to claim meaningful reductions in CO₂.



ESG NEWS AND DEVELOPMENTS

KEEPWELL MARK CERTIFICATION AND ITS CONTRIBUTION TO ESG

The KeepWell Mark is a certification programme aimed at promoting workplace health and wellbeing. It focuses on helping organisations develop and implement effective strategies and initiatives to support their employees' physical and mental health.

ASL Aviation Holdings and ASL Airlines Ireland were awarded this two-year certification in June 2022 and again in May 2024.

The Environmental, Social, and Governance (ESG) framework is used by investors, companies, and other stakeholders to evaluate and measure a company's sustainability and societal impact beyond just financial performance.

Environmental: While the KeepWell Mark doesn't directly address environmental concerns, promoting employee health and wellbeing can indirectly contribute to environmental sustainability. At ASL, we encourage initiatives like telecommuting or flexible work arrangements that help reduce our carbon footprint by decreasing employee commuting and office energy usage.

Social: The KeepWell Mark directly addresses social factors within ESG. By implementing programmes and initiatives aimed at improving employee health and wellbeing, ASL demonstrates a commitment to its workforce's welfare. These programmes include initiatives such as mental health support, wellness programmes, access to healthcare services, and promoting work-life balance. A healthy and supportive work environment fosters employee satisfaction, engagement, and productivity, ultimately leading to better business performance.

Governance: While the KeepWell Mark primarily focuses on employee wellbeing, aspects of governance may also be addressed indirectly. Prioritising employee health and wellbeing demonstrates that ASL has strong governance structures in place to oversee and manage these initiatives effectively. Additionally, promoting a culture of employee wellbeing enhances trust and transparency within the organisation, which are essential aspects of good governance.

Overall, the KeepWell Mark certification contributes to ESG by promoting a holistic approach to corporate sustainability that encompasses social factors such as employee health and wellbeing, which are increasingly recognised as important components of long-term business success.



ESG NEWS AND DEVELOPMENTS

AMAZON SENIOR LEADERSHIP TEAM VISITS QUIKJET

A distinguished delegation from Amazon's senior leadership team, representing various regions across the globe, paid a visit to Quikjet, marking a significant milestone in the partnership between the two entities.

The visit began at Delhi airport, where the Amazon team embarked on a comprehensive tour of Quikjet's facilities and airport operations.

During their visit, the Amazon team had the opportunity to gain insights into Quikjet's innovative partnership with TaxiBot, a green initiative aimed at minimising carbon footprint.

The TaxiBot is a semi-robotic, towbar-less aircraft tractor. Its primary function is to transport an aircraft from the terminal gate to the take-off area and back to the gate post-landing, reducing the requirement for an aircraft to use its engines and so reducing fuel burn and CO2 emissions.

It was evident from the discussions that both organisations are committed to sustainability and operational excellence.



ASL AIRLINES ENVIRONMENTALLY FRIENDLY LIVERY

ASL has a fleet of 150 aircraft that includes seven aircraft types, including the Boeing 747, which underwent an eco-friendly livery decal project. Four B747 aircraft have been modified, with the tail and winglet liveries installed by a BCO Aviation team under the supervision of ASL Maintenance.

The graphic adhesive films are applied to the tail as a predefined pattern of 50 individual decals, compared to eight decals for the winglet. Adhesive film application was preferred to paint application as it is easier to plan and install, more cost-effective and more environmentally friendly.

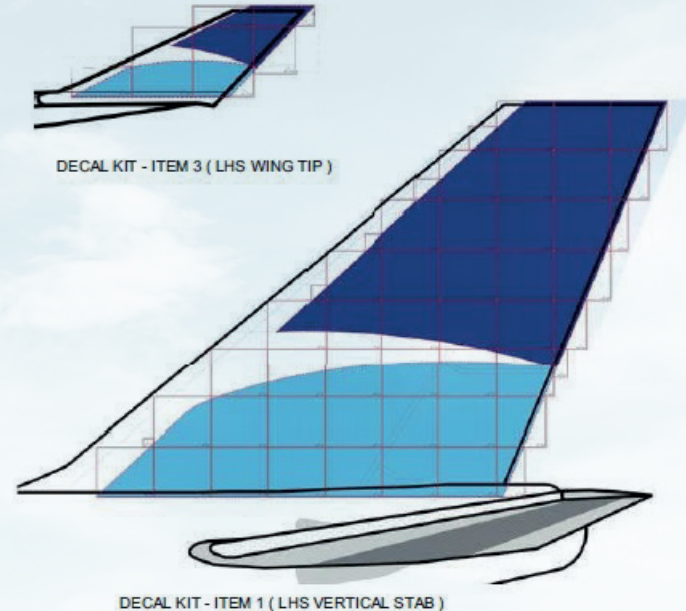
The decorative adhesive film has numerous advantages compared to painting and is more environmentally friendly.

First, the adhesive film is printed within 3M ControlTac's ISO 14001 company, which means that the whole process respects strict environmental rules, and the company is audited every year in this matter. The materials used to produce such decals are also eco-friendly as the adhesive film can be recycled, and the UV ink does not reject any 'volatile organic compounds'.

Adhesive decal film is preferred as aircraft paint contains hex chrome, which is the most toxic form of the naturally occurring element chromium. This element may be banned in the future, but paint shops face big issues because paint adhesion to aircraft parts is very bad without the hex chrome element.

An indirect impact is that a paint shop will never be required to apply decals to an aircraft. Paint shops must be heated continuously at a relatively high temperature, and this has an impact on energy costs and CO2 emissions.

ASL plans to modify its winglet and tail livery over time in accordance with the specific instructions and restrictions set out in an 'instruction bulletin' to further our commitment to environmental sustainability.



ASL AIRLINES ENVIRONMENTALLY FRIENDLY LIVERY



ASL AIRLINES FRANCE IMPLEMENTS 'GREEN FUEL' INITIATIVES

Like the ASL Group, ASL Airlines France is aware that aviation, while fundamental, must be sustainable and more environmentally friendly. With that in mind, ASLF launched 'Green Fuel' initiatives. The main objective is to limit CO2 emissions and other greenhouse gases while maintaining the highest levels of flight safety.

The first and most important step has been taken with the implementation of various measures to limit fuel carried on ASLF flights:

- Stopping tankering.
 - » The airline no longer carry fuel to save money but to limit greenhouse gas emissions
- Route reserve fuel is now calculated at 3% instead of 5%
- Calculating all flights with no alternate on arrival whenever conditions allow offers an estimated reduction of 150 tonnes of fuel per year which would reduce CO2 emissions by 474 tonnes.

Of course, when extra fuel is required due to specific operational circumstances, such as bad weather, additional fuel can be added. Similarly, each captain has the discretion to add extra fuel if he/she feels it is necessary to maintain a high level of flight safety, such as discretionary fuel.



CONCLUSION

As shown in this Report, ASL Aviation Holdings is committed to our ESG policy. Our business and our operations are conducted in full compliance with our pledges on sustainability, social inclusion, safety and standards.

Sustainability is critical for our industry and our planet. We have embraced new technologies including hydrogen, electric propulsion, autonomous aircraft and drones and sustainable aviation fuels, and will continue to explore how these technologies can support us in providing vital aviation services while achieving net-zero emissions.

The many Social Licences to Operate (SLO) that we hold globally are much valued by ASL as recognition of our ongoing commitment to our people and our communities. We will continue to build the ASL Way, improving gender diversity across our group and making ASL the 'desired' place to build a career in aviation.

Safety is our primary core value and will always take precedence in all our activities. We will continue to implement and promote our safety culture as a key factor in our operations.

To maintain the highest possible levels of governance and compliance we will continue to develop and employ the highest standards possible. Our internal and external codes of conduct will form the foundation for all ASL's business activities.

ASL has embraced ESG as a necessary part of business and we recognise the added importance of environmental sustainability in the aviation industry. We have created policies, commitments and initiatives to meet our ESG obligations and we will continue to develop and implement these as befits a good global corporate citizen.

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