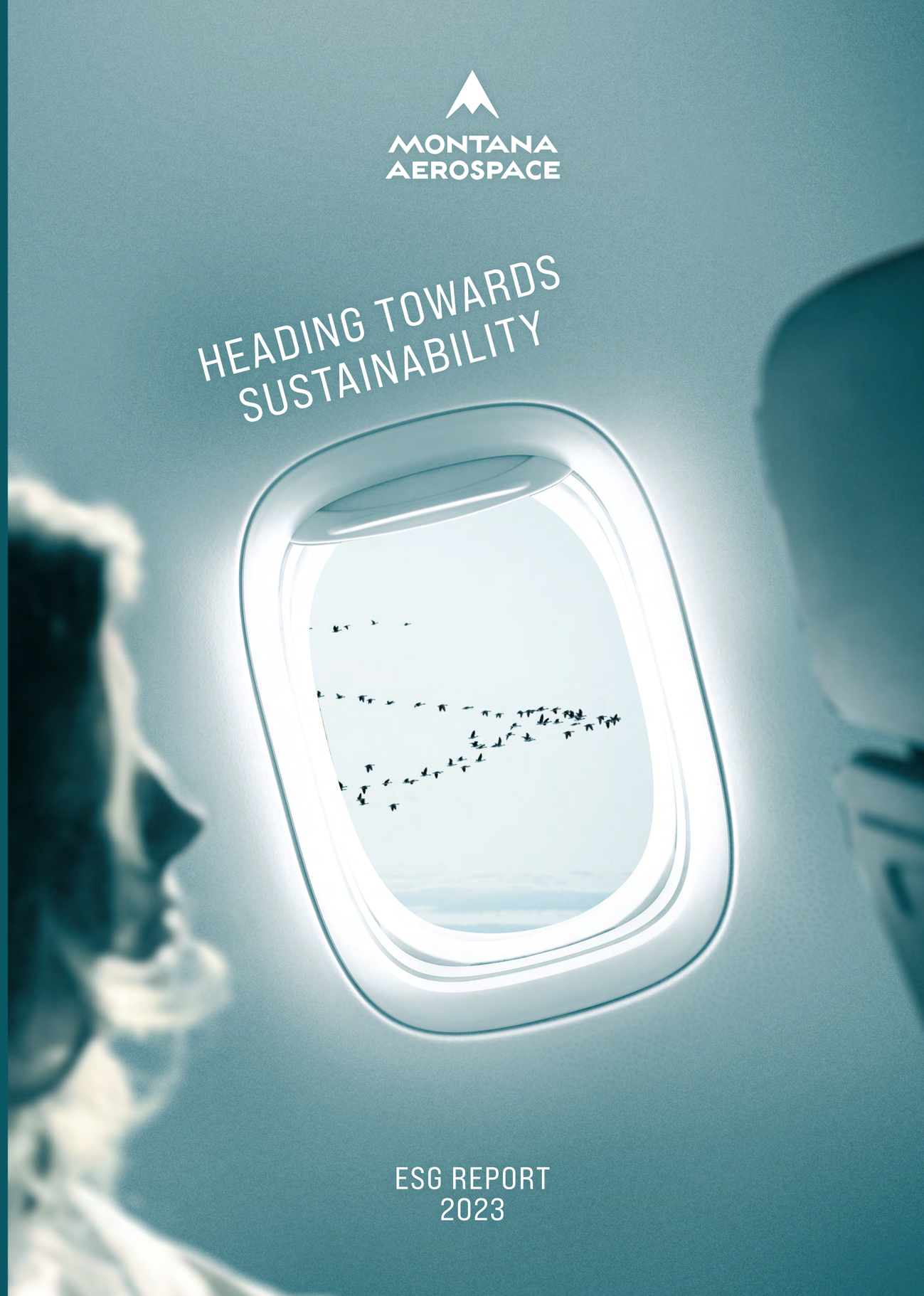
MONTANA AEROSPACE

HEADING TOWARDS SUSTAINABILITY



ESG REPORT
2023

"Investments with us always involve sustainability, which means yielding long-term returns while also promoting the circular economy, resource conservation, and energy efficiency. Over the past economically challenging years, we have invested counter-cyclically and built new production capacities. This was coupled with the establishment of in-house copper recycling capability. Through this, we actively contribute to the energy transition in a resource-efficient manner. Now, we are reaping the benefits of these efforts – both economically and ecologically."

Daniela Klauser
Chief Financial Officer, Asta (Energy Segment)

ESG REPORT

The information in this ESG Report was prepared with reference to the GRI Standards.

INTRODUCTORY WORDS BY VICKY WELVAERT

GROUP HUMAN RESOURCES OFFICER

Dear Readers,

When our Group went public in 2021, it marked both a fresh start and a historical continuity. Our divisions across the globe boast a long and successful history in the metal-working industry. Some locations have over 200 years of experience, while others have been in the aviation sector for over half a century.

Different cultures, competencies, histories, and regulatory requirements were merged under the umbrella of Montana Aerospace AG, marking the beginning of a shared journey. To ensure its success and chart the right course, it was necessary to define our position as a new corporation.

We embarked on foundational work by conducting an initial assessment to evaluate our business practices in 2021, analyzing them and developing a clear company-wide strategy with the involvement of all stakeholders. This strategy allows us to align our planned growth trajectory with our sustainability goals.

As a next step, we have appointed ESG teams in all divisions and clearly communicated our goals and the way forward to our employees. Because only together we can build a sustainable future. As a team, we have made already significant efforts in the recent years. These include the design of modern value creation processes, the expansion of ESG data management and reporting, stakeholder engagement, the development of governance and social policies, and further measures and initiatives. You are holding the outcome of all our efforts in your hands—the ESG report for the fiscal year 2023.

We are aware that industry is sometimes associated with adverse ecological impacts. However, this does not align with our vision as Montana Aerospace Group. In pursuit of sustainability, we see ourselves as part of the solution — a group guided by forward-thinking values, processes, and technologies. Our products contribute to the energy transition, facilitate tomorrow's mobility, and our vertically integrated value chain realizes substantial reductions in climate-harming emissions.

Demand for airplanes, energy, and mobility will continue to incline in the future. The need is likely to increase further due to growth in emerging markets. As a company, we therefore see it as our responsibility to make industry in general, and the mobility and energy sectors in particular, more sustainable – through our engineering expertise, our material know-how, and the application of state-of-the-art technologies. This is our commitment to future generations.

Since 2021, we have already made significant progress. However, there is still a lot of work and improvement ahead, but we gladly embrace it for our common sustainable future.

On this occasion we want to thank all Montana Aerospace employees who are taking this path together with us, who are striving to make industry more sustainable and who are improving our overall sustainable actions day in and day out. Without these daily contributions and engagement in this topic we would not be able to achieve our goals.

Yours sincerely,

Vicky Welvaert
Group Human Resources Officer

MONTANA AEROSPACE AT A GLANCE*

BUSINESS SEGMENTS

Aerostructures

E-Mobility

Energy

Multi-material competence in

composites, aluminum, titanium, copper and **steel**

23
locations
worldwide

~7,200
highly qualified
employees

7
engineering and
development centers

>200
years of experience in **metallurgy**
and **materials processing**

>300
CNC machines & >350 spindles in
serveral high tech machine parks

-14.3%
of **non-renewable energy consumption**
compared to the year beforehand

High-profile global customer base

*Status as of Dec 31st, 2023

BUSINESS MODEL

Sustainability and Future Viability

As a global industrial group, Montana Aerospace specializes in key technologies for the aerostructures, e-mobility and energy sectors. These are markets that not only demonstrate high future viability but also represent cornerstones for sustainable development. In this sense, Montana Aerospace sees itself as a driving force in the energy transition and mobility transformation. A role that we fulfill with all our spirit of innovation.

We design, develop, and manufacture system components and complex assemblies made of aluminum, titanium, composites, copper and steel. With our unique one-stop-shop concept, we provide our customers with a highly integrated vertical supply chain that relies on strong recycling capabilities and offers better competitive lead times, thereby enabling substantial cost savings while reducing CO_2 emissions. Ranging from processing of raw materials to ready-to-install components, we cover the entire range of services. 23 locations in 16 countries in Europe, North America, South America and Asia demonstrate our customer proximity, as do our engineering and sales centers located around the world.

Our concept consists of advising, developing, producing and providing service on a local-to-local basis within a global network. Over 7,000 dedicated employees, fast response times, intelligent logistics concepts and cost-optimized solutions are the cornerstones of our long-term customer relationships.

In the decades to come, our economy will be shaped by a shift towards sustainability and climate stability. We view industry and technology as driving forces in this endeavor. With its business segments and highly integrated processes, Montana Aerospace is well-positioned to be a key player and beneficiary in this fundamental challenge. Simultaneously, we have embarked on the journey to make our internal processes ESG-ready and future-proof.

OUR MATERIAL TOPICS

The starting point for ESG reporting is the identification of material topics. Therefore, we have decided, for the first time in the company's history, to involve all relevant stakeholder groups of the company in this process of prioritizing sustainability topics to create an ESG materiality analysis. This represents a mandatory requirement based on international reporting standards.

Within the framework of a materiality analysis, two central pillars are to be considered. First, there is the impact assessment by our divisions, which involves an evaluation of Montana Aerospace's current and future influence factors on our environment and society.

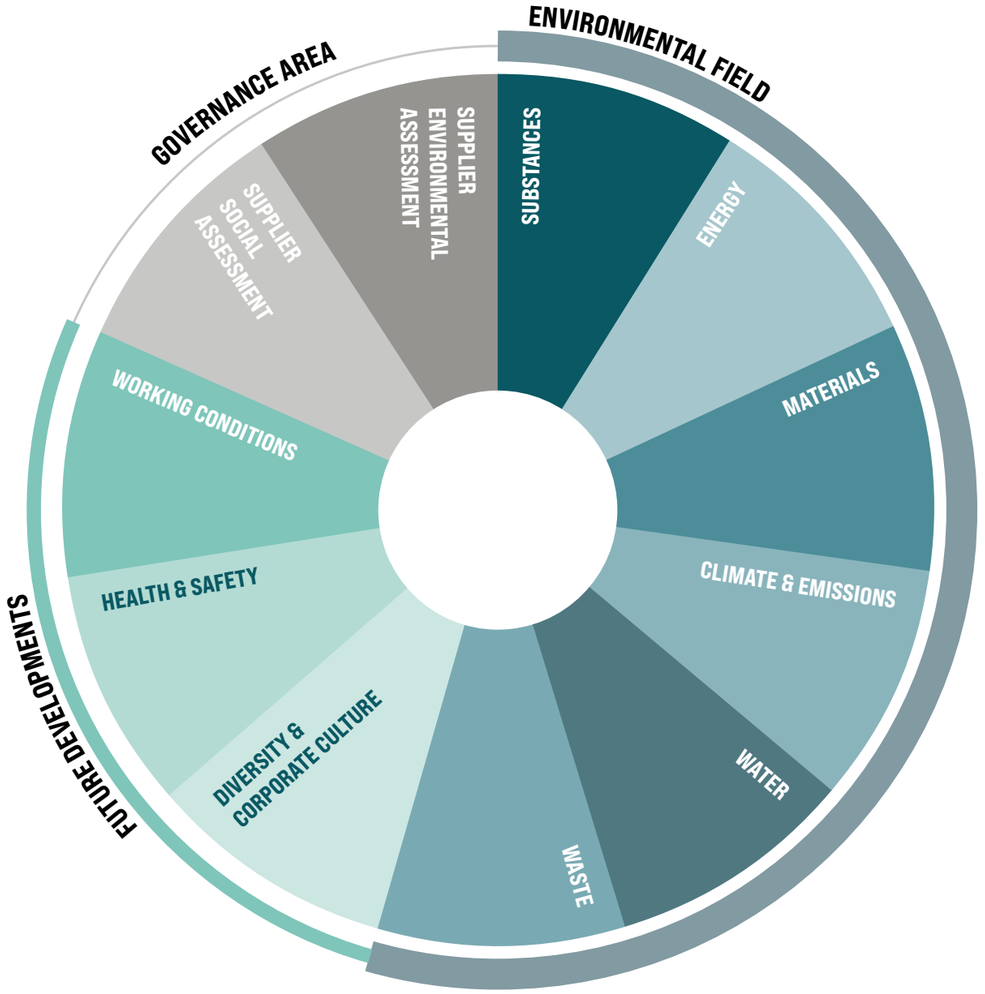
Second, the involvement of relevant internal and external stakeholder groups is also envisaged. These include not only our employees and management representatives but also suppliers, customers, and other contractual partners. Through a survey, we aimed to determine which sustainability topics, in the context of Montana Aerospace and from the perspective of the mentioned stakeholder groups, have the greatest impact on the environment and society or will have in the future.

In the environmental field, the topics **energy**, **materials**, **climate & emissions**, and **waste** were identified as the currently strongest influencing factors, with stakeholders suggesting that **substances** and **water** should be added in the future.

There are hardly any differences between the current assessment and the one regarding future developments in the social issues. Especially, **working conditions**, **health & safety**, and **diversity** and **corporate culture** are seen as the most significant influencing factors.

A similar picture emerges in the governance area. **Supplier environmental assessment** and **supplier social assessment** are the most weighted topics, both currently and in the future.

This ESG report for the fiscal year 2023 (January 1, 2023, to December 31, 2023) is structured based on the results of this materiality analysis. It presents our sustainability activities and progress and includes information on 23 sites in over 17 countries with around ~ 7,200 employees. The data presented were collected locally and compiled centrally. The reported information was prepared with reference to the GRI Standards and has not been externally verified. We are monitoring the developments of the Corporate Sustainability Reporting Directive and will adjust our reporting accordingly.



KEY FIGURES

	2022	2023	Change (%)
Emissions, sum market based (t CO2e / a)	2,638,409	2,820,190	+6.89
Emissions / Total Net Sales (kg CO_2e / €)	2.02	1.97	–2.40
Annual consumption non-renewable energy (MWh)	575,874	493,660	–14.28
Annual consumption renewable electricity (MWh)	123,575	182,996	+48.08
Total Water Consumption (m^3)	298,438	329,617	+10.45
Non-renewable materials used (t)	55,131	54,780	–0.64
Renewable materials used (t)	62,093	67,547	+8.78
CSA Score (S&P Global Corporate Sustainability Assessment)	17	28	+64.71

	women (%)	men (%)
All employees	21.7	78.3
Leadership positions	23.6	76.4

	< 30 (%)	30–50 (%)	> 50 (%)
Employees by age	26.1	52.2	21.7

Work-related fatalities	0
TCIR internal employees (total case incident rate per 200,000 h)	2.46
Average number of training hours per employee	35

Reporting period: January 1st 2023 to December 31st 2023 (corresponds to Montana Aerospace's financial reporting)

Reporting frequency: annually (corresponds to Montana Aerospace's financial reporting)

ESG YEAR 2023 AT A GLANCE

February

The Montana Aerospace scored 28 points in the 2023 S&P Global Corporate Sustainability Assessment reflecting an improvement of 67% compared to previous year.

June

First cohorts of leaders participated in newly launched **Leadership Refresher Program** as part of the Grow @ Montana Aerospace initiative.

Within the first half year

Montana Aerospace has undertaken its inaugural materiality assessment, a crucial step in identifying the most significant topics for the company's sustainability responsibilities.

September

Inauguration of our photovoltaic power plant at the Universal Alloy Corporation (UAC) division in Da Nang, Vietnam, generating approximately 6,000 MWh of clean energy per year.

September

A Conflict of Interests Policy was set up to deal with potentially opposing interests in a transparent manner.

November

Montana Aerospace Division ASCO is now a research partner and member of the European Union's Clean Aviation Joint Undertaking (CAJU) program and will continue its significant technical contributions to the European aviation system while helping to pave the way to climate neutrality by 2050.

SCIENCE BASED TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Within the first half year

Realization of the Montana Aerospace Talent Program, a comprehensive employee development initiative designed to cultivate exceptional talents from various business units and diverse departments within the Montana Aerospace organization.

August

ASTA implemented its „Low-Carbon Copper" technology and thus pioneered the recycling of copper at the Três Corações plant in Brazil.

September

Our expectations regarding the environmental and social responsibility of our suppliers were documented in our **new Supplier Code of Conduct.**

September

Commitment to the net-zero targets of the Science Based Targets Initiative (SBTi) to establish ambitious emission reduction goals in the fight against climate change. A clear signal of sustainable commitment and corporate climate protection.

October

In order to continually improve our HSE results, Montana Aerospace published **Health, Safety & Environment Policy.**

LEADERSHIP TEAM

Representatives with Profound and Long-lasting Experience

MANAGEMENT TEAM

Michael Pistauer
Co-CEO & CFO

E-Mobility & Energy

Kai Arndt
Co-CEO

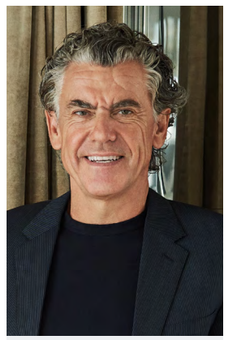
Aerostructures

Vicky Welvaert
Group HRO

Global HR, Marketing & ESG

BOARD OF DIRECTORS

Tom Williams
Co-Chairman
President



Michael Tojner
Co-Chairman
President

Helmut Wieser
Member

Markus Vischer
Member

Silvia Buchinger
Member

Christian Hosp
Member

BOARD OF DIRECTORS

Michael Tojner Co-Chairman
Tom Williams Co-Chairman
Christian Hosp Member of the BoD
Helmut Wieser Member of the BoD
Markus Vischer Member of the BoD
Silvia Buchinger Member of the BoD

GROUP MANAGEMENT BOARD

Michael Pistauer Co-CEO & CFO MAAG
Kai Arndt Co-CEO MAAG
Vicky Welvaert* Group HRO

SEGMENT LEAD

Michael Pistauer
CEO E-Mobility & Energy

- E-Mobility: ALU MENZIKEN GROUP
- Energy: ASTA GROUP

Kai Arndt
CEO Aerostructures

- Aerostructures: ASCO
- UNIVERSAL ALLOY CORPORATION US / Europe / Vietnam / UAC Cevifal

FUNCTION LEAD

Michael Pistauer
CEO E-Mobility & Energy

- Legal & Compliance
- Accounting
- Treasury
- IT
- Finance
- M&A and IR

Vicky Welvaert*
Group HRO

- HR
- ESG
- Marketing & Communication

*Vicky Welvaert is part of the Extended Management Board but does not hold a corporate body function of Montana Aerospace AG.

VALUE CHAIN INNOVATION

Re-used and Integrated

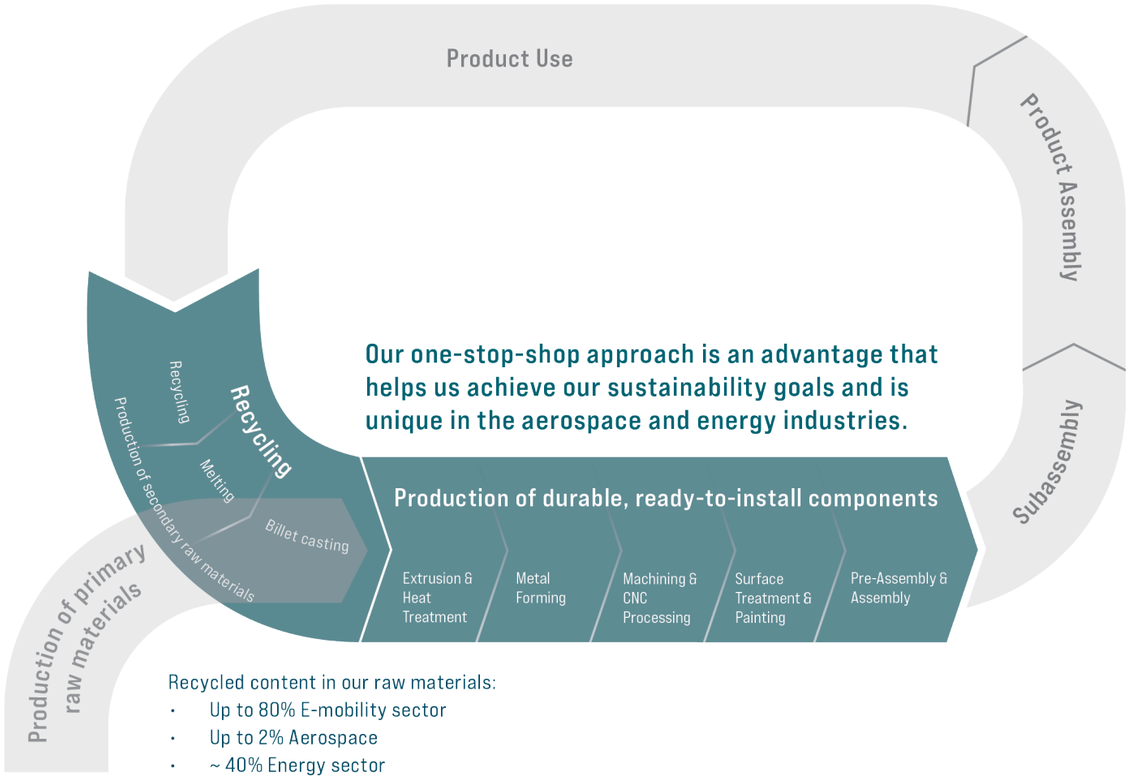
Montana Aerospace sets itself apart from traditional suppliers in the aerostructures, e-mobility, and energy sectors with its unique value chain. Our comprehensive one-stop shop approach allows us to encompass a broader spectrum of services, facilitated by our vertical integration strategy.

At the heart of Montana Aerospace's value chain lies the production of high-quality alloys, serving as the foundation for subsequent manufacturing processes. Central to our operations is the emphasis on recycling, a cornerstone of our sustainability efforts. Leveraging decades of material expertise, we produce alloys that incorporate an increasing proportion of recycled material over time, all while maintaining uncompromised quality standards. As part of our commitment to product quality and product safety, we adhere to strict regulations for the manufacture of critical components. At the same time, we support our customers in achieving their own sustainability goals through our circular economy approach.

The integration of our one-stop shop and recycling capabilities not only drives cost efficiencies but also mitigates transportation expenses and reduces climate-harming emissions. Notably, both aluminum and copper can be recycled indefinitely without any degradation in quality, underscoring the sustainability ethos inherent in our value chain.

Montana Aerospace stands at the forefront of innovation, where integration meets sustainability to redefine the conventional boundaries of value creation in the aerospace, e-mobility, and energy sectors.

Our products are designed for a very long service life:
- Aerostructures Sector ~ 20 years
- E-Mobilty Sector ~ 20 years
- Energy Sector ~30 years and longer



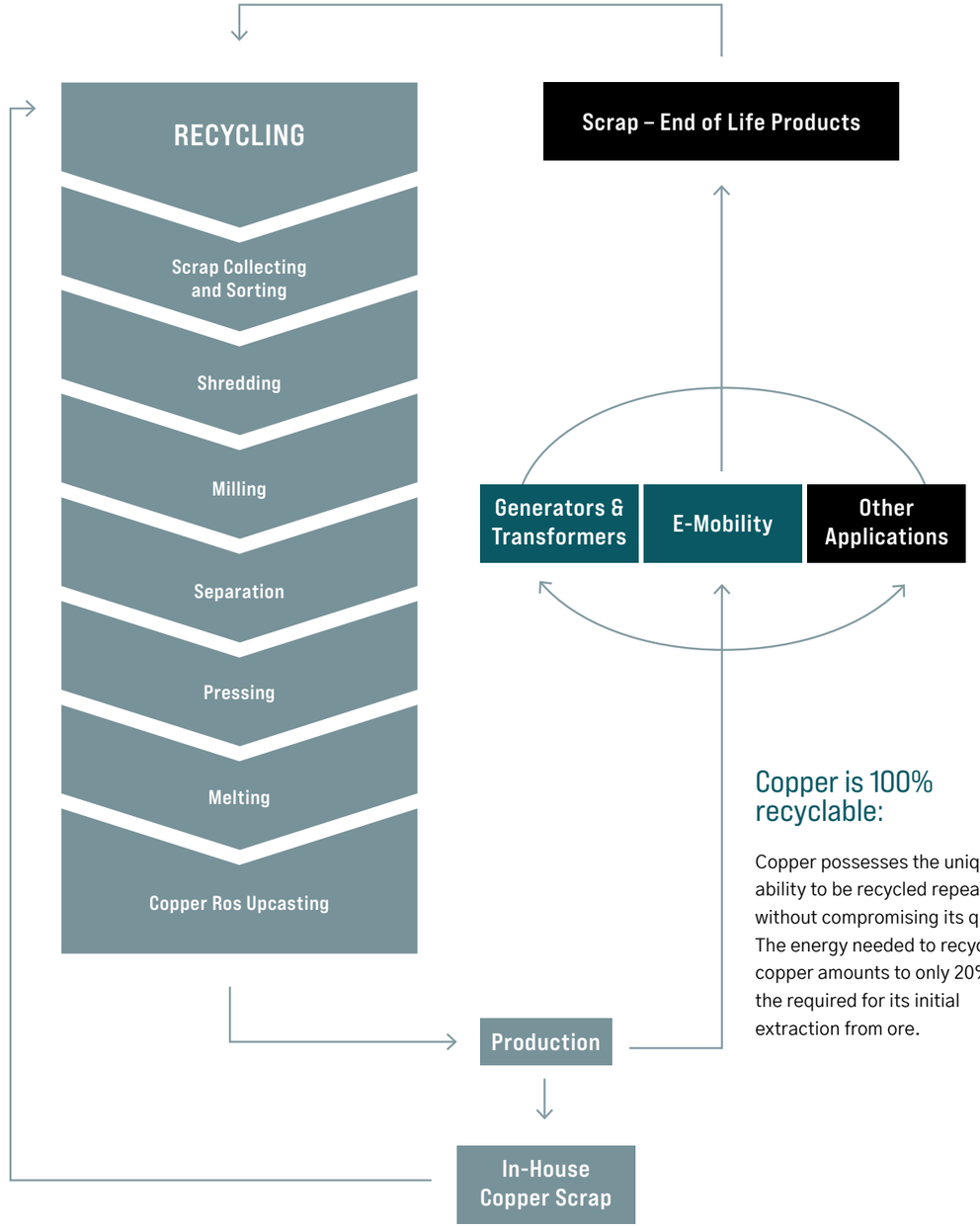
Our one-stop-shop approach is an advantage that helps us achieve our sustainability goals and is unique in the aerospace and energy industries.

Recycled content in our raw materials:
- Up to 80% E-mobility sector
- Up to 2% Aerospace
- ~ 40% Energy sector

CIRCULAR ECONOMY CONCEPT FOR COPPER

As a leading authority in copper expertise with over 210 years of experience, the Montana Aerospace division ASTA is poised to integrate a recycling process into its one-stop-shop. The implementation will occur in multiple phases. The initial step entails recycling the in-house copper scrap generated from production. This new process will enable the Energy segment to enhance added value by strengthening vertical integration within the Group.

In 2023, the inaugural recycling process was established and underwent trial operations. subsequently, the expertise gained will be disseminated to local sites. Looking ahead, there are plans to expand recycling operations to incorporate external scrap materials, fostering a circular economy in collaboration with customers and partners.



Copper is 100% recyclable:

Copper possesses the unique ability to be recycled repeatedly without compromising its quality. The energy needed to recycle copper amounts to only 20% of the required for its initial extraction from ore.

THE STRATEGIC IMPACT OF SUSTAINABILITY

The sustainability strategy of Montana Aerospace AG is an integral part of our group's overall strategy. Sustainability is a core part of our business model: shaping tomorrow's mobility and enabling the necessary energy transition.

We embrace these future challenges and thus view ESG as a potential growth opportunity. Our aim is being an active player in the ongoing sustainability transformation. We perceive industry as a central part of the solution to existing challenges of ecological and social nature.

We have set up a vertically integrated supply chain, which is not only advantageous for our clients but also allows us to reduce long transport routes and climate-damaging emissions. In our Aerostructures segment, we are a key player in the development of a new generation of aircraft that will make flying more sustainable and resource efficient. For the rapidly growing e-mobility market, we manufacture sophisticated lightweight components. Finally, the Energy segment of Montana Aerospace produces essential components for today's and tomorrow's energy infrastructure. We specialize in copper processing and have advanced expertise in recycling copper and developing sustainable insulation systems.

We are mindful of the waste we produce. Almost 100% of our cuttings, clippings, and scrap are recycled internally at our plants. The high-tech aluminum components used in our products are made with around 70% recycled aluminum. Additionally, we place importance on being able to meet our energy needs from sustainable sources. Therefore, we have begun gradually transitioning our facilities to green energy.

We are aware that the excellent know-how of our employees forms the basis of our success. Our workforce is one of the main drivers of our strategy to accelerate profitable and sustainable growth. We therefore attract highly skilled employees and build a strong employer brand by establishing a corporate culture that provides employees with the opportunity to unleash their talents and create the industry of tomorrow.

Our transparency measures are important for preventing corruption and bribery. Morally, ethically, and legally sound behavior is a critical and core principle of our corporate culture. Montana Aerospace is committed to acting responsibly and takes always social and environmental considerations into account. Therefore, we select our suppliers not only based on quality and costs but also on their due diligence practices, respect for human rights, and environmental mindset.

ALMOST

100%

OF OUR CUTTINGS, CLIPPINGS, AND SCRAP ARE RECYCLED INTERNALLY AT OUR PLANTS.

COMMITMENT TO THE SUSTAINABLE DEVELOPMENT GOALS OF THE UNITED NATIONS

The Sustainable Development Goals of the United Nations (SDGs) are fundamental to our business model. Each of these goals is part of our philosophy, and we contribute in all areas.

Below are the SDGs where our contribution is substantial, and where we claim a proactive role as a global company. These have been identified by our management and our global ESG team.

Compared to the Sustainability Report 2022, goal number 7, "Affordable and Clean Energy," has been added. This essentially takes into account the work of our subsidiary, ASTA, as a critical supplier of components for the grid connection of many renewable energy sources.

QUALITY EDUCATION

Ensuring inclusive and equitable quality education and promoting lifelong learning opportunities for all.

4.4 Eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable
4.5 Increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship
4.7 Ensure that all learners acquire the knowledge and skills needed to promote sustainable development

Developing our skilled workforce is the foundation of our success. We strive to provide the best environment for our employees to grow, advance and continuously learn. This includes regular training and education, mentoring and guidance for our employees all over the world. Our development programs also create opportunities for students and young professionals that permits them to engage with Montana Aerospace and take active and leading roles in our company. To promote scientific culture, we engage with schools, universities, and other educational institutions to provide young people with the opportunity to participate in workshops and courses to gain practical insights.

50 participants took part in **the Sales Academy 2023** to upgrade and improve their skills.

GENDER EQUALITY

Achieving gender equality and empowering women and girls.

5.1 End gender-based discrimination
5.5 Ensure women's full and effective participation and equal opportunities for leadership
5.9 Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels

Montana Aerospace stands for diversity, inclusion and equality. We promote gender equality by offering appealing career opportunities through our employment and workplace policies. We strongly support women's empowerment and improve the gender balance in STEM-related positions and leadership positions. At Montana Aerospace, there is a zero-tolerance policy for any kind of gender-based discrimination.

The share of women in our total workforce is **~21.7%.**

AFFORDABLE AND CLEAN ENERGY

Providing the hardware for the energy transition

7.2 By 2030, increase substantially the share of renewable energy in the global energy mix
7.4 By 2030, enhance international cooperation to facilitate access to clean energy research and technology, including renewable energy, energy efficiency and advanced and cleaner fossil-fuel technology, and promote investment in energy infrastructure and clean energy technology.

The products of our group subsidiary ASTA are critical supplier components for the grid connection of many renewable energy sources, such as on- and offshore wind parks. Thus, we are a key player in realizing the energy transition. Among other industrial goods, we supply numerous high-voltage power transformers that are central elements in the necessary grid expansion worldwide.
In addition we are gradually switching to green energy sources in our plants.

We provide the hardware for the grid connection of many renewable energy sources and are a **key player** in realizing **the energy transition**.

DECENT WORK AND ECONOMIC GROWTH

Promoting sustained, inclusive and steady economic growth, full and productive employment and decent work for all employees.

8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation
8.5 Achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value
8.8 Protect workers' rights and promote safe and secure working environments for all workers

As an international group, we foster an environment that ensures decent working conditions, while improving our business model and fostering economic growth. Our business model is scalable, sustainable and solid. We do our best to drive our economic productivity through diversification, technological improvements and innovation. To ensure the best working conditions, Montana Aerospace commits itself to the highest internationally-recognized standards and regulations.

Moreover, we aim to provide a safe, flexible, and respectful working environment where all our employees can work in a setting free from any form of harassment or discrimination.
Montana Aerospace reaffirms its commitment to the freedom of assembly, and the right to collective bargaining of our staff and does not discriminate against unions or union staff. We adhere to the highest standards of safety and hygiene.

We have a **zero-tolerance statement** for any kind of **child** or **forced labor**.

INDUSTRY, INNOVATION AND INFRASTRUCTURE

Building resilient infrastructure, promoting inclusive and sustainable industrialization and fostering innovation.

9.1 Develop quality, reliable, sustainable and resilient infrastructure
9.2 Promote inclusive and sustainable industrialization
9.4 Upgrade and retrofit existing infrastructure to make industries sustainable
9.5 Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries

Montana Aerospace invests globally not only to achieve growth but also to improve sustainability and the efficient use of resources in all our processes. We foster scientific activities for innovation and technological progress. As a global player in the sectors of aerospace, mobility and energy, we supply a huge amount of technology and skills to support the construction and operation of these assets.
We engage in research, development and innovative business models that are capable of meeting the world's long-term infrastructure challenges.

As an aerospace supplier, we help airlines to make their fleets **more sustainable** and **efficient.**

REDUCING INEQUALITY

Ensuring a working environment free of harassment, discrimination and unjust behavior.

10.2 Empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status
10.3 Ensure equality opportunity and reduce inequalities of outcome

As a global company, we know that our diverse workforce is a major asset. We ensure a workplace where everyone is treated equally, irrespective of race, ethnicity, gender, sexual orientation or religion.

Our People Policy and **Code of Conduct** prohibit any form of harassment, discrimination or indecent working conditions and lay down our principles and values.

RESPONSIBLE CONSUMPTION AND PRODUCTION

Ensuring sustainability in consumption and production patterns.

12.2 Achieve the sustainable management and efficient use of natural resources by 2030
12.5 Substantially reduce waste through prevention, reduction, recycling and reuse by 2030

Our efforts in recycling and the reuse of materials enable Montana Aerospace to advance the circular economy. We reduce waste by adopting sustainable and responsible practices. Our products are designed to facilitate lightweight components for aircraft that help reduce the amount of fuel combustion. Our manufacturing methods are state-of-the-art with respect to energy efficiency. The vertical integration of products and processes reduces the logistics requirements for customers and the environment.

Nearly 100% of the scrap and clippings of our products are **recycled** internally at Montana Aerospace.

CLIMATE ACTION

Taking urgent action to combat climate change and its impacts.

13.3 Improve education, raise awareness, and increase the human and institutional capacity for climate change mitigation, adaptation, impact reduction and early warning

The industries we operate in must tackle the significant challenge of reducing their impact on the climate, but there are also opportunities. We contribute directly and indirectly by defining targets to mitigate our greenhouse gas emissions and to reduce our energy, water and waste consumption.

Our vertical value chain builds **resilience across multiple tiers of the supply chain** and the communities related to them.

Our climate engagements include, among others, a commitment to the net-zero goal of the Science Based Targets Initiative (SBTi), our membership as a research partner and associated member of the Clean Aviation Joint Undertaking Program of the European Union through our ASCO Division, and the establishment of a Climate Protection Education for executives – the Sustainable Leadership Masterclass – in collaboration with Glacier Carbon Reduction GmbH.

MATERIALITY ANALYSIS

The Foundation of our Sustainability Efforts

We acknowledge our responsibility for sustainability and have consequently initiated our inaugural materiality assessment process to pinpoint the most significant topics for the company. Montana Aerospace's materiality assessment is a comprehensive process that considers both the company's internal evaluation and the concerns raised by its stakeholders. In a four-step approach, we conducted our initial materiality assessment:

1. Identifying ESG Topics

The initiation of our materiality analysis involves identifying sustainability topics that could be relevant to Montana Aerospace. The list of potential ESG (Environmental, Social, and Governance) topics is derived from sustainability standards and frameworks, including the GRI Standards and the initial draft of the ESRS Standards. Additionally, we conducted a benchmark analysis of sustainability practices among other multinational companies.

To ensure a shared understanding, we objectively and factually describe each topic, minimizing potential biases. This process led to the compilation of a comprehensive long list consisting of 36 ESG topics:

Environment: Climate and emissions, **Energy**, Substances of concern and of very high concern, **Water withdrawals**, Water consumption, **Water discharges in water bodies and in the oceans**, Biodiversity, **Resources inflows**, including resource use, **Resource outflows related to products and services**, Waste, **Materials**, Supplier environmental assessment

Social: Employment and working conditions (own workforce), **Occupational health and safety (own workforce)**, Diversity, **equity and inclusion (own workforce)**, Training and education (own workforce), **Other work-related rights (own workforce)**, Generation management (own workforce), **Working conditions in the value chain**, Supplier social assessment, **Forced or compulsory labor and child labor in the value chain**, Local communities

Governance: Corporate culture, **Protection of whistle-blowers**, Networking activities, Procurement practice, Anti-competitive behavior, Anti-corruption (corruption and bribery), **Economic performance**, Market presence, **Investments**, Tax and indirect economic impacts, **R&D**, innovation and advanced technology, **Product quality and safety**, Digital transformation, **Cyber security and data protection**

2. Impact Assessment

In this step, we assessed the impact on people and the environment, taking into account all our global entities and various stages of the value chain. The ESG topics derived from the initial long list underwent evaluation based on the following criteria, encompassing actual and potential impacts, both positive and negative:

A) Severity, which is determined by the following characteristics:
- **Scale:** how grave the impact is
- **Scope:** how widespread the impact is
- **Irremediable character** (only for negative impacts)

B) Likelihood (for potential impacts) refers to the chance of the impact happening

The responsible individuals of each entity were given an assessment template, which they subsequently filled out. All the gathered results were consolidated into a final document to obtain an overall assessment outcome.

3. Stakeholder Perspectives

To comprehend the concerns of our stakeholders, we directly consulted with them. The process of gathering this feedback was a crucial component of our sustainability materiality assessment, as it enabled us to gain insight into their expectations and effectively prioritize sustainability matters. This, in turn, influences our overarching sustainability strategy and our capacity to work toward common sustainability objectives.

For our initial materiality assessment, we conducted an online survey to gather stakeholder perspectives on the list of ESG topics we had identified.

200 participants (46% completion rate)

Answer Choices	Responses (%)
Employee	56.18
Supplier/ Contractor	19.10
Group Management	14.61
Customer	6.74
Board of Directors	2.25
Shareholder	1.12
Regulatory and certification body	0.00
Investor	0.00
Insurance and financial institute	0.00

4. Determine Material

In step number 4, we integrated the results of the impact assessment and the stakeholder perspectives to identify the topics we should prioritize. To address any potential impact of unbalanced stakeholder representation on the outcome, we thoroughly analyzed and compared the results, incorporating them into the determination of our material issues. The results of Montana Aerospace's materiality assessment were established by setting a threshold. The outcome received approval from the Advisory Board.

Overview of material topics: Climate and emissions, **Resources inflows**, Energy, **Waste**, Materials, **Resource outflows** , Supplier environmental assessment, **Supplier social assessment** , Occupational health and safety (own workforce), **Diversity and corporate culture**, Water consumption, Working conditions (own workforce)

Climate Change	Emissions Energy
Circular Economy	Resource inflows Materials Resource outflows Waste
Water	Water consumption
Supply Chain	Supplier Environmental Assessment Supplier Social Assessment
Own workforce	Health & Safety Working Conditions Diversity & Coporate Culture

In 2024, the process will be further developed to meet the requirements of the ESRS Standards. Specifically, a materiality analysis based on the principle of double materiality will be conducted. Future materiality assessments will undergo annual reviews. Additionally, in 2024, we plan to define targets for our material topics and commence reporting on our progress.

ORGANIZATION OF SUSTAINABILITY MANAGEMENT

Montana Aerospace has a global ESG team. Within the management board, Group HRO Vicky Welvaert is responsible for this diverse team. Alongside Director ESG, Thomas Schwella, it consists of four additional members with fixed assigned responsibilities. This team centrally manages the process of data collection and reporting in line with regulatory requirements. Subsequently, this ESG team also sets the objectives and targets for the divisions. Each individual division also has its own ESG team. From there, local initiatives are initiated and managed, and they are presented to management and the central ESG team during monthly business review meetings.

Exchange between the central ESG team and the responsible board member occurs at least weekly, or more frequently as needed. In the fiscal year 2023, the board of directors decided to establish an ESG Committee within this supervisory body. This committee will commence its work in 2024. This will ensure that sustainability is represented both organizationally and substantively in both the management board and the supervisory board.

ESG COMMITTEE WAS APPROVED TO BE APPOINTED IN 2024
ESG Committee Setup

Rationale for setting up an ESG Committee

Purpose of the ESG committee:

- **Referring** any material **ESG matters to the board** for **decision or resolution**
- **No official regulation** regarding the set-up to date
- **Increasing relevance** and **requirement** from stakeholders
- **Standard practice** for **listed companies**
- **Asked for** and beneficial **during ratings**
- **Topics dealt with by the highest committee**

Focus points:

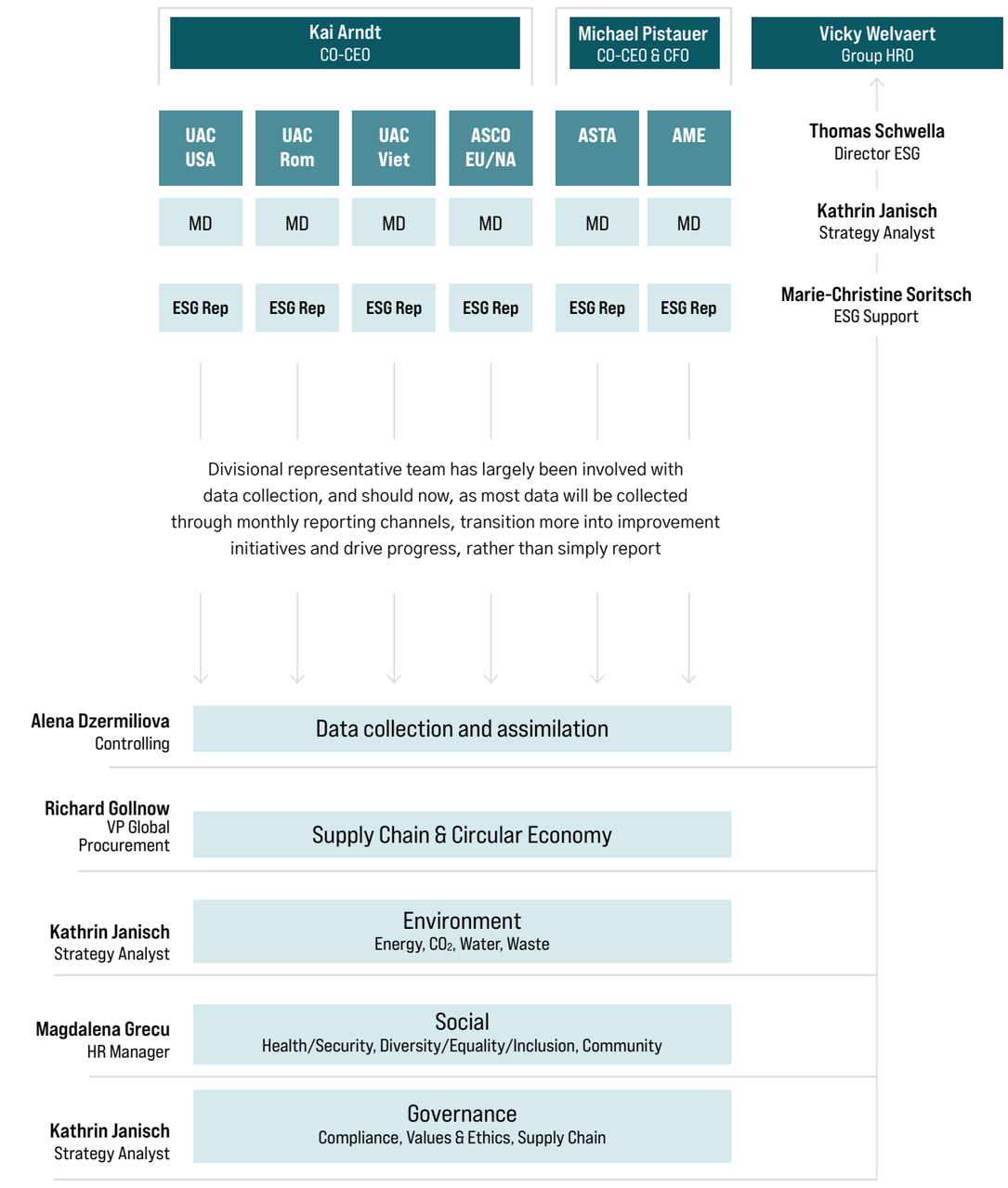
- **Controlling & monitoring** of regulatory frameworks
- **Strategy & target setting**
- **Risk & impact assessment** (inside out & outside in)

Committee's Discussion & Decision Points

- **KPI monitoring**
- **Strategy & goal definition**
- Monitoring of **climate strategy / environmental management**
- Evaluation of **stakeholder requirements**
- **Evaluation** of **statements made to date** to customers, regulatory authorities, or other stakeholders to **achieve certain standards**
- **Determination** of immediate **need for action**
- **Reporting obligations** and other **challenges** for the **board of directors**
- **Reports** on monitoring and updating the **current and changing ESG regulations**

MATRIX ORGANIZED ESG

ESG TEAM TO PLAY GROUP COORDINATION AND CONSULTANT ROLE, WHILE VERTICAL ORGANIZATIONS DRIVE PROGRESS



ESG RISK MANAGEMENT

An assessment for risks related to sustainability issues will be conducted in 2024. Subsequently, the identified risks will be evaluated and integrated into a risk management framework.

WE ARE GOING TO START ANALYZING THE FOLLOWING TYPES OF RISKS:

Physical Risks:

- Risks related to the physical impacts of climate change.
- Physical risks may have financial implications for organizations, such as direct damage to assets and indirect impacts from supply chain disruption.
- Event-driven acute risks, including increased severity of extreme weather events, such as cyclones, hurricanes, or floods.
- Chronic risks such as longer-term shifts in climate patterns (e.g., sustained higher temperatures) that may cause sea level rise or chronic heatwaves.

Transition Risks:

Risks related to the transition to a lower-carbon economy. Depending on the nature, speed, and focus of these changes, transition risks may pose varying levels of financial and reputational risk to organizations.

- Policy and legal risks: an increase in policy actions for climate change mitigation and adaptation as well as climate-related litigation claims.
- Technology risk: timing of technology development and deployment, e.g., emerging technologies such as renewable energy, battery storage, energy efficiency, and carbon capture and storage.
- Market risk: shifts in supply and demand for certain commodities, products, and services.
- Reputation risk: tied to changing customer or community perceptions.

As a first organizational step, we will introduce a "Climate Risk Team" within the project to set up ESG risk management. This cross-functional team can bring a better understanding of the importance of specific climate-related issues and how they might affect the company's financial performance – whether related to transition risk or physical impacts. This team will be responsible for identifying and proposing climate-related actions, translating climate risks and opportunities into the business context, and reporting to management.

The Climate Risk Team will be established in the year 2024. Subsequently, members, processes, and specific areas of responsibility will be defined accordingly.

Essential Risk of Montana Aerospace AG

Inside-out

Cat.	Risk	Description
E	Climate Change & GHG Emissions	Aluminium treatment is highly energy intensive. Aluminium refining and smelting account for most of the CO2 emissions in the production process.
E	Biodiversity loss	Bauxite mining can pollute rivers and other water streams. There are indications that this could endanger communities' access to drinking water.
E	Pollution and waste	Manufacturing operations can generate hazardous and non-hazardous waste (e.g. metals, wastewater, or compounds).
E	Energy consumption	High energy consumption leads to GHG emissions and contributes to climate change.
S	Health & safety of the own workforce	Hazards like exposure to harmful chemicals, dust, or loud noises, can lead to worker injuries or illnesses.
S	Consumer health & safety	Faulty or unsafe products can harm consumers/end users.
S	Exploitation	Sourcing of materials or labour from unethical suppliers who exploit workers through low wages, unsafe conditions, or forced/child labour.
S	Managing and retaining talent	Because of the highly specialized nature of the business, companies must hire and retain the skilled and qualified personnel necessary to perform the business-critical processes.
G	Corruption & Bribery	Exposure to fraud or illegal activities on the part of employees and third parties
G	Data privacy	Breaches or misuse of customer or employee data

Outside-in

Cat.	Risk	Description
E	Acute risks due to extreme weather events	Increased frequency and severity of extreme weather events (e.g. wildfires, cyclones, hurricanes, floods)
E	Chronic risks due to climate change	Increased operating costs (e.g., inadequate water supply for plants due to droughts)
E	Increased costs due to climate change	Increased insurance premiums and potential for reduced availability of insurance on assets in "high-risk locations"
E	Change in consumer and investor decisions	Change in consumer and investor decisions in favour of increasingly sustainable products and services
E	Carbon pricing	Carbon pricing mechanisms that increase the price of fossil fuels as well as operating costs (e.g., higher compliance costs, increased compensation costs)
E	Availability of resources	Lack of availability of raw materials in production due to climate change
E	Energy availability	Conflicts and geopolitical tensions can cause energy supply difficulties (e.g. expansion of the Ukraine conflict)
S	Pandemics	Pandemics can threaten the production capacity and can also affect the demand for aircraft or maintenance activities
S	Stigmatization of sector	Aerostructure industry suffers reputational damage due to its association with negative environmental impacts.
G	Reputational and legal risks if	Operation in complex and regulated markets, which require compliance with specific regulations

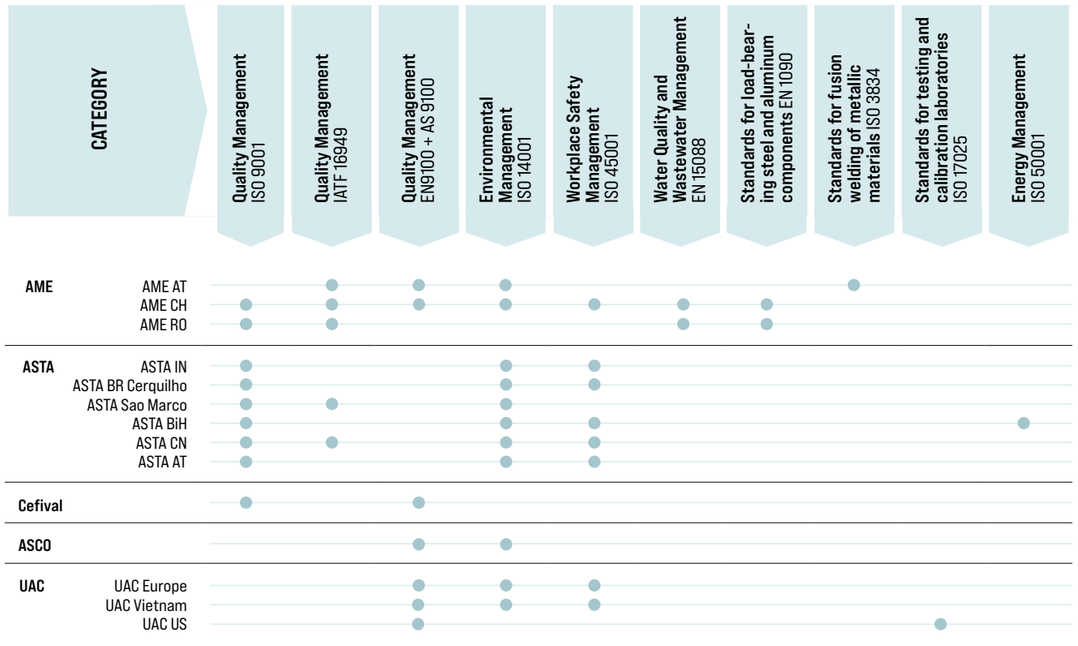
MEMBERSHIPS, INITIATIVES AND CERTIFICATES

MONTANA AEROSPACE IS AN ACTIVE MEMBER IN THE FOLLOWING ORGANIZATIONS:

- **Austrian Economic Chamber (WKO)**
- **Federation of Austrian Industries (IV)**
- **Austrian Controller Institute (ÖCI)**
- **Cercle Investor Relations Austria (CIRA)**
- **AGORIA**
- **SIRRIS**
- **VOKA Inningsbureau**

Additionally, in the fiscal year 2023, we have decided to participate in the following initiatives and programs aimed at advancing the sustainable transformation of our society:

- As a group, we have committed to the Net–Zero target of the Science Based Targets Initiative (SBTi).
- Our ASCO Division has become a research partner of the Clean Aviation Joint Undertaking program of the European Union.
- Our Alu Menziken Division has become a member of the international Aluminium Stewardship Initiative (ASI). The vision of ASI is to maximize the contribution of aluminum to a sustainable society.



SUSTAINABILITY ISSUES

In 2022, we embarked on the ESG journey at Montana Aerospace. During this fiscal year, we released our first ESG report. This was followed by the initial materiality analysis, and the reported ESG information we now present was prepared with reference to the GRI Standards.

Although much has been achieved in the meantime, we can of course continue to strive for further improvement: conducting a new stakeholder survey, performing a double materiality analysis, establishing targets for the Science Based Targets Initiative, and many other tasks.

In the fiscal year 2023, our CSA (S&P Global Corporate Sustainability Assessment) rating stood at 28 points, surpassing the industry average of 23 for the first time and reflecting an improvement of 23 points over the last 3 years. As of 23/01/2024, our company ranked in the Top Third percentile in the Aerospace & Defense industry in the S&P Global Corporate Sustainability Assessment.

In the following pages, we present the status of our sustainability efforts, guided by the themes outlined in our materiality matrix.

Our material topics	Category	Page	SDG	
Climate and Emissions	Environment	88	9 – Industry, Innovation & Infrastructure	13 – Climate Action
Resources Inflows	Environment	100	12 – Responsible Consumption & Production	
Energy	Environment	92	7 – Affordable & Clean Energy	
Waste	Environment	100	12 – Responsible Consumption & Production	
Materials	Environment	100	12 – Responsible Consumption & Production	
Resource Outflows	Environment	100	12 – Responsible Consumption & Production	
Supplier Environmental Assessment	Governance	120	13 – Climate Action	
Supplier Social Assessment	Governance	120	8 – Decent Work & Economic Growth	
Occupational Health and Safety (Own Workforce)	Social	112	8 – Decent Work & Economic Growth	
Diversity and Corporate Culture	Social	106	5 – Gender Equality	10 – Reducing Inequality
Water Consumption	Environment	98	12 – Responsible Consumption & Production	
Working Conditions (Own Workforce)	Environment	114	4 – Quality Education	8 – Decent Work & Economic Growth

ENVIRONMENT

We are actively endeavoring to minimize both our direct and indirect carbon emissions. Our ongoing efforts include regular assessments of our processes to identify opportunities for reducing resource consumption and transitioning to more sustainable alternatives whenever feasible.

Leveraging our vertically integrated supply chain enables us to significantly reduce long transport routes and mitigate associated emissions. We are making significant efforts to gradually transition our production sites to renewable energy sources.

Moreover, we are committed to addressing water consumption concerns by enhancing efficiency and incorporating recycled water into our operations. To this end, our sites have implemented cutting-edge wastewater treatment systems that efficiently and safely recycle water sources. We are conscientious about waste generation, with nearly all of our cuttings, clippings, and scrap being internally recycled at our plants. Furthermore, the advanced aluminum components utilized in our products are manufactured using approximately 70% recycled aluminum. Furthermore, we are leading secondary copper use in our Energy segment, as already approximately 40% of all copper processed group-wide is from recycled sources.

CLIMATE & EMISSIONS

Results overview Scope 1,2,3

	CO_2 emissions						
Status quo 03.03.2024	Direct emissions (Scope 1)	Indirect emissions (Scope 2 market based)	Indirect emissions (Scope 2 location based)	Indirect emissions (Scope 3)	Sum market based	Total Net Sales Montana Group	Emissions / Total Net Sales
Unit	t CO_2e / a	t CO_2e / a	t CO_2e / a	t CO_2e / a	t CO_2e / a	Mio €	kg CO_2e / €
Total 2022 (updated)	35,418	96,457	101,369	2,506,534	2,638,409	1,306	2,02
Total 2023	**42,375**	**98,940**	**123,159**	**2,678,875**	**2,820,190**	**1,430**	**1,97**

Emissions into air

	VOC		NOx		SOx		PM		CO	
Unit	kg	kg	kg	kg	kg	kg	kg	kg	kg	kg
	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023
Total	**32,529**	**32,061**	**13,477**	**5,360**	**15**	**20**	**957**	**726**	**5,013**	**4,771**

The Challenge

As a manufacturing company, it is clear to us that not only do we have an impact on climate change, but that climate change also affects us, our clients, our suppliers and, of course, our production facilities.

"Sustainable entrepreneurship" is one of the central values of Montana Aerospace. We are committed to global climate goals such as the UNFCCC Paris Agreement. Therefore, consistently reducing our carbon footprint across the entire value chain is part of our daily efforts.

Our business segments are part of the solution. We develop innovations and drive advancements for the aviation, e–mobility, and energy industries of today and tomorrow. As a highly integrated component manufacturer with state–of–the–art production facilities in Europe, America, and Asia, we contribute to reducing CO_2 emissions. Our goal is to set new standards in the industry and make a significant contribution to promoting sustainable development across our entire sector through the integration of new technologies and processes.

As part of the Science Based Targets Initiative (SBTi) Net–Zero target, Montana Aerospace is prioritizing the reduction of fossil fuel usage, aiming for a significant decrease. A concrete quantitative target definition will be established in 2024 as part of our commitment to the Science Based Targets Initiative (SBTi).

Guiding Principles

Sustainability is more than just a buzzword at Montana Aerospace: it is a core value of our corporate culture. We are aware of the emissions the manufacturing industry produces and the responsibility it bears for the global carbon footprint. This is why we feel a strong sense of duty to reduce our environmental impact and achieve a high level of sustainability now and in the years to come.

We are making every effort to reduce our direct and indirect carbon emissions. We regularly evaluate our processes to see how we can reduce resource consumption and switch to more sustainable alternatives wherever possible.

Measures Taken

▪ In the manufacturing and machining field, a significant amount of travel is undertaken to install and maintain equipment. To minimize travel efforts and the associated CO_2 emissions, we have implemented augmented reality (AR) tools. With these tools, our technicians can accomplish a part of these tasks and operate group-wide without leaving their office.

▪ Our ASTA division implemented a yearly comprehensive carbon inventory to cover scopes 1, and 2.

▪ In addition to the carbon inventory, ASTA has incorporated the reduction of emissions as a central axis in its ESG commitment.

▪ In its Indian site, ASTA based its air conditioning on Non Chloro Fluoro Carbon refrigerants, which produce minimal ozone depleting substances.

▪ Heat is necessary for curing aluminum alloys. At UACV this heat is primarily generated through gas combustion. In order to operate this process as energy-efficiently as possible, we have implemented continuous monitoring of the equipment for its operational readiness.

▪ Also, at our UAC US division we implemented continuous burning tuning and monitoring to maximize energy efficiency and minimize air pollutants.

▪ On Group level we implemented continuous education of employees on the importance of climate protection.

▪ In multiple divisions, we have initiated a "Job Bike" program. Employees have the opportunity to lease bikes for their commute to work at very favorable conditions. This helps to reduce emissions for the journey to work.

Measures Planned

▪ In 2024, among other milestones, we will complete our ESG Risk Assessment. This will include a location-based climate risk assessment.

▪ Also, in 2024 we will set our targets within the framework of the Science Based Targets Initiative (SBTi), to which we committed in the past fiscal year.

▪ In the coating production process, volatile organic compounds (VOCs) are generated and subsequently emitted following metal catalytic combustion. Presently, the exhaust gas emissions at the ASTA site in China adhere to the stipulations of local laws and regulations. Moving forward, we plan to engage a certified third-party entity for annual emissions testing to ensure compliance with regulatory standards.

▪ At UACV we will implement a continuous monitoring of the equipment for curing aluminum alloys for operational readiness and perform functional tuning regularly. This will ensure optimal performance and low energy consumption.

▪ Development of strategies to reduce emissions in supply chains (Scope 3).

ENERGY

Electricity consumption & Electricity mix

	2022 (MWh)	2023 (MWh)
Annual consumption of renewable energy	**128,803**	**185,904**
Annual consumption of renewable electricity	123,594	183,012
Annual consumption of biogas	5,209	1,653
Annual production / consumption of photovoltaic electricity	–	1,239
Annual consumption of non-renewable energy	**313,065**	**333,745**
Annual consumption of non-renewable electricity	134,052	128,324
Annual consumption of natural gas	173,044	200,804
Annual consumption of heating oil	3,440	473
Annual consumption of LPG	633	810
Annual consumption of petrol	145	552
Annual consumption of diesel	1,752	2,781
Annual consumption of renewable and non-renewable energy in total	**441,868**	**519,649**

	2022 (%)	2023 (%)
Hydropower	33.3	46.4
Nuclear Power	15.4	11.3
Oil	3.4	4.4
Natural gas	5.5	2.2
Wind	8.1	6.6
Solar	2.6	2.9
Fossil fuels (coal)	26.5	21.4
Others	1.3	2.0
Other renewable energy sources (biomass...)	4.0	2.8
Total	**100.0**	**100.0**

ENVIRONMENT – SUSTAINABILITY ISSUES

The Challenge

By providing innovative solutions for both past and present projects within the Energy sector, we actively contribute to advancing the green energy transition and fostering a sustainable future. In the Energy segment, Montana Aerospace sets the standard for the entire industry by supplying a new generation of components for generators, transformers, and electric motors.

However, what we do for our clients must also be applied internally. Optimizing energy consumption is one of our main goals now and for the future. We aim to achieve that by implementing efficient production technologies. Moreover, it is our goal to transition our sites to 100% renewable energy.

Guiding Principles

At Montana Aerospace, the responsible use of energy is very important to us, and we are strongly committed to reducing our impact on the environment. We regularly assess and report on energy consumption to track our progress towards sustainability goals.

In line with our commitment to the use of sustainable energy, we are actively exploring renewable energy sources. We believe that the transition to renewable energy sources is not only a crucial step towards a more sustainable future but also a business opportunity.

Measures Taken

▪ Weight Reductions of Our Products: Through optimized design and the use of lighter materials, we achieve not only a reduction in mass but also in energy consumption and CO_2 emissions.

▪ In all our sites we implemented a policy for energy friendly behavior. The aligned measures include:

- Turn off lights in areas which are not in use
- Turn off computers, monitors, equipment when not in use
- Switch off machines and equipment when allowed and not in use
- Keep doors which lead to the outside and windows closed
- Do not keep windows permanently open
- Reduce temperatures, switch off A/Cs when not needed

We also implemented trainings for employees to foster these behaviors.

▪ Technical measures that lead to lower energy consumption:

- LED lights
- Energy recuperation from the compressors to heat buildings
- Energy recuperation from the homogenization oven to preheat prime aluminum

▪ ASTA Brazil has adopted a compliance verification approach for energy supply companies, ensuring that they are aligned with the company's values and commitments.

▪ In the production process at ASTA in China, we utilize catalytic combustion processes and recycling methods for heating products. Additionally, we have installed metering devices on all electrical equipment to automatically track energy consumption, allowing for better management of energy usage.

▪ The following projects were implemented at ASTA:

- Installation of LED Lighting
- Variable Frequency Drive (VFD) for air compressor
- Lighting transformer for reduced lighting voltage
- Optimization of line speed
- Energy efficient motors
- Air conditioning optimization by de-centralization
- Process cycle time reduction

▪ At our UACV division we integrated energy-saving devices, such as inverter devices, to optimize electricity usage based on demand. That enables us to dynamically adjust temperature settings and regulate power usage in response to actual usage demands.

▪ We implemented regular energy audits.

Measures Planned

▪ Increasing our share of renewables. Several of our facilities currently rely entirely on ecological and renewable energy sources, and we plan to increase the proportion of renewable energy used across the Group by installing solar panels at multiple sites. In this effort, we are not only considering unused roof spaces, but also all available open areas. Our team is constantly assessing opportunities to expand the usage of renewable energy sources.

▪ Improvement of data quality and availability.

ESG Flagship Project Number 1

DA NANG HARNESSES THE CLEAN POWER OF THE SUN

Universal Alloy Corporation (UAC), a subsidiary of Montana Aerospace, has established a flagship project with the solar initiative in Da Nang, Vietnam.

Through the partnership between the division in Vietnam and "Asia Clean Capital Vietnam," we were able to install an advanced photovoltaic system in our 40,000 square meter production facility in Da Nang, Vietnam, inaugurating it in June 2023. This initiative paves the way for a greener and more sustainable future.

The signing of a fifteen-year power purchase agreement in November 2022 marked a significant initial step. The photovoltaic system was designed to withstand the region's severe storms and typhoons, ensuring both operational safety and environmental sustainability. The system utilizes our extensive roof area and available open spaces, maximizing our potential for on-site solar energy generation.

Montana Aerospace's CO-CEO Kai Arndt personally initiated the launch by activating the solar panel system. By September 2023, all planned 7,172 innovative roof panels were in operation, collectively producing 6,000 MWh of clean energy annually.

This groundbreaking initiative brings extensive benefits to the environment: By harnessing solar energy, we reduce the release of 2,800 tons of CO_2 per year (carbon reduction).

In this way, we offset 27 percent of our current annual electricity needs in Vietnam.

This measurable progress underscores our commitment to gradually minimize our carbon footprint and have a positive impact on the environment. The photovoltaic system is a crucial first step on our journey to Net Zero, also representing a significant reduction in energy costs.

Today, UAC is a world leader and complete provider for assemblies and components made from all relevant structural materials: aluminum, titanium, superalloys, specialty steels, and composite materials, especially for wings and aircraft fuselages.

6,000 MWH
OF CLEAN ENERGY PER YEAR

27% of current annual electricity needs in Vietnam covered by the PV plant

ANNUAL REDUCTION OF CO_2 EMISSIONS BY 2,800 TONS

WATER CONSUMPTION & WATER MANAGEMENT

Water Consumption

Total Water Consumption in m³		total
	2022	298,438
	2023	329,617

Total water consumption from all areas with water stress in m³		
	2022	90,948
	2023	100,406

The Challenge

Water is a fundamental resource to mankind. As an industrial group our water consumption is related to our production processes. That is why we recognize the importance of properly treating our wastewater and have implemented systems for treating and discharging wastewater in compliance with all relevant regulations.

At Montana Aerospace, our goal is to reduce the total amount of water consumed and to lower operating costs at our operations to mitigate our environmental impact.

Guiding Principles

An effective approach to managing water and effluents considers the local context of water use and recognizes the significance of stewarding water as a shared resource. An organization can reduce its water withdrawal, consumption, discharge, and associated impacts through efficiency measures such as water recycling and reuse, process redesign, and collective actions that extend beyond its operations within the catchment area. Moreover, it can enhance water quality through improved treatment of water discharge.

Measures Taken

- Our fully automated surface processing lines have been equipped with environmentally friendly water treatment to reduce water consumption. As a result, a significantly larger amount of purified water flows back into our production.

- At ASTA we adopted detailed indicators to monitor the use of water from wells and total consumption at the plant. We also set consumption targets, monitoring them throughout the year to ensure responsible use of water resources. This includes leakage management with the goal of avoiding water loss.

- For several sites we implemented effective wastewater treatment, treating wastewater to either reuse for plantation or production processes.

- At Alu Menziken and Asco we reduced the amount of coolant usage and are re-using coolant water in production processes.

- At our UAC US division we conduct semi-annual lab analysis on water discharges. Stormwater runoff lab analysis is conducted annually. We track daily water discharge rates and monitor stormwater pollution prevention at least monthly for any sources that could have an impact on runoff and where issues arise, are corrected.

Measures Planned

Improvement of data quality and availability.

RESOURCE UTILIZATION & CIRCULAR ECONOMY

Resource Utilization & Circular Economy

Waste			total
Non-Hazardous (t)		2022	11,192
		2023	15,126
Hazardous (t)		2022	9,105
		2023	11,060
Materials Used			
Non-renewable materials (t)		2022	55,131
		2023	54,780
Renewable materials (t)		2022	62,093
		2023	67,547
Recycled input materials used (%)		2022	49%
		2023	55%

The Challenge

Recycling saves scarce raw materials, prevents waste, and conserves energy. For example, the use of recycled aluminum saves up to 95% of the energy that would be required for production from raw materials. Not only does this reduce energy consumption, but it also conserves natural resources, thereby reducing the need for new mining operations.

Additionally, our recycling method positively impacts our procurement strategy by making us less dependent on external suppliers in sometimes dynamic supply chains.

Guiding Principles

Our innovative manufacturing capabilities permit us to reduce the initial waste of materials from the very beginning.

We strive to reduce the amount of waste produced at all our operations and to improve our existing recycling programs. The remaining waste is separated and processed at our local waste management systems.

Measures Taken

- We have advanced the use of near-net-shape manufacturing processes, thereby significantly reduced material waste and improved material efficiency. This distinguishes us from competitors who pursue separate component manufacturing, which entails higher costs, more waste, and worse emissions levels.

- At UAC in Vietnam, we have introduced reusable water bottles into the workplace instead of disposable cups. Each of these bottles is personalized with the name and ID of the respective employee.

- At our ASTA division we send copper scrap to a specialized company, where it undergoes a transformation process into rebar. This sustainable practice not only supports the circular economy but also effectively diminishes emissions that would otherwise be generated if the scrap were not repurposed.

- Also, at ASTA we started reusing pallets. As a result, we have seen a notable reduction in waste generation. In addition, this approach has proved to be economically effective, promoting a direct reduction in operating costs.

- Throughout our group we train employees on waste avoidance and minimization as well as separation.

Measures Planned

- Expansion of internal aluminum and copper recycling capacities and continuous improvement of existing recycling programs to minimize the use of primary raw materials.

- At the ASCO division, we aim to prioritize coolant management since nearly 50% of our waste is associated with it. We intend to implement improved monitoring of coolant usage (including skimmers, pH levels, etc.) and explore potential replacements.

- Improvement of data quality and availability.

ESG Flagship Project Number 2

ASTA HARNESSES THE CIRCULAR POTENTIAL OF COPPER

ASTA is a market leader in the production of mission–critical copper components for the high–voltage industry; in particular transformers, generators, and (e–)motors. The subsidiary of Montana Aerospace has developed an innovative recycling approach for copper. To adopt a circular business model, ASTA has pioneered the recycling of copper at the Três Corações plant in Brazil. The process relies on the mechanical principles of shredding, milling, separating, pressing of copper scrap, ultimately returning it to the upcasting furnace to produce copper in the form of OFHC (Oxygen Free High Conductivity), commonly known as OxFree.

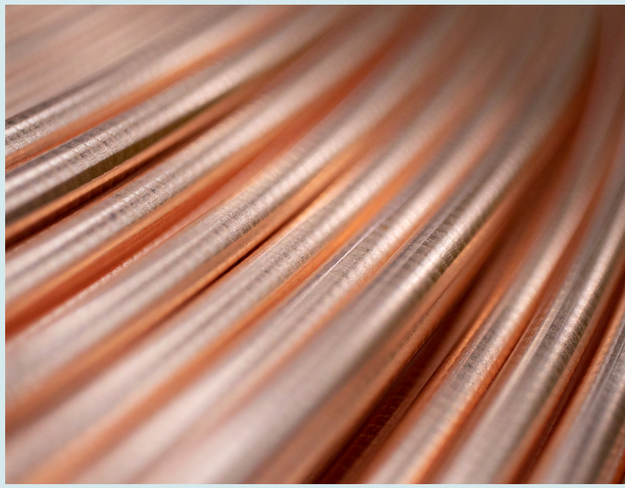
Over the past two years, ASTA has expanded its recycling capabilities. This cutting–edge "Low–Carbon Copper" technology offers numerous advantages, including energy savings, resource conservation, reduced environmental impact, and a more resilient copper supply for ASTA and its customers. With this recycling capacity, ASTA further distinguishes itself as industry–leading supplier of highest–performance copper components that is trusted throughout the globe.

While in Brazil, ASTA is currently expanding its recycling capacities, other regions also aim to follow suit. Together with prominent partners, ASTA is in the process of evaluating more copper recycling projects that can further help the copper champion to grow and simultaneously decarbonize. Copper is entirely recyclable, with the ability to be reused without any loss of quality. The overall energy needed to recycle copper is only around 20 percent of the energy required for its extraction from ore.

Copper is a critical material for the electronics industry, serving as the most widely used conductor for PCBs, wiring and connector manufacturing. However, many individuals may not realize its significance, viewing copper as an outdated metal without ongoing advancements.

In the coming years, the demand for copper is expected to rise significantly worldwide, driven by the increased use of this material in the production of electric vehicles (EVs) and in the efforts undertaken to build up massive renewable energy capacities and its infrastructure, including power grids. EVs utilize approximately four times more copper than traditional internal combustion engine vehicles, and copper is employed roughly ten times more by weight in an electric vehicle than lithium, a relatively rare material. Analysts predict that by 2050, the accelerated demand for copper will reach 130 billion pounds per year, doubling the current demand. In Europe alone, and for offshore (maritime) renewable energy stations only, above EUR 400 billion are planned to be invested into the grid until 2050. This exemplifies the tremendous structural shift in energy markets.

As a premium provider of winding wires for the high–voltage industry and a manufacturer of specialty products in E–Mobility, ASTA can benefit from these megatrends to become a sustainable, vertically integrated copper wire champion worldwide.



80% reduction in energy requirement is achieved by recycling copper compared to extracting it from ore

DUE TO THE ENERGY TRANSITION THE WORLDWIDE DEMAND FOR COPPER IS EXPECTED TO RISE SIGNIFICANTLY IN THE COMING YEARS.

ANALYSTS PREDICT A RISE TO 130 BILLION POUNDS PER YEAR BY 2050 - DOUBLING THE CURRENT DEMAND.

SOCIAL RESPONSIBILITY

Montana Aerospace has a safety-first culture with the goal of zero workplace incidents. We offer our employees at all sites regular safety training courses and impose strict instructions accompanied by rigorous monitoring and tracking and support improvement. To promote the personal and professional growth of our employees, we offer career and development programs. We do not tolerate any kind of discrimination or harassment.

Safety, diversity, equality and inclusion are the core principles of our daily business. We strive to make Montana Aerospace a safe, respectful, and appealing workplace. We engage with our communities to gain insights into the opinions of diverse groups and to create inclusive and effective solutions.

~7,200
Total employees

~1,600
New employee hires yearly

~11.7%
Employee turnover rate

DIVERSITY & CORPORATE CULTURE

The Challenge

Diversity brings opportunities but also challenges related to different cultures and perceptions, different life stories and experiences. Only with all people bringing a myriad of experiences and perspectives, we are able to reach our business goals, which makes it even more crucial to support employees in the best possible way, to promote mutual understanding and to build intercultural competency.

Guiding Principles

Montana Aerospace guarantees equal opportunities and treatment, regardless of ethnic background, skin color, gender, disability, family status, religion, belief, age, faith, nationality, sexual orientation, social background, or political views. Montana Aerospace prohibits any form of harassment and offensive behavior, whether sexual or non-sexual. Employees and job applicants are treated based on the principle of non-discrimination.

Likewise, we encourage diversity and a diverse mix of perspectives and experiences. At the same time, we require all employees to treat each other respectfully and offer assistance in cases in which employees are not treated as they should be.

Measures Taken

▪ To foster diversity and prevent potential negative impacts, we have policies and guidelines in place that explicitly prohibit discrimination, harassment, and bias in the workplace. These policies are communicated widely and are enforced consistently.

▪ In US, both the Equal Employment Opportunity (EEO) policy and the Genetic Information Nondiscrimination Act (GINA) policy are outlined in the Employee Handbook, which is provided to every team member. Additionally, the Anti-harassment policy is communicated to employees, and anti-harassment training sessions have been conducted.

▪ **In our divisions the following policies and instruments were implemented:**
- Diversity and Inclusion Statement
- Equal Employment Opportunity Policy
- Diversity Training and Education Programs
- Flexible Work Policies
- Recruitment and Hiring Strategies to support diversity
- Promotion of Open Communication
- Leadership Commitment
- Mentorship Programs
- Whistleblower Tool

▪ Regular surveys and feedback mechanisms were set-up to gauge employee satisfaction, perceptions of inclusion, and experiences related to coporate culture. These insights help us understand the effectiveness of our initiatives from the perspective of our workforce.

Measures Planned

▪ In US we want to continue the annual compliance reporting to include EEO-1, VETS-4212, and Affirmative Action Plans.

▪ Further implementation of the diversity and inclusion programs in some divisions aimed at fostering an inclusive workplace culture. We actively recruit from diverse talent pools and promote the exchange of people from different countries in the organization.

Workforce

		total
		HC
All employees		**7240**
All employees by hierarchy		**(%)**
	Top-Management	0.7
	Leadership	5.8
	Other Employees	93.5

Gender split by hierarchy				Gender as percentage of total employees		
		% Women	**% Men**	**% of total employees**	**% Women of total employees**	**% Men of total employees**
	All employees	21.7	78.3	100.0	21.7	78.3
	Top Management	21.6	78.4	0.7	0.2	0.6
	Leadership	23.6	76.4	5.8	1.5	4.8
	Other employees	21.5	78.5	93.5	20.0	72.9

Gender by function		**% Women**	**% Men**	**% of total employees**	**% Women of total employees**	**% Men of total employees**
	indirect	27.0	73.0	41.8	11.4	30.8
	direct	16.9	83.1	58.2	9.8	48.1

Employees by region		**% by continent**		**% by country**
	America	21.7	Brasil	10.0
			Canada	1.8
			USA	10.0
	Europe	62.1	Austria	7.7
			Belgium	10.4
			Bosnia and Herzegovina	0.5
			France	0.6
			Germany	1.6
			Romania	38.8
			Switzerland	2.5
	Asia	16.2	China	2.0
			India	1.7
			Vietnam	12.4

Gender by age		**% Women**	**% Men**	**% of total employees**
	< 30 years	19.6	80.4	26.1
	30–50 years	22.9	77.1	52.2
	> 50 years	18.5	81.5	21.7

Workforce

Employees by contract type		**% of total employees**	**% Women**	**% Men**
	Internal employees	97.6	99.1	97.2
	External/contractors	2.4	0.9	2.8
	Full-time (internal)	97.3	95.2	97.9
	Part-time (internal)	2.7	4.8	2.1
	Permanent/unlimited (internal)	95.5	97.1	94.9
	Fixed-term / temporary (internal)	4.5	2.9	5.1

miscellaneous	**% of total**
Number of employees with disabilities	0.84
Number of employees covered by collective bargaining	80.15
Number of employees not covered by collective bargaining but receiving terms based on CB	5.02
Number of employees participating at least once a year in a performance evaluation	80.15

Parental Leave

	women	men	total
Parental Leave – Disclosure Requirements			
Employees who took parental leave	120	84	204
Employees who returned to work in the reporting period after parental leave ended	48	74	122
Employees who returned to work after personal leave ended that were still employed 12 months after their return to work	54	62	116
Employees who took parental leave and left the company	23	2	25

Culture

New hires (international employees)		total (HC)	rate (%)
All hires		**1.575**	**% of total new hires**
by gender		1.575	
	Female	238	15.1
	Male	1.337	84.9
	Other	0	
by age group			
	<30 years		43.8
	30–50 years		42.5
	>50 years		13.7
by region		**1.575**	
	Americas		
	Brazil	60	3.8
	Canada	20	1.3
	USA	470	29.8
	Europe		
	Austria	186	11.8
	Belgium	30	1.9
	Bosnia and Herzegovina	9	0.6
	France	6	0.4
	Germany	11	0.7
	Romania	574	36.4
	Switzerland	29	1.8
	Asia		
	Vietnam	180	11.4

Employee turnover	
Turnover rate	11.7

OCCUPATIONAL HEALTH & SAFETY (OWN WORKFORCE)

Health and Safety

Numbers for internal employees	total	rate
Work-related fatalities	0	
TCIR (total case incident rate per 200,000 h)		2.46
Numbers for external employees		
work-related fatalities	0	
TCIR (total case incident rate per 200,000 h)		1.45

The Challenge

As an employer, it is our duty to provide the highest level of health and safety measures to our employees to ensure their well-being and offer a risk-free work environment. This is especially true for industrial companies like ours. The health and safety measures implemented help reduce the risk of workplace accidents and work-related illnesses. They also ensure that our employees have the necessary protective equipment and training to safely perform their tasks.

Enhancing health and safety measures requires a proactive and continuous approach across all our divisions, including regular risk assessments, written policies and procedures, training and education, and safety technology. This ensures both operational continuity and the health of our employees.

Guiding Principles

We strive to have zero recordable injuries, with a strong emphasis on **safety-first.** The health and safety of our employees is paramount. Ensuring a safe and healthy work environment is not only a legal and ethical obligation but also essential for the well-being, morale, and productivity of our workforce.

Measures Taken

- For all our divisions, we have implemented regular risk assessments, which include the development of health and safety policies and procedures, as well as relevant training for our staff.

- We regularly review and update these measures, conduct safety audits and inspections, and perform root cause analysis in case of incidents.

- At Asco Industries, we have further improved a customized Health & Safety Management System. This system allows each site to individually increase its health and safety performance.

- At ASTA, detailed emergency response plans are in place, covering a wide range of potential incidents, from fires to natural disasters. Regular drills and simulations help ensure employees are well-prepared to respond to emergencies.

- In our UAC US division, air sample monitoring for aluminum impurities and noise level sampling are conducted. For heat exposure, UAC US continuously monitors temperatures, particularly around the presses where heat exposure could significantly impact employee health. Once a threshold temperature is met, actions to prevent heat-related illnesses are implemented.

- At AME Switzerland, a safety and environmental program is drawn up annually with management for the following financial year.

Measures Planned

Further improvement of health and safety procedures and results.

SOCIAL RESPONSIBILITY – SUSTAINABILITY ISSUES

WORKING CONDITIONS (OWN WORKFORCE)

Culture

Non-Discrimination

Number of reported incidents of discrimination	**0**

Training & Education hours		**Average number of training hours per employee**
by function		
	All employees	35
	indirect employees	25
	direct employees	43
by hierarchy		
	Top-Management	28
	Leadership	21
	Other Employees	36

Health and Safety Certifications

	rate
Operative locations covered by environmental certifications such as ISO 14001 or others	86
Operative locations covered by quality system certifications such as ISO 9001 or others	100

SOCIAL RESPONSIBILITY – SUSTAINABILITY ISSUES

The Challenge

Working conditions encompass employment, recruitment, retention, working time policies, wages, social dialogue, freedom of association, and the rights of workers' representatives. This issue is important for: employee well-being, attractiveness as an employer, legal compliance, and brand reputation.

Guiding Principles

We adhere to labor laws and standards and create a supportive and respectful work environment.

Measures Taken

In 2023 we have offered an increased number of employees the opportunity for international exchange within the Group. Thus, we provide employees the opportunity to gain work and life experience in another country. This strengthens our collective commitment to expanding the boundaries of innovation and problem-solving. International exchange enhances employee motivation, fosters a sense of belonging within the group, and increases colleagues' intercultural competence.

Exchange with employees through various channels such as periodical questionnaires, newsletters and town hall meetings played in 2023 a crucial role in fostering transparency and engagement.

Measures Planned

Expansion of initiatives aimed at retention and increasing attractiveness as an employer.

ESG Flagship Project Number 3

GROW @ MONTANA AEROSPACE

Employee development is crucial for Montana Aerospace. This is intended to provide employees with the opportunity to unfold personally and professionally. Simultaneously, it ensures that the workforce maintains the highest level of education, enabling them to thrive in the challenging future markets of Montana Aerospace.

All currently offered programs and development opportunities are unified under the name **"Grow @ Montana Aerospace."** The objective is to enhance and develop skills, learn from others' experiences, and foster social connections within the Group. Our continuous pursuit of improvement and development encourages employees to seize opportunities.

The Montana Aerospace Global Mentorship Program pairs mentors and mentees from all divisions to discuss individual development plans and advance career prospects. The program also provides networking opportunities for mentees, introducing them to industry professionals.

As another part of **"Grow @ Montana Aerospace,"** the Project Management Training targets current and future project leaders. It aims to help individuals develop the skills and knowledge necessary for effective project management, ensuring projects are completed on time, within budget, and to the satisfaction of stakeholders.

The Montana Aerospace Sales Academy is an educational program for sales professionals, focusing on improving communication skills, body language, negotiation skills, and team spirit. The program also includes additional internal "legal training" for participants.

MULTIPLE programs and development opportunities integrated by Grow @ Montana Aerospace

30 LEADERS PARTICIPATED
IN THE NEWLY LAUNCHED LEADERSHIP REFRESHER PROGRAM

The First Time Manager Program covers 8 weeks of training

The Montana Aerospace Talent Development Program emphasizes increasing internal mobility and promotes idea exchange through group activities and one-on-one coaching. Talents have informal discussions and connect with the management board during fireside talks.

Montana Aerospace's Finance Training enhances financial knowledge and skills, teaching participants to read and interpret financial statements, concepts, and terminology. Participants use income statements, balance sheets, and key figures to develop initiatives to boost performance and improve key performance indicators (KPIs) in their departments.

The First Time Manager Program is designed for new first-time managers, aiming to enhance their soft skills and leadership abilities. Participants learn active listening, giving and receiving constructive feedback, conflict resolution, trust-building strategies, and fostering collaboration.

The newly launched Leadership Refresher Program caters to experienced leaders seeking to deepen their skills. Covering a broad spectrum of topics, the program allows participants to choose specific modules or complete all of them. Specific focal points include result-oriented action, effective prioritization, relationship management, efficient delegation, as well as preparation, execution, and follow-up of meetings. Workshops provide opportunities for managers to learn from colleagues in other departments and share their own experiences and best practices.

The overarching motto for all these programs is **"Grow @ Montana Aerospace."**

GOVERNANCE

We are committed to our ideals and work hard to advance them. Our transparency measures are important to prevent corruption and bribery. The morally, ethically, and legally sound behavior of our employees is a critical and a core principle of our corporate culture.

Montana Aerospace is committed to acting responsibly and takes social and environmental considerations into account. We select our suppliers based not only on quality and costs, but also on their due diligence practices, their respect for human rights and their environmental mindset.

SUPPLIER ENVIRONMENTAL AND SOCIAL ASSESSMENT

The Challenge

Montana Aerospace is committed to responsible and sustainable business practices in its supply chain guidelines. Among others our supplier selection process considers environmental and social factors.

The goal is to ensure that suppliers comply with the same standards and that they take the responsibility to implement requirements to undertake necessary due diligence processes with their employees, agents, temporary workers, subcontractors, homeworkers, suppliers, and sub-suppliers with whom they work with in the delivery of goods and services to Montana Aerospace.

Guiding Principles

Montana Aerospace is committed to ethical and sustainable business practices and human rights. We only partner with suppliers who share our commitment to human rights and sustainability principles.

Suppliers shall establish a health, safety, and environment management system where roles and responsibilities are clear and understood and that is supported by adequate policies and procedures to effectively manage sustainability performance and protect the health, safety and welfare of employees, contractors, visitors and others who may be affected by their activities.

Montana Aerospace is committed and determined to acquire all its raw materials from responsible sources, whenever possible considering social and environmental effects.

Measures Taken

Our expectations regarding the environmental and social responsibility of our suppliers were documented in our new Supplier Code of Conduct in 2023, which has since set the standard for our procurement policy.

We monitor our global supplier data in terms of expenditures and locations (to eliminate risk regions).

We have reorganized our Terms and Conditions at the Montana Aerospace level and have a Supplier Relationship Vision (SRM).

Measures Planned

Montana Aerospace aims to introduce an evaluation system for its suppliers: all suppliers shall be asked to fill out questionnaires, in which a substantial part of the questionnaire is related to environmental aspects, among other things. Based on the received answers, Montana Aerospace shall evaluate the suppliers' compliance with its values and principles in this area.

The review of suppliers in relation to defined KPIs and corresponding audits will commence in 2024. Additionally, in 2024, we will introduce a supplier evaluation regarding certification, performance risk, and business risk.

Measures Taken

ESG Flagship Project Number 4

ENSURING A SUSTAINABLE SUPPLY CHAIN BY IMPLEMENTING A "CODE" OF CONDUCT

Montana Aerospace is committed to responsible corporate management, guided by the principles of integrity, honesty, sustainability, and transparency. The new Supplier "Code" of Conduct aims to ensure that sustainability standards are met throughout the supply chain.

Due to our international activities, we are obligated to comply with various social, political, and legal requirements. Montana Aerospace's Supplier "Code" of Conduct, developed in the previous year, outlines our expectations for how suppliers should conduct business.

The goal is to ensure that suppliers not only meet the same standards but also take responsibility for implementing necessary due diligence processes with their employees, agents, temporary workers, subcontractors, homeworkers, suppliers, and sub-suppliers involved in delivering goods and services to Montana Aerospace.

Contractors are selected based not only on quality, safety, and cost but also on responsible business practices and adherence to the principles outlined in this Code. These principles include anti-corruption practices, responsible sourcing, human rights due diligence (covering working conditions and respect for human rights), consideration of conflict-affected and high-risk areas, environmental practices, safety standards, and protection of intellectual property. We expect each supplier to feel accountable for adhering to this Code and to implement these principles in their supply chain, going beyond legal compliance to advance social and environmental responsibility and business ethics.

Every Montana Aerospace supplier is required to sign a declaration of compliance, acknowledging and confirming adherence to the principles and requirements of the latest communicated version of the Code. Signatories agree that Montana Aerospace AG or a third party appointed by us may conduct periodic, unannounced audits on their facilities to verify Code compliance.

Compliance with Laws, Business Ethics, and Human Rights

Montana Aerospace's policy mandates strict compliance with all applicable laws and regulations, coupled with the highest standards of business ethics and governance from all parties cooperating with us.

Suppliers are expected to adhere to the United Nations Guiding Principles on Business Ethics and Human Rights, respecting international standards, including the UN Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW). Additionally, suppliers must respect the diversity, cultures, legal and customary rights and interests of local communities. They are required to comply with applicable national laws regarding working hours and create workplaces that protect people from health and safety risks.

Suppliers must provide truthful and accurate export control classification. Montana Aerospace maintains a zero-tolerance policy towards bribery, fraud, theft, and other forms of corruption. Contractors are obligated to ensure the confidentiality and adequate protection of any Montana Aerospace company data and know-how that is not publicly available.

All suppliers will be required to fill out questionnaires, with a substantial part related to environmental and social aspects as well as human rights. Non-compliance requires affected contractors to take necessary improvement measures or cease business with subcontractors, suppliers, and sub-suppliers.

Suppliers must maintain documentation demonstrating adherence to Montana Aerospace's Supplier "Code" of Conduct for their operations.

ESG Flagship Project Number 5

CONFLICT OF INTERESTS POLICY

In accordance with our Code of Conduct, employees, directors, and representatives of Montana Aerospace AG and its subsidiaries are expected to act exclusively in the interest of the Montana Aerospace Group. To ensure this, a new Conflict of Interests Policy was published in September 2023. The intent of the Conflict of Interests Policy is to supplement, not replace, any applicable laws regarding conflicts of interests. If a conflict of interests arises, Montana Aerospace requires its employees to deal with it transparently.

A conflict of interests arises when an employee may prioritize personal gain over duties to the Montana Aerospace Group, exploit their position for personal gain, or be affected by the outcome of their judgment, decisions, or actions to the disadvantage of Montana Aerospace.

Examples of Conflict of Interests:
Every employee is obliged to disclose all potential conflicts of interests. The following are some examples of potential conflicts of interests, as defined in the policy:

- A company controlled by an employee, or their relatives enters into a contractual relationship (e.g., supply contract, sales agreement, services agreement, etc.) with the Montana Aerospace Group.

- An employee hires a relative or friend or shows favorable workplace treatment to such a relative or friend.

- Self-dealing: An employee who is a director of a Montana Aerospace Group company accepts a transaction from another organization that benefits the director and harms the Montana Aerospace Group.

- An employee uses Montana Aerospace Group's equipment to support an external business venture.

- Employees accept gifts exceeding the allowed value from potential vendors.

- An employee is associated with a competing organization or company or provides services for such a company.

RESPECT HUMAN RIGHTS, PREVENT CORRUPTION

Central objectives of Montana Aerospace's governance activities include preventing any form of corruption and ensuring the full respect for human rights. This applies not only to the company itself, but also to the upstream elements of the supply chain. It is for this reason, above all, that the Code of Conduct and the Conflict of Interests Policy were introduced in 2023. These measures establish transparency – the foundation for preventing corruption and respecting human rights.

The process to disclose and review potential Conflicts of Interests

All potential conflicts of interests will be reviewed on a case-by-case basis. The responsible body shall collect all pertinent information and may question the employee and other involved parties before deciding on the conflict of interests.

If the responsible body determines that a conflict of interests exists, they will take appropriate actions to address it. This may include requesting the employee to abstain from such behavior or transaction.

If the investigated behavior does not constitute a conflict of interests and any involved transaction is concluded at arm's length, the responsible body may approve such transaction. Arm's length means that in transactions between related parties, the terms are set as they would be in a comparable transaction between unrelated third parties in an external market. In such a case the inquiry will be documented, but no further actions are required.

Transactions complying with the principle of arm's length that may qualify as conflicts of interests may be approved by the responsible body. Any disclosed conflicts of interests and the respective decisions by the responsible body must be documented in writing.
The management of each group company of the Montana Aerospace Group is responsible for making employees aware of this policy and integrating it into the hiring process.

GRI INDEX

Statement of use	Montana Aerospace AG has reported the information cited in this GRI content index for the period January 1st 2023 to December 31st 2023 with reference to the GRI Standards.
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ABOUT MONTANA AEROSPACE AG:

Montana Aerospace AG is a leading producer of system components and complex assemblies for the aerospace industry, with worldwide engineering and manufacturing operations. As of end of December 2023, the company has approximately 7,200 highly skilled employees at 23 locations on four continents—designing, developing and producing ground-breaking technologies for tomorrow's aerospace, e-mobility and energy industries out of aluminum, titanium, composite, copper and steel.

DISCLAIMER:

Some of the information contained in this Annual Report may be forward-looking statements. Montana Aerospace AG cautions that such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and that actual results may differ materially from those in the forward-looking statements as a result of various factors. Montana Aerospace AG undertakes no obligation to publicly update or revise any forward-looking statements.

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