

## **Foreword**

#### Sustaining tomorrow's skies

As aviation faces the challenge of aligning with the goals of the Paris Agreement, ATR's commitment to sustainability acts as a guiding light. As a specialist in regional aviation, ATR has always focused on shorter routes, granting access to remote places, reducing travel times between cities, connecting smaller communities to major hubs, and facilitating business opportunities and tourism. This is our mission and what ATR aircraft excel at. One pivotal aspect that distinguishes ATR aircraft within the regional aviation landscape is their energy efficiency on short routes. The ATR 72-600 burns 45% less fuel and emits 45% less CO<sub>2</sub> than a similarly sized regional jet\*. That means 4,400 tons of CO<sub>2</sub> saved per aircraft per year\* representing an unrivalled fuel efficiency in regional aviation.

At the end of 2023, the Science Based Targets initiative (SBTi) approved ATR's near-term greenhouse gas emissions reduction targets. These targets cover Scopes 1 & 2 emissions from the energy consumption of our operations, as well as emissions related to the use of our products (Scope 3). To achieve these objectives, ATR has invested in energy-efficient infrastructure and renewable energy, optimised its manufacturing processes, and implemented sustainable practices throughout its value chain. I am confident that ATR will reach these targets because they are central to our business strategy. This is one of our fundamental strengths.

\*vs. similar size regional jets, 300NM, 2000 flights annually

As part of our sustainability journey, ATR has a Sustainable Aviation Fuel (SAF) roadmap aimed at 100% SAF flights. In parallel, we are already setting our sights on the next frontier of sustainable aviation. Our design office is currently exploring and designing an aircraft based on disruptive technologies in order to push the boundaries of low-carbon aviation even further. This groundbreaking aircraft – the ATR EVO – presents the medium-term solution to significantly reducing emissions without compromising on the accessibility and versatility of our aircraft.

ATR's low carbon strategy is only one aspect of our sustainability strategy, which was established in 2022 upon four pillars: environment and climate change, people, business practices, and customers. ATR continues to develop and build upon this strategy with energy and ambition, as detailed in this report.

As we reflect on our journey towards sustainability, we recognise that it is not merely a destination but an ongoing voyage of innovation and transformation. As an organisation, we will continue to work for a more sustainable sky, where every flight demonstrates our commitment to leaving a legacy of enthusiasm and responsibility for generations to come.

**Nathalie Tarnaud Laude** 

ATR Chief Executive Officer



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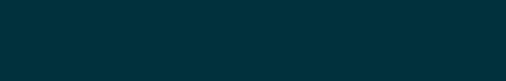
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# The world's number one regional aircraft manufacturer

ATR is the world's number one regional aircraft manufacturer. We build new-generation 30-78 seat turboprops. ATR's vision is to accelerate sustainable connections for people, communities and businesses around the world, no matter how remote, by delivering and supporting the most efficient, lowest-emission regional aircraft on the market.

Thanks to the efficiency of turboprop technology and the company's focus on continuous innovation, ATR aircraft opened **160 new routes in 2023**, while burning less fuel and **emitting less CO<sub>2</sub> than regional jets**. Established in November 1981 and based in Toulouse, ATR is a joint partnership between two leading global aeronautical manufacturers: Airbus and Leonardo.

# 1.1 Mission & Vision

# Mission

To sell, manufacture, deliver, develop and support the world's most sustainable regional aircraft, in order to contribute to our customers' success within a safe and sustainable aviation ecosystem.

# Vision

We accelerate sustainable connections for people, communities and businesses around the world, no matter how remote, by delivering and supporting the most efficient, lowest-emission regional aircraft on the market.

# Values

ATR employees are driven by four core values:

#### **Ambition One ATR Trust** Respect

#### The mindset to build our future

- We are proud to be ATR
- We act as one team • We strive for excellence
- We are open-minded

#### The propellant of our activity

- We lead
- We innovate
- We improve
- We listen
- We act

#### The building block of our relationships

- We are transparent
- We are compliant
- We are reliable
- We work honestly and efficiently

#### For everything and everyone

- For our customers
- For the environment
- For our teams
- For our suppliers
- For our rules and regulations
- For ourselves

ATR's mission is to sell, manufacture, deliver, develop and support the most sustainable regional aircraft, contributing to our customers' success within a safe and sustainable aviation ecosystem:

#### SELL

We place our customers at the heart of ATR's future and ambitions. We listen to them and their specific needs to meet and exceed their expectations, supporting them and helping them to connect communities.

#### **DEVELOP**

Our aircraft already deliver bestin-class performance, and we are
determined to go further still, leading
the way to a decarbonised future.
We are developing solutions, notably
a new, groundbreaking and even
more fuel-efficient regional aircraft,
able to tackle the environmental
challenges of today and tomorrow.

#### **SUPPORT**

We provide all of our operators worldwide with 360° support, through a dedicated follow-the-sun service, available all year-round.

#### **DELIVER**

ATR manufactures and delivers aircraft on quality and on time, using an anticipation approach and managing operational risks to ensure and improve industrial production performance.

# Our Corporate Social Responsibility Strategy



#### **ENVIRONMENT & CLIMATE CHANGE**

Lead towards sustainable regional aviation



#### **PEOPLE**

Engage our people to unleash full potential



#### **BUSINESS PRACTICES**

Act with purpose in everything we do

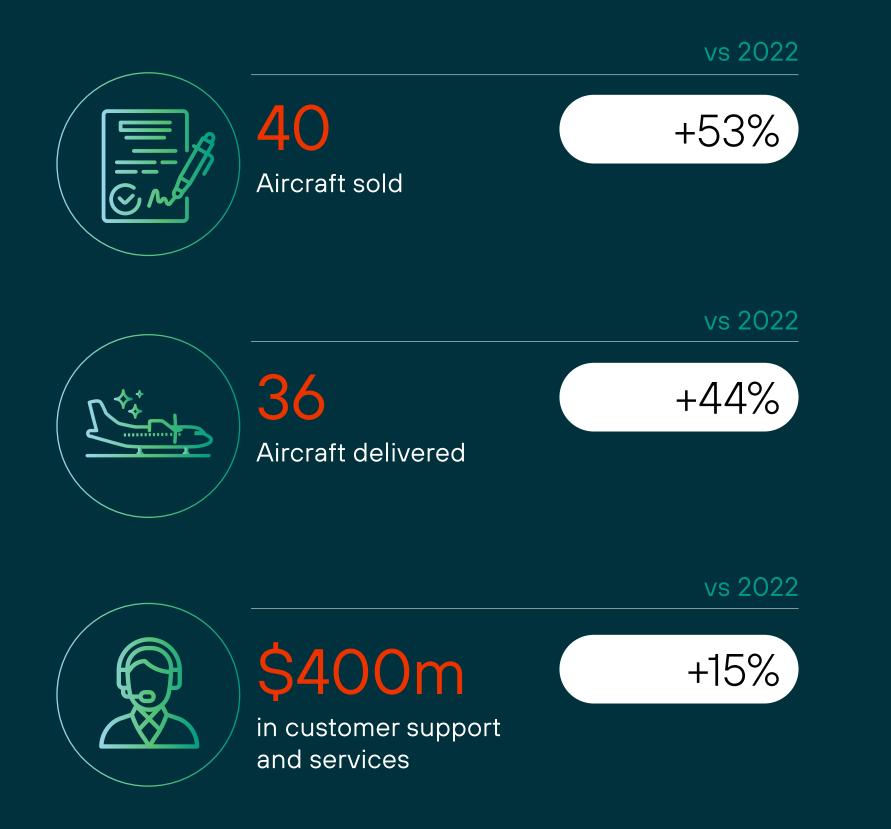


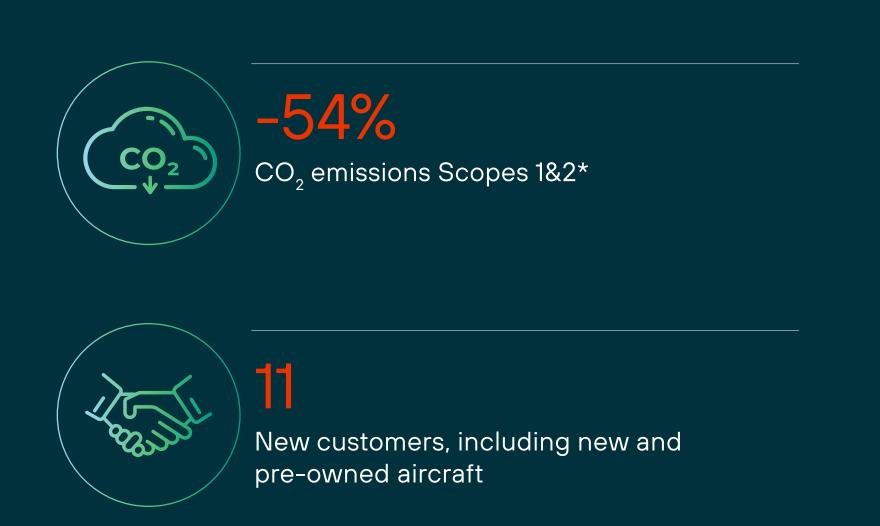
#### **CUSTOMERS**

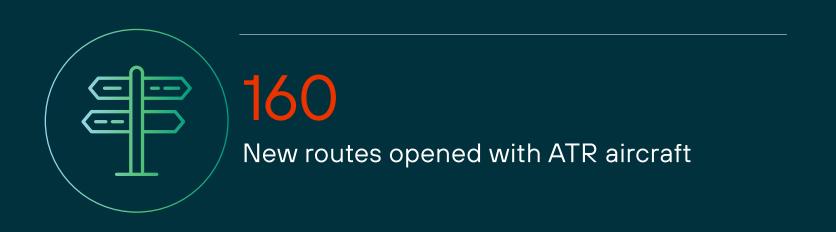
Build customers' trust based on safety and quality

# 1.3 2023 at a glance

Despite a complex operating environment, 2023 saw many significant events across the company and steady progress towards ATR's sustainability objectives.







# 1.4 Operating on a global scale

ATR's global footprint enables us to establish strong and sustainable relationships with our customers, reflecting the company's determination to provide rapid and efficient support from local bases and structures.

#### 1 Headquarter & Final Assembly Line

Toulouse

#### **5 Commercial Offices**

Toulouse, Miami, Beijing, Singapore, Tokyo

#### **4 Customer Services Centres**

Toulouse, Miami, Singapore, Bangalore

#### **4 Spare Parts Warehouses**

Paris, Miami, Singapore, Auckland

#### 7 Regional Customer Support Offices

Toulouse, Athens, Addis Ababa, San Paulo, Singapore, Bangalore, Jakarta

#### **3 Training Centres**

Toulouse, Miami, Singapore

#### 1 Training Partnership

Bangkok







# 1.5 The ATR aircraft family

For more than 40 years now, ATR has been at the cutting edge of technology, developing and manufacturing a family of regional turboprop aircraft for 30 to 78 passengers.

ATR was created by pioneers, and continuous innovation remains key to our identity and success. Today, as in the past, our teams work tirelessly to push the boundaries of regional air transport. It was ATR that introduced the first composite wing, the first headmounted displays and the first enhanced vision system on a commercial aircraft.

ATR aircraft are suitable for all business models and all regions of the world, and can operate in all environments, regardless of climate or conditions (cold, heat, high-altitude runways, harsh environments, etc.) They are also suited to a wide range of airports (steep approach, unpaved airfields, short or narrow runways).



The lowest-emission aircraft on the regional market

ATR-600s have the best environmental credentials of all turboprops and regional jets on the market, and we continue to improve our environmental footprint.

\*vs. similar size regional jets, 300NM, 2000 flights annually



fuel burnt and CO<sub>2</sub> emissions compared to similarly-sized regional jets\*



tons of CO<sub>2</sub> saved per aircraft per year vs regional jets\*



family and two models matching capacity and demand



SAF capability



- High commonality
- Single type rating
- Same engines
- Same flight deck and propellers
- 90% of common spare parts













# ATR's approach to sustainability

ATR's vision is to "accelerate sustainable connections for people, communities and businesses around the world, no matter how remote, by delivering and supporting the most efficient, lowest emission regional aircraft on the market".

ATR designs, manufactures and delivers aircraft and associated services to its customers, helping to create value and drive growth. We are acutely aware of our responsibility to society and to future generations and we see our Corporate Social Responsibility (CSR) strategy as an integral part of our overall strategy.

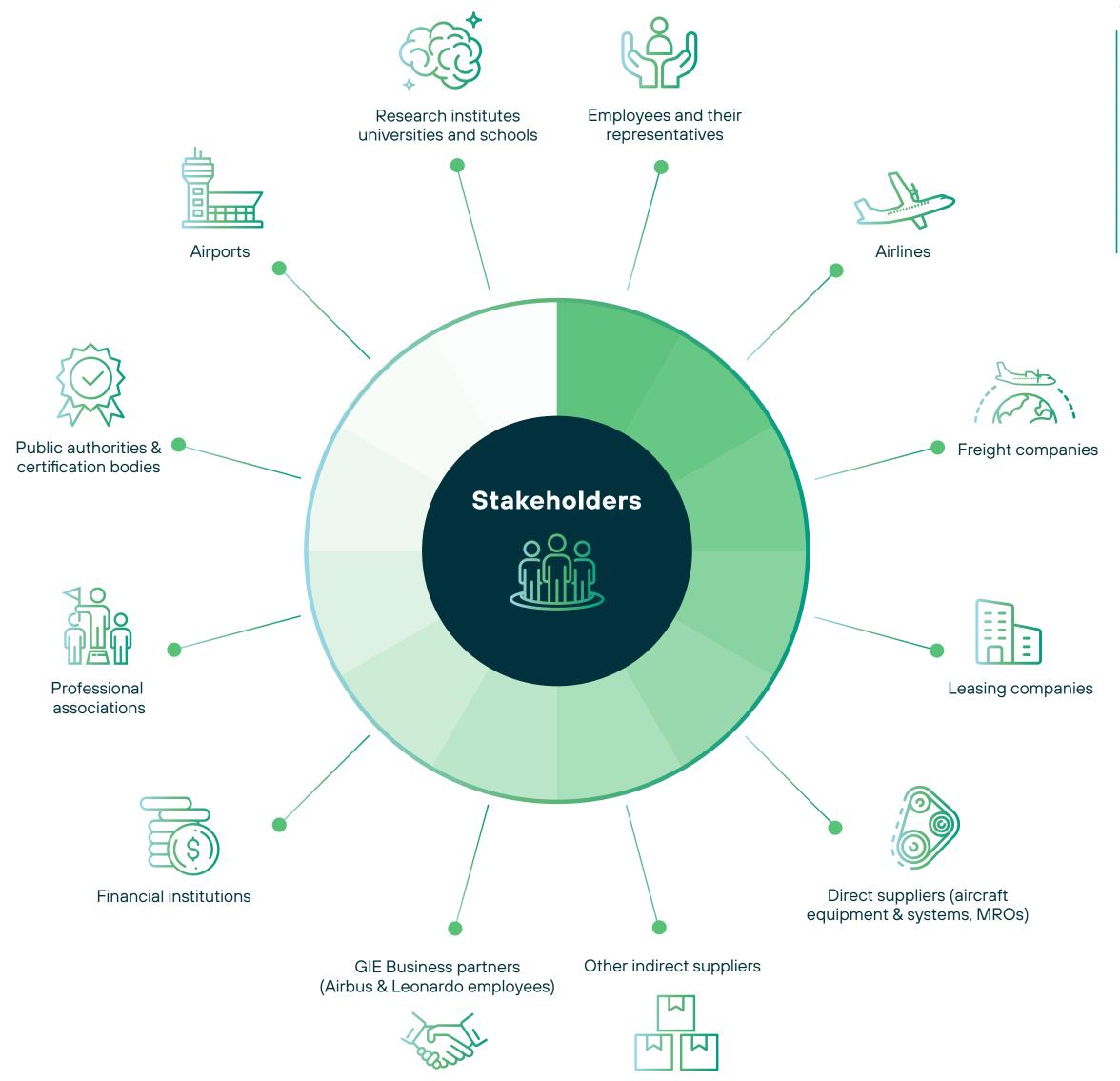
# 2.1 CSR approach

#### Stakeholder identification & dialogue

Stakeholders play a fundamental role in developing a more sustainable product and service offering, helping ATR to improve its decision-making processes and adopt more sustainable practices.

Identifying the stakeholders involved in ATR's business and sphere of influence, understanding their interests and expectations, and maintaining active dialogue are all essential to the company's business and to its continued drive for sustainability.

As part of a materiality assessment, the following groups of key stakeholders were identified:



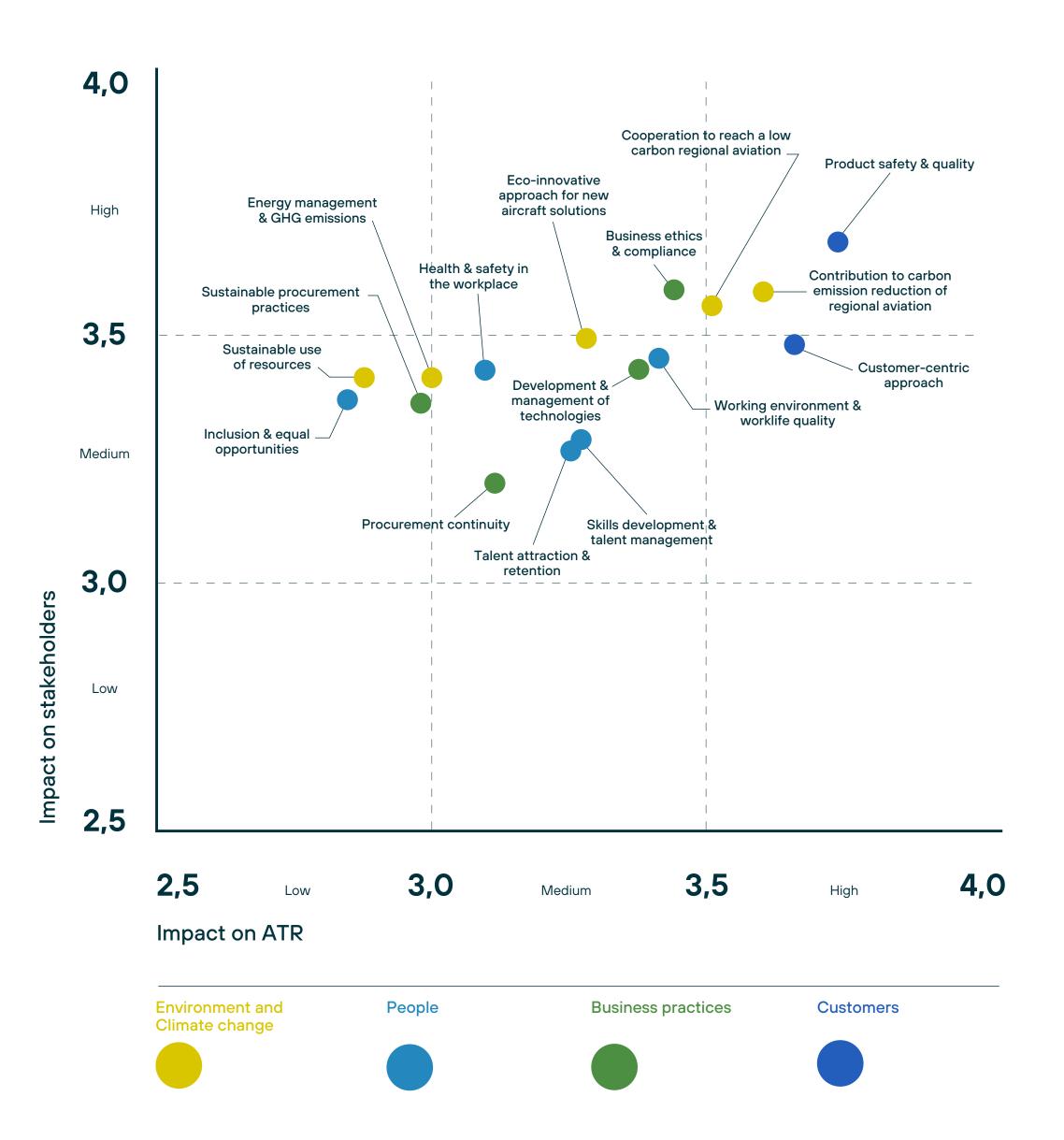
#### **CSR** materiality consultation

In order to develop a relevant and effective CSR strategy, ATR first conducted a broad consultation on CSR issues involving both internal and external stakeholders.

The survey was completed by more than 850 people from all 12 of the stakeholder sub-categories mentioned above.

In accordance with standard materiality guidelines, each of the CSR issues put forward for consultation was assessed by a panel of experts and given a rating according to its level of importance and level of performance.

The results were carefully reviewed in order to determine the company's priority CSR issues and the related initiatives for implementation. The materiality matrix serves as a frame of reference for identifying the key issues that structure ATR's CSR strategy.



# 2.3 CSR strategy

#### Our four strategic pillars

Based on the results of this materiality assessment and ATR's business model, the company has built its sustainability strategy on the following CSR commitments, applied to its entire value chain:



## **Environment & climate change**

#### Lead the way towards sustainable regional aviation

- Drive the transition towards net-zero carbon emissions in the regional aviation ecosystem by 2050
- Develop sustainable products and services, leveraging innovation and eco-design
- Reduce the environmental footprint of our activities
- Promote the sustainable use of natural resources throughout our value chain



### People

#### Engage our people to unleash their full potential

- Foster a safe working environment focused on open dialogue and work-life balance
- Nurture an inclusive culture based on respect and equal opportunities
- Attract and develop the talent of today and tomorrow



## **Business practices**

#### Act with purpose in everything we do

- Demonstrate uncompromising commitment to ethics & compliance
- Offer cutting-edge, affordable technologies to meet market needs
- Consolidate responsible supply chain management



#### Customers

#### Build customer trust based on safety and quality

- Promote the highest safety standards
- Maintain a robust quality culture
- Exemplify customer centricity

#### **Commitments & targets**

ATR and its stakeholders wish to help create a more inclusive, more sustainable, and more responsible aviation ecosystem.

ATR's CSR strategy is implemented using an operational roadmap that covers overall objectives, targets, actions and initiatives to reach those targets, as well as quantitative key performance indicators (KPIs).

Here are our key objectives:

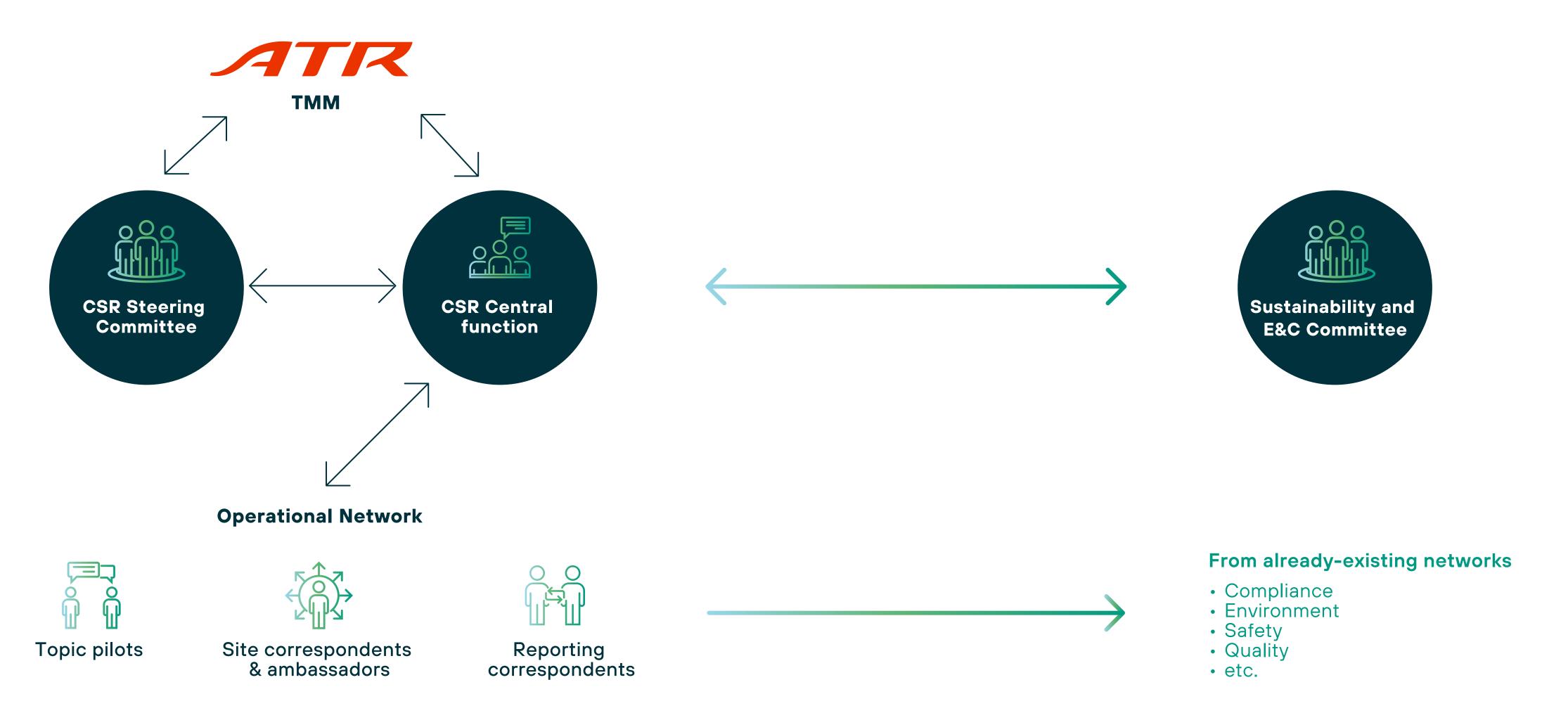
PERFORMANCE INDICATOR(S) KPIS	TARGETED VALUE & TIME HORIZON	
100% SAF capability	Capability obtained	2025
Reduction of total gross CO <sub>2</sub> eq emissions – Scope 3 – Use of sold Product – Category 11 (compared to 2018)	-30%	2030
Percentage of new products developed with eco-design requirements	100%	2030
Complete Life Cycle Analysis (LCA) of our ATR 72 aircraft	LCA completed	2025
Reduction of total gross CO <sub>2</sub> eq emissions - Scopes 1&2 (compared to 2018)	-30% -50%	2025 2030
Percentage of residual emissions of Scopes 1&2 neutralised by permanent removal/sequestration	100%	2030
Percentage of gross waste reduction (compared to 2018)	-20%	2025
Percentage of non-hazardous waste recycled	55%	2025
Frequency rate	<4%	Yearly basis
Employee engagement rate	80%	2025
Percentage of women in Managers¹ positions	25%	2025
Percentage of newcomers attending an onboarding session	100%	Yearly basis
	Reduction of total gross CO <sub>2</sub> eq emissions – Scope 3 – Use of sold Product – Category 11 (compared to 2018)  Percentage of new products developed with eco-design requirements  Complete Life Cycle Analysis (LCA) of our ATR 72 aircraft  Reduction of total gross CO <sub>2</sub> eq emissions - Scopes 1&2 (compared to 2018)  Percentage of residual emissions of Scopes 1&2 neutralised by permanent removal/sequestration  Percentage of gross waste reduction (compared to 2018)  Percentage of non-hazardous waste recycled  Frequency rate  Employee engagement rate  Percentage of women in Managers¹ positions	Reduction of total gross CO <sub>2</sub> eq emissions – Scope 3 – Use of sold Product – Category 11 (compared to 2018)  Percentage of new products developed with eco-design requirements  Complete Life Cycle Analysis (LCA) of our ATR 72 aircraft  Reduction of total gross CO <sub>2</sub> eq emissions – Scopes 182 (compared to 2018)  Percentage of residual emissions of Scopes 18.2 neutralised by permanent removal/sequestration  Percentage of gross waste reduction (compared to 2018)  Percentage of non-hazardous waste recycled  Frequency rate  Employee engagement rate  Percentage of women in Managers¹ positions  Capability obtained  -30%  Capability obtained  -30%  Sopies 18.2 of Sopies 100%  Pair ATR 72 aircraft  LCA completed  LCA completed  100%  Percentage of residual emissions of Scopes 18.2 neutralised by permanent removal/sequestration  Percentage of non-hazardous waste recycled  Frequency rate  44%  Employee engagement rate

COMMITMENTS	PERFORMANCE INDICATOR(S) KPIS	TARGETED VALUE & TIME HORIZON		
ACT WITH PURPOSE IN EVERYTHING WE DO				
Demonstrate uncompromising commitment to ethics and compliance	Percentage of employees (incl. exposed functions) within the Group trained in ethics & compliance-related topics every two years	100%	2024	
Offer cutting-edge, affordable technologies to meet market needs	Number of partnerships with suppliers, laboratories and universities for R&D activities	13	2024	
Strengthen responsible supply-chain management	Percentage of existing suppliers who have signed our SCOC <sup>2</sup> (or committed to equivalent principles)	100%	2025	
	Percentage of identified high-risk suppliers <sup>3</sup> who have undergone a sustainability assessment	100%	2026	
	Percentage of supplier responses to the last CDP Climate Change questionnaire	100%	2027	
BUILD CUSTOMER TRUST BASED ON SAFETY AND QUALITY				
Promote the highest safety standards	Percentage increase in the use of flight data monitoring each year	10%	Yearly basis	
	Percentage of employees who completed the ATR e-learning on product safety	100%	Yearly basis	
Exemplify customer-centricity	Number of opened routes each year	150	Yearly basis	
	Percentage of annual events involving customers that include a CSR slot	100%	From 2024	

<sup>1</sup> Women in management, expert, major project management, KAM positions 2 Supplier Code Of Conduct 3 Based on 2022 risky suppliers (see details in § 5.3.2.2. Supplier assessment/risk mapping)

# 2.3 CSR Governance

ATR's actions to become a more sustainable company are supported by dedicated CSR governance managed by two bodies: the CSR Steering Committee and the CSR Central Function.





#### **CSR Steering Committee**

ATR's Top Management Committee delegates CSR implementation and oversight to a CSR Steering Committee, composed of the CSR Central Function, the Corporate Secretary and General Counsel, the Senior Vice President of Engineering, the Senior Vice President of Operations & Procurement, the Senior Vice President of Commercial, and the Head of Human Resources. Other extended executive members are invited as required, from Quality, Safety, Support, Programmes, Communications and Finance. The CSR Steering Committee reports directly to the Top Management Committee and meets quarterly. Its role is to:

- . Ensure overall monitoring of the CSR strategy
- . Ensure commitments are kept
- . Ensure consistency between projects at Group level
- . Suggest future strategic orientations
- . Provide overall internal sponsorship of the strategy





#### **CSR Central Function**

The CSR Central Function supports the implementation of the new CSR strategy. Its role is to:

- . Provide CSR expertise and benchmark best practices
- Coordinate and track implementation of the CSR roadmap
- . Manage CSR reporting
- . Promote ATR's approach externally
- . Implement training and awareness programmes within ATR
- . Oversee communications, in collaboration with the Communications Department.

The CSR Central Function is led by a CSR manager and backed by a robust operational network.

Due to the nature of ATR's activities, the CSR Central Function works in cooperation with the Sustainability and Ethics & Compliance Committee, but as a separate structure.

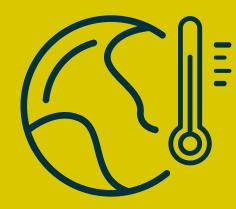




#### **Operational network**

ATR relies on a network of CSR topic pilots, site correspondents, ambassadors and reporting correspondents from within the Compliance, Environment, Safety, and Quality departments. Topic leaders for each CSR issue are selected from the Extended Executive Committee. They take responsibility at their level for topic management and roadmap progress, and ensure proper implementation of the roadmap for their topic(s).





# Environment and climate change

# Lead the way towards sustainable regional aviation

#### **Global context**

According to both the Intergovernmental Panel on Climate Change (IPCC) and the International Energy Agency (IEA), air transport represented over 2% of global greenhouse gas emissions in 2022<sup>4</sup> and, more specifically, 12% of global transport sector emissions in 2018<sup>5</sup>. For that same year, the International Council on Clean Transportation (ICCT) reported that 60% of CO<sub>2</sub> emissions came from international operations and 40% from domestic services. A 2021 study by Euro Control<sup>6</sup> showed that short-haul flights (up to 1,500 km) represent 25% of CO<sub>2</sub> emissions worldwide, based on total departure numbers.

#### **Greenhouse Gases**



#### International agreements in the aviation sector

In September 2021, the Air Transport Action Group (ATAG) updated its ambition and commitments with the 2021 edition of its ATAG Waypoint 2050 report. This adjustment reflects the industry's increased determination to achieve "net zero carbon emissions" by 2050 and to contribute to the Paris Agreement goals. As an active member of ATAG, ATR is fully committed to this target, as demonstrated by its signature of the Commitment to Fly Net Zero by 2050.

In order to decarbonise the sector, three key areas must be addressed: aircraft efficiency, the use of sustainable energy, and improvements in Air Traffic Management

In 2022, the International Civil Aviation Organization (ICAO)—the United Nations' specialised agency for aviation—agreed to strengthen cooperation on the decarbonisation of the aviation sector by adopting the Long-Term Aspirational Goal (LTAG), implemented in addition to the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA, 2019).

In 2023, as part of CAAF/3, the aviation sector established a collective goal to start the shift away from fossil fuels by achieving a 5% reduction in CO<sub>2</sub> intensity by 2030, facilitated by the use of Sustainable Aviation Fuel (SAF) and Low-Carbon Aviation Fuel (LCAF)<sup>7</sup>.

#### ATR's environmental approach

In line with our vision and the commitments of the Paris Agreement, ATR aims to deliver and support the most efficient and lowest emission regional aircraft on the market and drive the transition of regional aviation towards net-zero.

We not only track and measure the environmental impact of our sites, products and services, we also work in cooperation with our supply chain to drive more effective environmental management, decarbonise our industry and optimise resource utilisation.

To this end, we have set four key environmental targets:

- Drive the transition towards net-zero carbon emissions in the regional aviation ecosystem by 2050
- Develop sustainable products and services, leveraging innovation and eco-design
- Reduce the environmental footprint of our activities
- Promote the sustainable use of natural resources throughout our value chain.

<sup>4</sup> In 2022, aviation accounted for 2% of global energy-related CO<sub>2</sub> emissions, IEA.

<sup>5</sup> In 2018, aviation accounted for roughly 12% of transport-related CO2 emissions, United Nations, Climate Change Fact Sheet

<sup>6</sup> Graph from EUROCONTROL Data Snapshot on CO<sub>2</sub> emissions and flight distance (2021)

<sup>7</sup> LCAF: Including a 10% reduction in lifecycle emissions compared to the conventional aviation fuel baseline of 89g CO<sub>3</sub>/MJ, Lower Carbon Aviation Fuels: contributing to the energy transition, ICAO

# 3.1 ATR's environmental policy (ISO 14001)

As the world leader in regional aviation, ATR must set an example in all its activities, including its environmental policy. Our **three French sites are certified ISO 14001**. This policy considers every stage of our products' lifecycle and relies on innovation to improve the performance of our aircraft and services. Through this, we reaffirm our commitment to contributing to making aviation more inclusive and responsible. For us, this means:

- Respecting compliance obligations
- . Constantly monitoring and improving the overall environmental performance of our sites and products
- . Exceeding customers' expectations through continuous innovation, for our products and services
- . Preventing and managing environmental pollution.

Beyond our compliance with the applicable requirements and our commitment to maintaining an Environmental Management System in line with ISO 14001, we have set ourselves ambitious objectives for 2025. Our policy and objectives are available on our website<sup>8</sup>.

#### Our environmental policy is centred around three key objectives:

- . Reducing greenhouse gas emissions to combat climate change
- Preserving natural resources and protecting biodiversity
- . Managing environmental issues associated with the use of hazardous substances

In 2023, ATR's Environmental Management System was recertified.



# 3.2 Drive the transition towards net-zero carbon emissions in the regional aviation ecosystem by 2050

ATR is committed to the Paris Agreement targets and seeks to take a leading role in the decarbonisation of the regional aviation sector. In order to reduce its greenhouse gas (GHG) emissions and help reach the sector's net zero target by 2050, ATR has developed a clear low-carbon transition roadmap in collaboration with its stakeholders.

#### 3.2.1 ATR's carbon footprint

While Scopes 1 & 2 account for less than 1% of ATR's total emissions, Scope 3 – Use of sold products- category 11– is highly impactful, representing over 90% of the company's total emissions. ATR's second highest source of emissions relates to Category 1 – Purchased Goods and Services (PG&S).



#### 3.2.2 ATR's decarbonisation objectives are aligned with the Paris Agreement

The entire aviation sector has made a commitment to Fly Net Zero by 2050, in line with the Paris Agreement's goal of limiting global warming to 1.5°C above pre-industrial levels by the end of the century.

To help reach this ambitious goal and mitigate the impact of climate change, ATR is pursuing a low-carbon strategy based on targets for reduced emissions, in line not only with the Paris agreement but also with the latest scientific findings.

To demonstrate this, in December 2022, the company submitted its near-term GHG emissions reduction targets to the Science Based Targets initiative (SBTi) on all scopes, using the recommended GHG Protocol methodology. These targets were officially validated in December 2023 by SBTi.

Through this robust assessment of all emissions categories, ATR aims to reduce absolute Scope 1 and 2 GHG emissions by 50% by 2030, compared to 2018, in line with the Paris Agreement's 1.5°C temperature pathway. Its 2030 target for absolute Scope 3 emissions from the use of sold products is a reduction of 30% compared to 2018.

KEY METRICS			
SCOPES 1&2	2023 RESULTS	GOAL	YEAR
Reduce CO <sub>2</sub> eq emissions by 50% by 2030 versus 2018 with an intermediate target of -30% by 2025 (absolute figure) - a near-term target in line with 1.5°C pathway, validated by SBTi	-54%	-50%	2030
Neutralise yearly residual emissions of scope 1&2 by permanent removal/sequestration by 2030	100%	100%	2030
SCOPE 3	2023 RESULTS	GOAL	YEAR
Reduce CO <sub>2</sub> eq emissions from the Use of Sold Product* by 2030 versus 2018 (absolute figure) - a near-term target validated by SBTi	-63%**	-30%	2030
Continue to neutralise yearly business travel emissions	100%	100%	2030

We are determined to continue promoting turboprop technology as the lowest emissions solution available on the market today. In order to further reduce emissions, especially in flight, ATR is looking to new technologies and is driving innovation focused on fuel burn reduction.

<sup>\*</sup>ATR scope 3-approved near-term reduction target covers 93.80% of its Scope 3 in base year, represented by 100% of the use of sold product emissions.

<sup>\*\*</sup>ATR far exceeded planned progress towards its 30% Scope 3 reduction target in 2023 due to the economic context and reduced sales.

#### 3.2.3 ATR's Low-Carbon Strategy & Governance

In view of the challenges set by global warming, ATR has developed a robust structure to manage climate change issues and implement its low-carbon strategy. This involves dedicated governance as well as a steering committee, chaired by the CSR/Environment Manager, that works with all departments to:

- . facilitate the collection of data related to ATR's carbon footprint
- implement measures aimed at meeting ATR's CO<sub>2</sub> reduction targets

In June 2023, demonstrating its maturity in the field of low-carbon strategy and its commitment to mitigating the role of aviation in climate change, ATR joined the CDP (formerly the Carbon Disclosure Project). The CDP's climate change assessment is the most comprehensive collection of self-reported environmental data in the world, aimed at driving action against climate change through greater transparency.

In 2023, after disclosing its climate change impacts for the first time, ATR low carbon strategy achieved a B rating.

Also in 2023, ATR requested its key suppliers to respond to the CDP climate change questionnaire as part of its CDP Supply Chain Programme, in order to evaluate their maturity in addressing climate change on an annual basis (cf. 5.3 Supply Chain. Carbon Disclosure Project Assessment).

#### Global warming: risks and opportunities

In 2022, ATR launched a climate risks analysis to evaluate the exposure of its activities, and those of its suppliers and customers, to external physical factors such as fire, drought, sea level rise, etc., and to identify associated risks and opportunities.

Two types of climate change risks were identified regarding ATR activities:

**Acute hazards**: event driven, such as heatwaves, wildfires, cyclones, etc.

Chronic hazards: long-term shifts in climate patterns that may cause sea level rises or chronic heatwaves, such as changing temperatures, heat stress, changing wind patterns, etc.

All climate change risks are defined in an EU taxonomy and classified according to:

- . type of risk: acute or chronic
- type of hazard: temperature-related, wind/water/solidmass related
- type of infrastructure involved: site, office or training centre

In parallel with this climate risk analysis, a vulnerability analysis was carried out to identify gaps in risk management, list recommendations to improve resilience, manage physical risks and so on.



#### **Reduction of CO<sub>2</sub> emissions**

(market-based)



ATR Low Carbon strategy



**202** 



2025

Intermediate target -30% tCO<sub>2</sub>eq SCOPES 1&2





**CDP B rating** 

2030

Near-term targets -50% tCO<sub>2</sub>eq SCOPES 1&2

SBTi approval of near-term emissions reduction targets

-30% tCO<sub>2</sub>eq SCOPE 3



# **Voluntary Offsetting**

Offsetting is essential for ATR to achieve its ambition of contributing to the net-zero emissions goal set by the aviation sector for 2050.

As net-zero refers to the balance between the amount of greenhouse gases produced and those removed from the atmosphere, it can only be achieved via a combination of emissions reduction and removal.

To this end, ATR's key goal is to neutralise 100% of the residual yearly emissions of scopes 1 & 2 and business travel, through sequestration and permanent removal by 2030.

In 2023, we offset remaining emissions for scopes 1&2 through a carbon removal project, and for business travel (scope 3) through a compensation project, representing 2,553 tCO<sub>2</sub>eq and 1,000 tCO<sub>2</sub>eq respectively.



# ATR's offsetting projects

Since 2020, ATR has been offsetting its Scope 1 and 2 emissions, as well as those from business travel, through certified projects outside its value chain. The France-based certification organism EcoCert provides climate-neutral certification, providing ATR with credits that comply with the world's most widely used GHG crediting programme: the Verified Carbon Standard.

Societal aspects are also taken into account such as prevention of child labour, respect of human rights, and relations with the communities surrounding the projects

#### ATR is:

- . supporting mangrove protection, restoration and growth management in Sujawal (Pakistan). This project will contribute to the protection of 102,000 hectares of mangrove forests and the planting of an additional 225,000 hectares in the Sindh province, which is home to 95% of Pakistan's mangroves. In addition to creating 21,000 full-time jobs, the project is helping to preserve areas that are key to biodiversity
- Supporting development of the biogas sector to provide clean energy to rural communities in Anamundi (India). This project helps to protect the forest from deforestation and ensures that bio-fertilisers are used instead of harmful chemical fertilisers. It also prevents environmental pollution from local communities through improved organic waste management

#### 3.2.4 Reducing Scopes 1&2 emissions

Even though production-related emissions represent just a small percentage of aircraft lifecycle emissions, ATR has nevertheless set itself clear reduction targets for its own operations (scopes 1&2).

#### **ATR's commitments**

Direct (Scope 1) and indirect (Scope 2) emissions related to ATR internal operations refer mainly to emissions from energy consumption. ATR's near-term target is line with a 1.5°C pathway and was validated by the Science-Based Initiative (SBTi) in December 2023.

# **COPES 182**



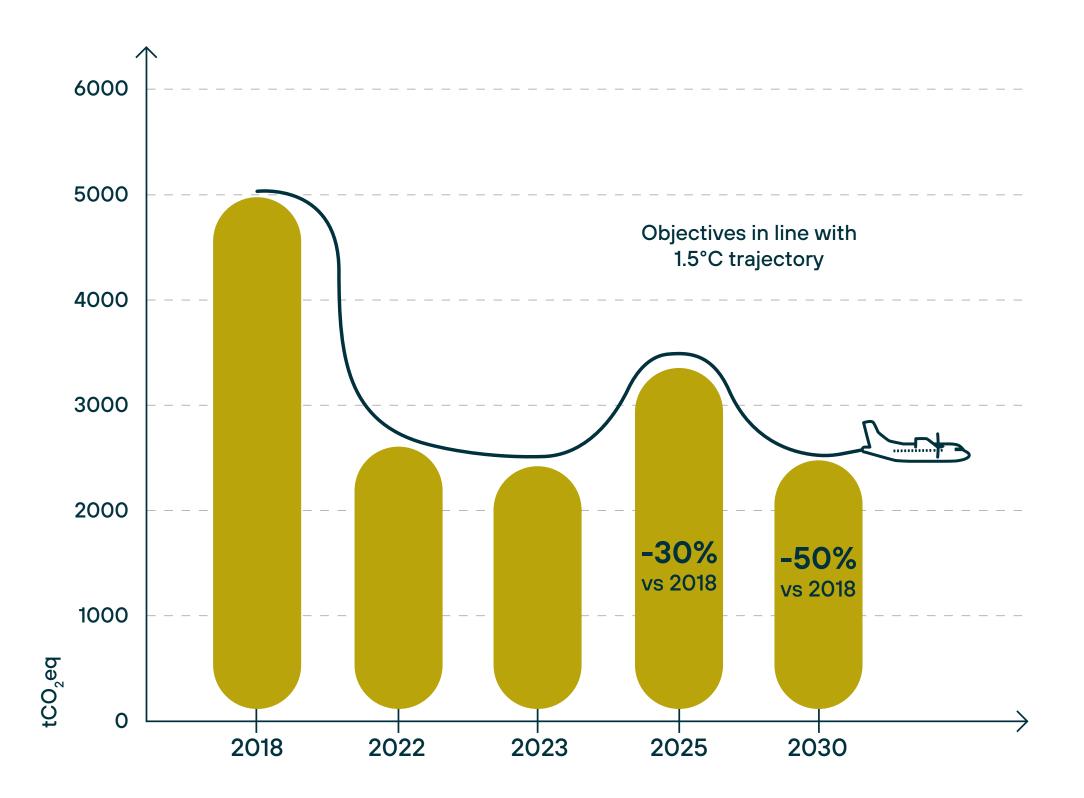
- Reduce absolute GHG emissions by 50% by 2030 compared to 2018

  This target is in line with a "1.5°C pathway and was validated by the Science-Based Initiative (SBTi) in December 2023. (intermediate target: -30% by 2025)
- Neutralise yearly residual scope 1&2 emissions by 2030 through permanent removal



- Improve the energy efficiency of buildings
- Develop a fleet of electric vehicles
- Use Sustainable Aviation fuel (SAF) in our operations
- Use renewable energy at our sites

#### Reduction of operational CO<sub>2</sub> emissions (Scopes 1&2)



#### **ACTION PLAN**

ATR has further consolidated its dedicated action plan to reduce operational emissions at its French sites. This roadmap was further strengthened in 2023 and can be summarised as follows:

#### Improving the energy efficiency of our buildings

In 2023:

- . Creation of free cooling systems in server rooms. Electricity consumption can be reduced by 10% if air temperature is below 12°C
- . Installation of automatic heat valves to adapt energy consumption to requirements
- . Replacement of very emissive refrigerant gas by lower emissive ones
- . Signature of a new renewable-energy electricity contract
- . Lower heating and higher cooling setpoints
- Implementation of Build Management System (BMS) at French sites to programme the temperature setpoint system
- Recovery of heat emitted by the ATR Training Centre chiller to heat both the cafeteria and the hot water in the sanitary facilities. This has the potential to reduce annual gas consumption at ATR headquarters by 20%

#### **Use of SAF**

In 2023, ATR started using SAF for its own operations such as flight tests. As of July 2023, all flight tests at the Saint Martin site are conducted using a HEFA-SAF/JET-A1 fuel blend supplied by TOTAL. This has enabled ATR to reach its target of 10% pure SAF in its production activities.

As a result, an estimated 121 tons of  $CO_2$  were saved in 2023 compared to the use of conventional kerosene. Given this success, ATR has raised its target to 16% pure SAF use in its flight tests in 2024 and the ambition to reach 30% by 2025.

#### Use of renewable energy sources

In 2023, ATR renewed its 100% renewable electricity contract at its Blagnac headquarters and its Francazal site. All purchased electricity for these sites is covered by Guarantees of Origins (GoOS).

Regarding gas, ATR has an ongoing biomethane contract for its sites. As well as the electricity, all purchased gas for these sites is covered by Guarantees of Origins."

As ATR sites are not physically connected to any biogas production plant, the gas CO<sub>2</sub> emissions factor is the same as for natural gas, as per the GHG protocol.

#### Transition to electric vehicles

ATR has begun the transition to a fleet of fully electric vehicles, with 25% of its company cars replaced with electric models over the last two years.



#### 3.2.5 Scope 3: Decarbonising ATR products

ATRs have the best fuel-burn performance in the regional market, and the company is determined to reduce its footprint yet further.

It is therefore leveraging cutting-edge technology and incremental innovation to reduce the environmental impact of its aircraft in flight, focusing particularly on fuel-burn reduction.

ATR has committed to a near-term reduction target for its Scope 3 Use of Sold Product category 11, covering over 90% of its total emissions which was validated by the Science-Based Initiative (SBTi) in December 2023.

#### **Our commitments**

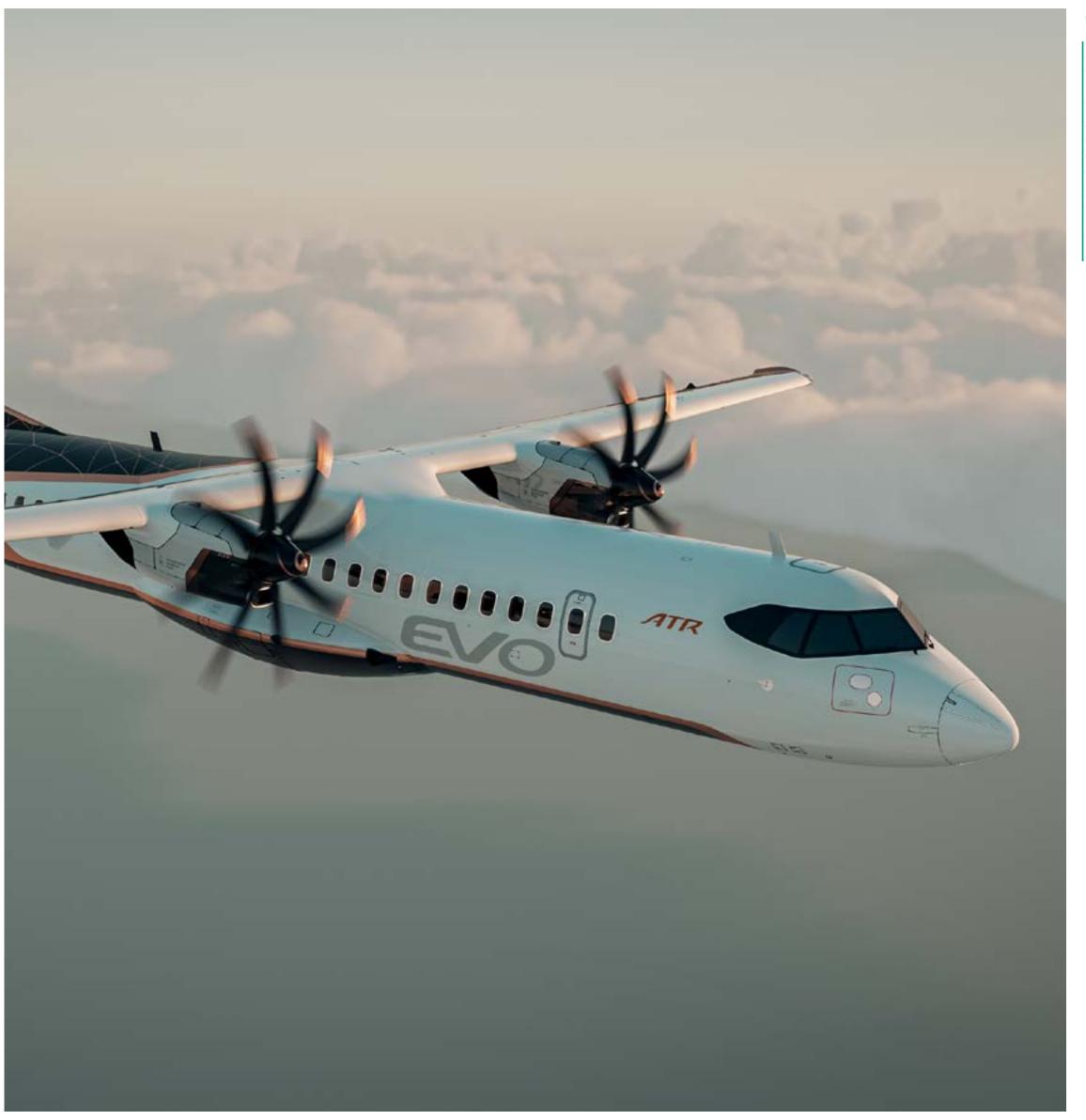
SCOPE 3



- Reduce absolute CO<sub>2</sub> emissions from use of sold products by 30% by 2023 versus 2018. Validated by SBTi
- Neutralise ATR's business travel emissions



- Improve technology and eco-design
- Develop the use of Sustainable
   Aviation Fuel
- Improve flight efficiency
- Support and engage our suppliers to reach Paris Agreement goals



#### **ACTION PLAN**

Our product policy fully integrates these decarbonisation targets.

#### PW127XT engine: reduces Specific Fuel Consumption (SFC) by 3%.

To reduce our aircraft emissions, we have improved our propulsion technology and therefore engine performance, in collaboration with our supplier.

Since 2022, the PW127XT engine has become standard for our entire aircraft family. With this engine, ATR has set new standards in regional aviation regarding fuel consumption, carbon and NOx emissions, and operating economics. ATR customers now benefit from 40% additional time on wing for fewer maintenance events, bringing the engine overhaul to 20,000 flight cycles.

The PW127XT improves energy efficiency by 3%, enables our aircraft to consume over 45% less fuel than a similar-sized regional jet, and emits over 45% less CO<sub>2</sub>\*. The engine is compatible with sustainable aviation fuels (SAF) in line with ATR's ambition to achieve 100% SAF compatibility by 2025 and helps ATR customers meet their sustainability commitments to achieve the 2050 net zero-emission target.

#### The ATR EVO

ATR is conducting a feasibility study for its next-generation aircraft family, the ATR EVO. The aim is to develop enhanced engine/propeller technologies and systems to further reduce the carbon footprint of our aircraft. **ATR is aiming for a 17% reduction in CO<sub>2</sub> emissions by 2030**, compared to its XT model.

The ATR EVO will be 100% SAF-compatible and its manufacturing process will integrate eco-design requirements, in order to reduce emissions related to both its production and operations.





\*vs. similar size regional jets, 300NM, 2000 flights annually

#### **Sustainable Aviation Fuel (SAF)**

SAF is playing a major role in decarbonising the aviation sector in the short to medium term, while disruptive propulsion technologies will be the solution in the long term. Indeed, by using biomass residues, the reduction of CO<sub>2</sub> emissions throughout its life cycle can exceed 80% when compared to conventional kerosene.

ATR engines are currently certified to fly with a 50% SAF blend, and ATR is actively working to identify and remove the technical obstacles to their goal of 100% sustainable fuel capabilities on its aircraft by 2025.

The development of sustainable fuels, which currently cost three times more than kerosene, calls for public policies that encourage investment in production processes.

ATR support the American Society for Testing and Materials (ASTM) who has defined standard specifications for Aviation Turbine fuels called 'Jet A1', and more recently for Aviation Turbine Biofuels (also known as SAF).

# Sustainable Aviation Fuel

#### **Establishing partnerships**

ATR is committed to working with all relevant stakeholders, including engine manufacturers, to ensure that our current aircraft are certified to fly safely with 100% sustainable aviation fuels by 2025, leading to up to 80% lower net  $CO_2$  emissions<sup>10</sup>. To reach this goal, the company is working to:

- . Establish partnerships with energy producers to progress towards 100% SAF certification, e.g. with Neste for the first-ever 100% SAF flight
- Liaise with relevant stakeholders and authorities to ensure the availability of SAF for our operations

On 27 January 2023, the French government, Occitanie region, Toulouse-Blagnac airport, Airbus, ATR and Aerospace Valley signed a joint declaration to accelerate the region's development, production and use of sustainable aviation fuel (SAF) and contribute to the decarbonisation of the air transport sector. While European regulations foresee the progressive incorporation of an increasing proportion of SAF (from fossil-free sources) into aircraft fuel, this collective regional commitment aims to accelerate the process, with targets twice as ambitious as those set by the European Union.















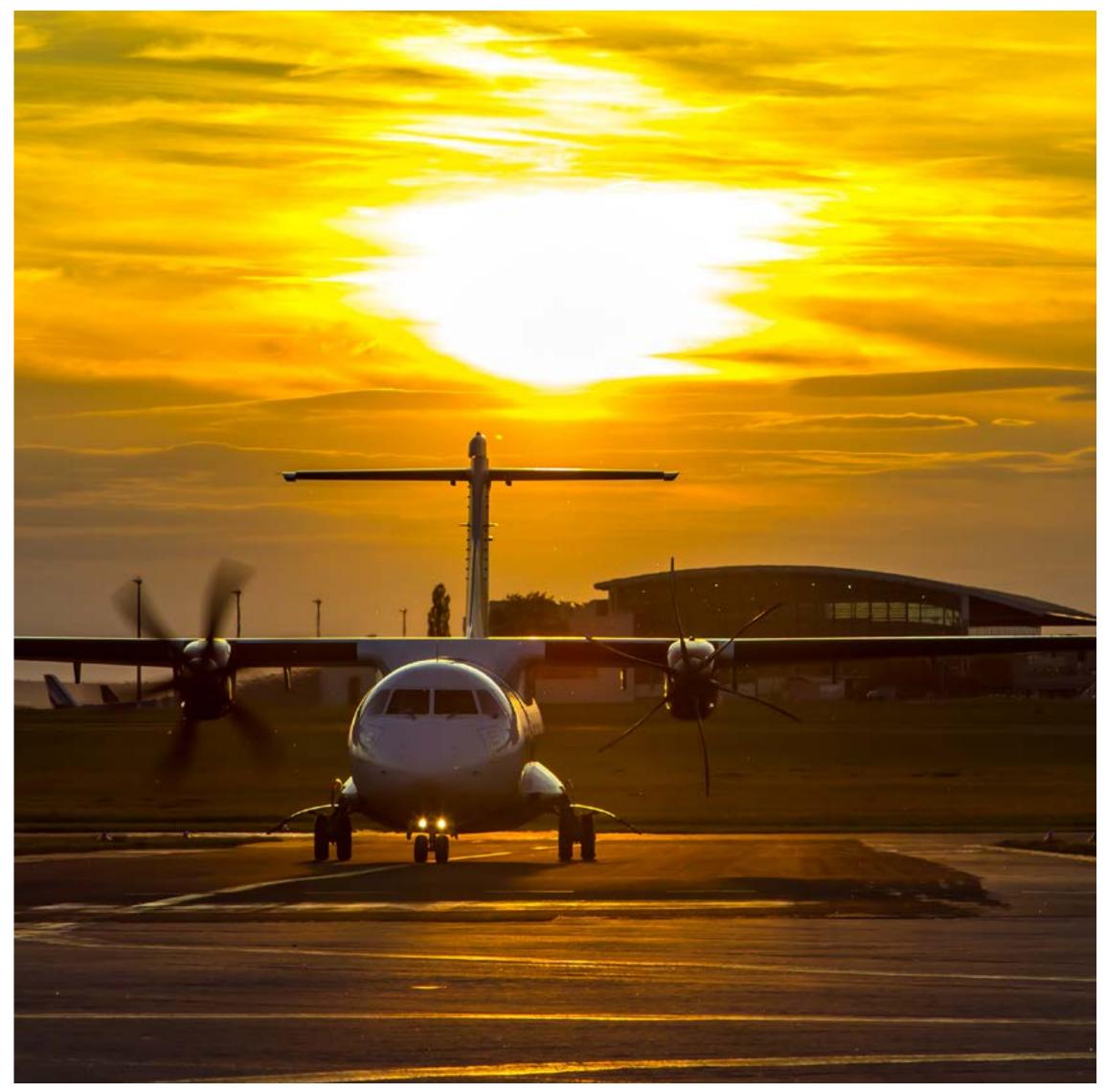
#### **Air Traffic Management (ATM)**

Air Traffic management (ATM) is the dynamic, integrated management of air traffic and airspace, including air traffic services, airspace management and air traffic flow management.

ATR supports initiatives aimed at reducing ATM inefficiencies, while simultaneously working on disruptive technology.

#### This means:

- . Integrating additional features that optimise flight management processes while reducing carbon emissions to a minimum
- . Developing new services to help ATR operators reduce their fuel consumption and therefore their carbon emissions



#### 3.2.6 SCOPE 3: Reducing other emissions

#### SUPPLY CHAIN ENGAGEMENT

The purchase of goods and services (PG&S) is ATR's second most impactful activity in terms of carbon emissions. The calculation is made using emission factors associated with each of ATR's procurement categories, as well as the 'spend-based' methodology defined by the International Aerospace Environmental Group (IAEG).

In 2023, ATR reassessed its computation methodology and data tracking for the purchase of goods and services and for upstream and downstream goods transportation and distribution, by:

- . working closely with the Logistics and Procurement department
- . categorising all flows according to the GHG protocol to calculate carbon footprint
- using the Transportation Carbon Footprint Tool (CFT) to define specific requirements for improving carbon footprint
- . integrating flow categorisation/emission data at source to enhance calculation accuracy

In line with its low-carbon strategy, ATR is expecting its suppliers to:

- . measure their carbon footprint
- . commit to a decarbonisation target and reduce their CO<sub>2</sub> emissions
- communicate on their progress and clearly identify the carbon footprint of ATRrelated activities

In addition, ATR considers a CDP score as a relevant indicator for assessing the maturity of its suppliers to address climate change, and since 2023 requests its main suppliers to respond to the CDP Supply Chain Programme on an annual basis. For further details, see 5.3. Consolidate responsible supply-chain management.



#### COMMUTING

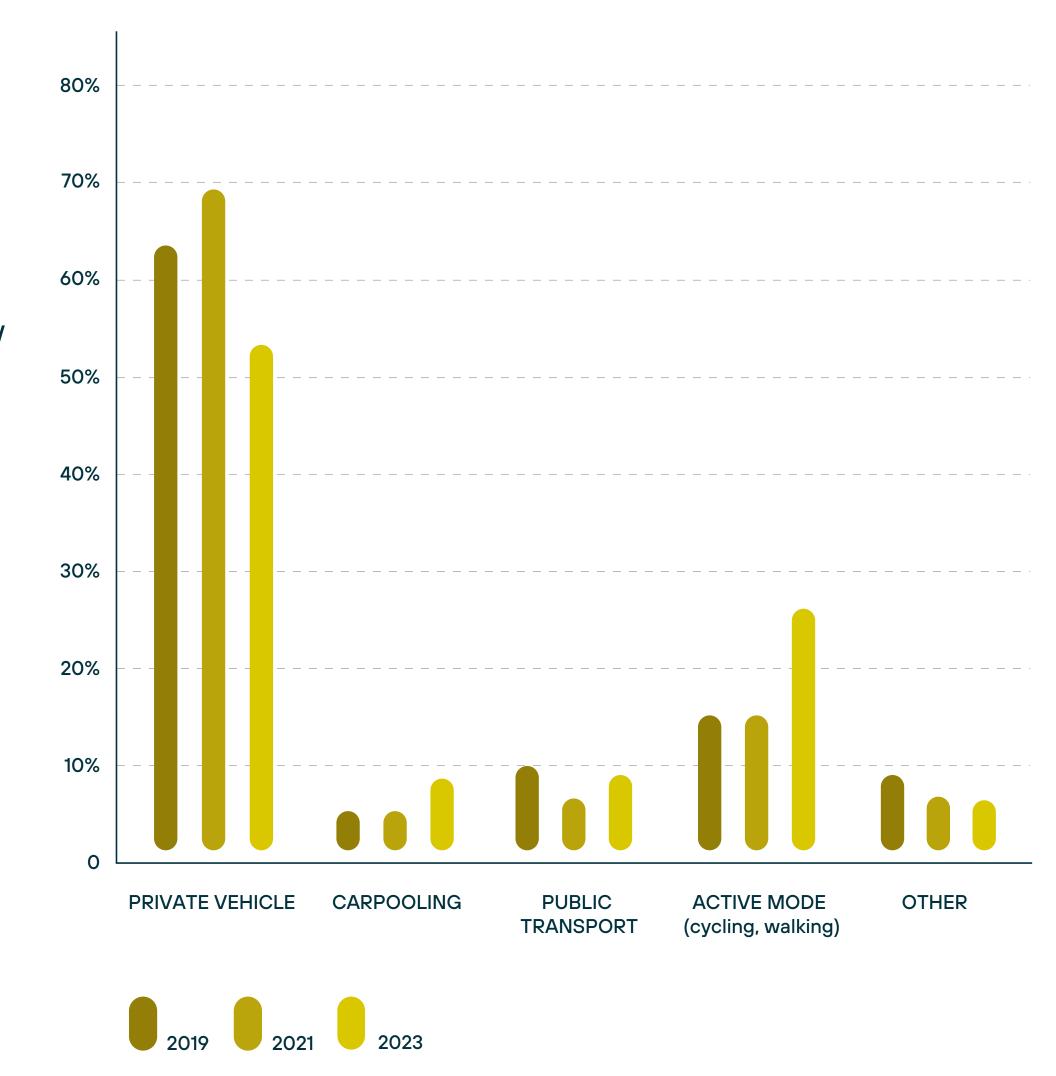
In order to decarbonise commuting, ATR promotes alternatives to the single occupancy use of vehicles, to help its employees decrease their carbon footprint. ATR is actively working with Toulouse local authorities and public transport providers Tisséo on a joint statement for the implementation of collaborative governance for low-carbon mobility in the greater Toulouse area.

- Cycling: ATR provides several cycle parks and lockers plus battery-charging terminals
- . Public transport: ATR fully refunds the cost of annual public transport passes
- Carpooling: To promote carpooling, ATR has partnered with other local companies to create a carpool network using a digital app designed by KAROS with passenger/ trip top-ups
- . Remote working: ATR supports and encourages up to two days of remote working per week for all employees whose jobs allow them to do so
- . Electric vehicles: ATR has installed free charging stations for electric cars

To measure the impact of such initiatives, an annual survey is conducted among ATR employees to reveal changes in the use of different forms of transport. Some 59% of employees (729) took part in 2023, with the following results:

- . Significant decrease in car usage: 53% in 2023 compared to 69% in 2021
- Significant increase in bicycle usage: 26% vs. 15% in 2021 with a further 25% cycling to work occasionally
- . Increase in public transport usage: 8% vs. 6% in 2021

#### Communiting modal share for ATR employees



# 3.3 Develop sustainable products and services, leveraging innovation and eco-design

As a responsible aircraft manufacturer, ATR aims to develop products and services by integrating environmental impact considerations into design processes, namely eco-design, for new products (e.g. choice of materials, substance impact assessments).

#### 3.3.1 ATR's eco-design approach

ATR is consolidating its **eco-design approach** to limit the environmental impact of its products over their entire life cycle. In doing so, the company is actively staying ahead of new regulatory and customer requirements.

KEY METRICS	GOAL	YEAR
50% of ATR's new products and services to be developed with eco-design requirements by 2025	50%	2025
100% of EVO family new products to be developed with eco-design requirements by 2030	100%	2030

2023 saw two key achievements in our project to integrate eco-design principles into our activities:

- ATR's eco-design requirements were defined and applied to new design projects with suppliers
- An environmental assessment of modifications to ATR products was carried out to include an environmental criterion in each decision to launch a modification

In 2024, ATR will continue to implement eco-design principles in new design projects, using eco-design best practice guides and dedicated tools.

Dedicated engineers will be trained in eco-design principles by the end of 2024.

#### 3.3.2 Life Cycle Assessment (LCA)

In 2023, in collaboration with its suppliers, ATR performed three Life Cycle Assessments (LCA) of different equipment types:

- Cabin seats
- Propeller blades
- Ground Support Equipment (GSE) lifting cranes.

In order to assess the overall environmental footprint of its aircraft, in 2024 ATR will launch a Life Cycle Assessment (LCA) of its bestselling ATR 72-600 version.

The results of this holistic approach will be used to provide a framework for making environmentally aware design choices, reducing the footprint of new products, and optimising aspects such as product end-of-life management, energy and fuel consumption during the use phase, as well as the utilisation of critical raw materials.

KEY METRICS	GOAL	YEAR
Life Cycle Assessment (LCA) of the ATR 72-600 aircraft	LCA completed	2025

# 3.4 Reduce the environmental footprint of our activities

Due to the industrial nature of its operations, ATR's activities may have adverse impacts on the environment. We strive to reduce these impacts in compliance with applicable standards, laws and regulations.

#### 3.4.1 Energy consumption

In line with its environmental policy and objectives, ATR is committed to reducing its energy consumption

KEY METRICS				
Gas consumption (intensity figures: kWh/m2/degree day)	2022 results	2023 results	Goal	Year
Reduce gas consumption by 55% at our headquarters by 2025, versus 2018	-48%	-64%	-55%	2025
Reduce gas consumption by 45% at our flight test site by 2025, versus 2018	-31%	-45%	-45%	2025
Electricity consumption (absolute figures)	2022 results	2023 results	Goal	Year
Reduce electricity consumption by 20% at our headquarters by 2025, versus 2018	-9%	-18%	-20%	2025
Reduce electricity consumption by 3% at our flight test site <sup>11</sup> by 2025, versus 2018	-0,8%	+14%*	-3%	2025

For several years now, ATR has been taking action to reduce all energy consumption associated with its activities. See § 3.2.4 Reducing Scopes 1&2 Emissions

<sup>\*</sup> The increase in electricity consumption at ATR's flight test site is linked to a default in the setting of the heating control panel. 11 ATR's flight test site is located in the HM2B building.

## 3.4.2 Waste reduction, reuse and recycling

Recognising the global challenges caused by waning natural resources, one of ATR's top priorities is to manage waste relating to its own industrial operations.

KEY METRICS				
WASTE	2022 results	2023 results	Goal	Year
Reduce overall site waste by 20% by 2025, versus 2018	-17%	-34%	-20%	2025
Ensure a non-hazardous material recovery rate (excl. exceptional waste) of 55% by 2025, versus 2018	62%	58%	55%	2025

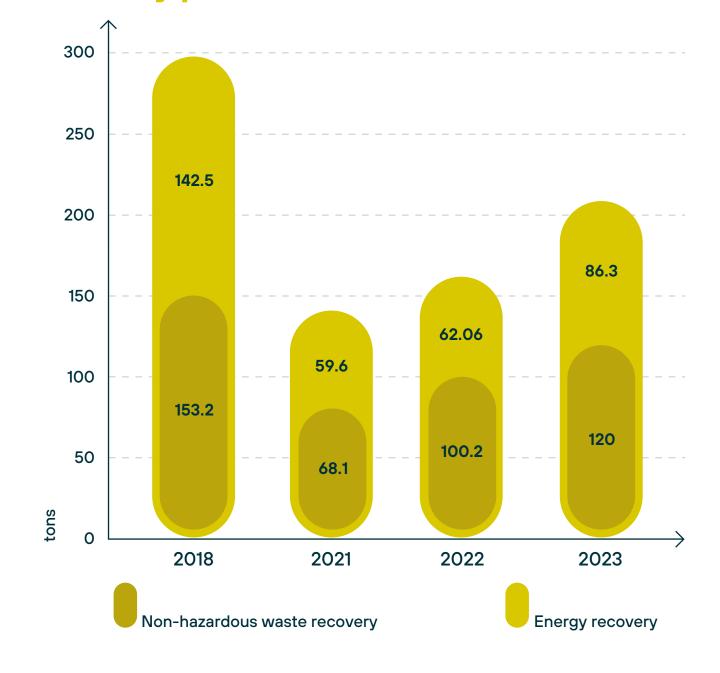


We have implemented several measures to improve ATR's waste production and waste treatment performance:

- waste sorting
- raising staff
- awareness of waste sorting rules
- . investigating recycling/optimal treatment channels with our suppliers
- . encouraging new habits (printing policy, reuse of cardboard and other packaging)
- . creation of a new waste-recycling zone in Blagnac to optimise sorting processes

In 2023, ATR donated 96% (more than 1,000 litres) of its expired waste paint to IFIP and Rotomod.

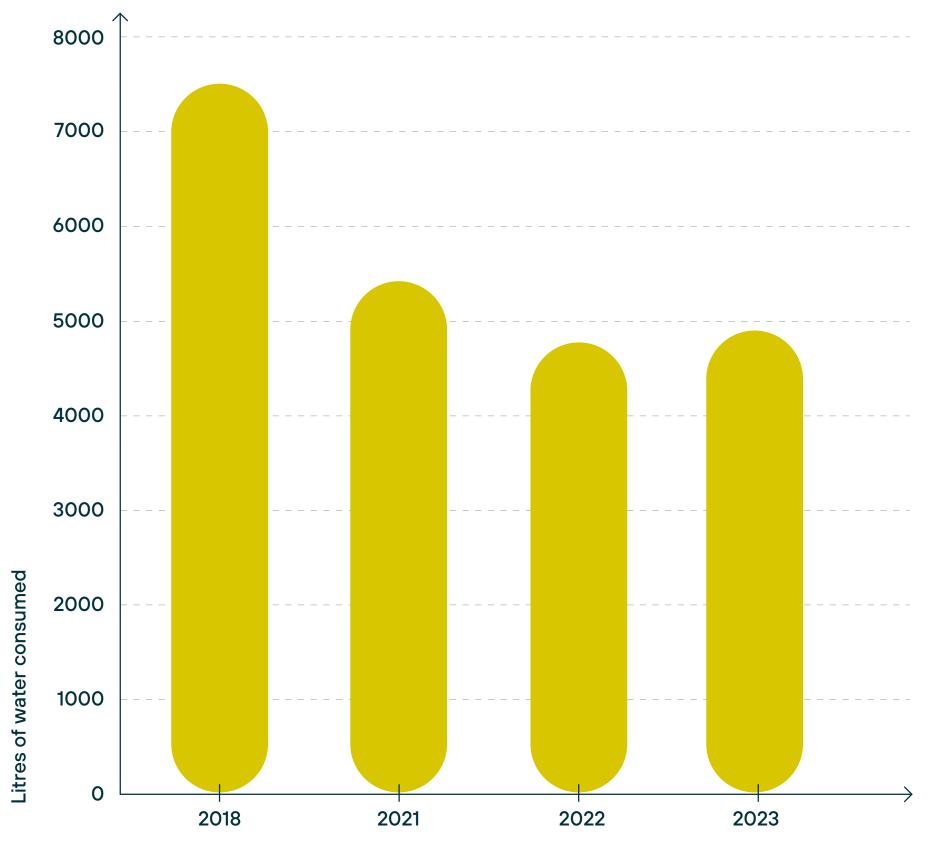
# Tons of non-hazardous waste according to their recovery process



## 3.4.3 Water consumption

Water usage within ATR is mostly linked to sanitation and the cleaning of its buildings and aircraft. Despite low levels of consumption thanks to optimised management plans (staff awareness, elimination of leaks, replacement of equipment consuming considerable amounts of water, etc.), water resource management remains a priority for ATR.

## Water consumption on ATR sites<sup>12</sup> (in Litres)



12 Includes Blagnac headquarters and ATR Francazal site.

## How we switched to waterless aircraft cleaning

In the past, it took 3,000 to 4,000 litres of water to wash a single ATR aircraft. This water consumption has been significantly reduced since 2021, by using a solution based on biodegradable essential oils applied with reusable dry-cleaning wipes. Today, only 30 to 40 litres of water are used to wash each aircraft.



-35%

Since 2018, the volume of water we purchase annually has decreased by 35%



## 3.4.4 Preventing pollution

ATR identifies situations that may present a pollution risk and manages them using dedicated tools, equipment and procedures. Emergency drills are conducted annually.

We also raise staff awareness of chemical storage rules and emergency situations, to avoid or reduce the impact of accidental fuel and chemical spills or leaks.

## **3.4.5 Preserving biodiversity**

Although ATR's impact on biodiversity is already low, we have put specific measures in place to protect species and their habitats.

- . Beehives on the roof of our Training Centre
- . Insect hotels to promote the development of pollinating species
- . Flowered meadows to preserve local plant species and microfauna (insects and pollinators)

Overall, we aim to reduce the carbon footprint of our site by abandoning carbon-based maintenance methods, maintaining a diverse flora, and promoting hardy animal species. The maintenance of our green spaces is certified pesticide free.



# 3.5 Promote the sustainable use of natural resources throughout our value chain

Many of the impacts of ATR's activities lie upstream in the value chain and are therefore impossible for ATR to manage directly. That is why we aim to support our entire value-chain in reducing environmental pressure, promoting the sustainable use of natural resources, and reducing the use of hazardous substances.

#### 3.5.1 Hazardous substances and obsolescence

An increasing number of environmental regulations deal with the restriction or prohibition of certain chemical substances.

In the aerospace industry, such regulations impact key processes and products (e.g. surface treatments, painting, and fire protection), and mean that certain parts and systems can no longer be manufactured or maintained throughout their life cycle.

ATR has rolled out a proactive approach to this challenge, based on anticipating risks and implementing the measures required to move towards the replacement of such hazardous substances in its products and processes.

This approach is based on a dedicated procedure:

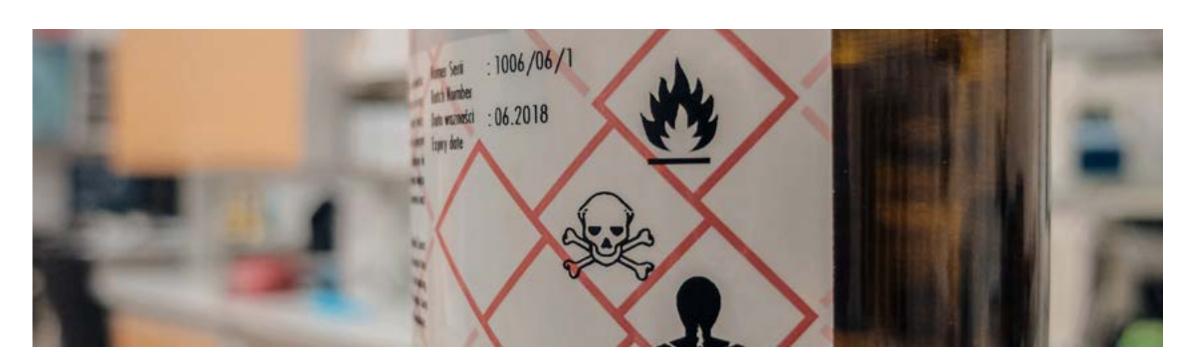
- . ATR gathers data on substances present in the chemical products, components and subassemblies used in its products and systems.
- A cross-functional, substance-analysis team assesses the impact of current and upcoming regulations on chemical products used by ATR and substances contained in the various parts used to build its aircraft.
- . ATR works with its partners and suppliers to identify and implement alternative new solutions that avoid the use of hazardous substances (e.g. chromates) while meeting airworthiness, certification and performance requirements.

## 3.5.2 Dismantling

As one of the first manufacturers to create its own recycled spares stores in 2017, ATR promotes the development of a circular economy model and is proactive in seeking ways to recover, reuse and recycle materials beyond their initial lifespan.

As an aircraft manufacturer, ATR is specialised in maintenance and end-of-life management. Aircraft recycling is a key priority to reduce the company's environmental footprint by minimising the use of natural resources. Through a partnership with Tarmac Aerosave, ATR is able to dismantle and recycle or reuse more than 85.5% of its aircraft parts.

In 2023, Tarmac Aerosave recycled three entire ATR aircraft and they are scheduled to dismantle four more in 2024. Thanks to this partnership, many more aircraft will be recycled in the coming years.







# People

## Engage our people to unleash their full potential

At ATR, people remain our top priority. We are convinced that it is the collective uniqueness of our people that defines ATR's identity, fostering innovation and creativity in our daily work.

We value diversity, multiculturalism, and differences between people. These differences—whether in education, personalities, skills or experience—enrich our business.

At ATR, we are committed to providing a safe working environment, centred around open dialogue and work-life balance. We nurture an inclusive culture based on respect and equal opportunities, with values and a leadership model that enable our people to express their full potential.

Our individual development and career-path policies, as well as our partnerships with schools, are designed to attract and develop the talent now and in the future. Skills development and employee mobility are key elements at ATR, not only to boost commitment but also to ensure ongoing operational excellence.



# 4.1 Foster a safe working environment focused on open dialogue and work-life balance

## 4.1.1 Developing ATR's health and safety culture

Occupational Health and Safety (OHS) is an integral aspect of ATR's priorities and one of its objectives is to ensure a safe and healthy working environment. Since 2019, ATR has adopted an Occupational Health and Safety Management System in preparation for ISO 45001 certification, which recognises any measures implemented to reduce accidents and occupational illnesses.

ATR has therefore set itself four goals:

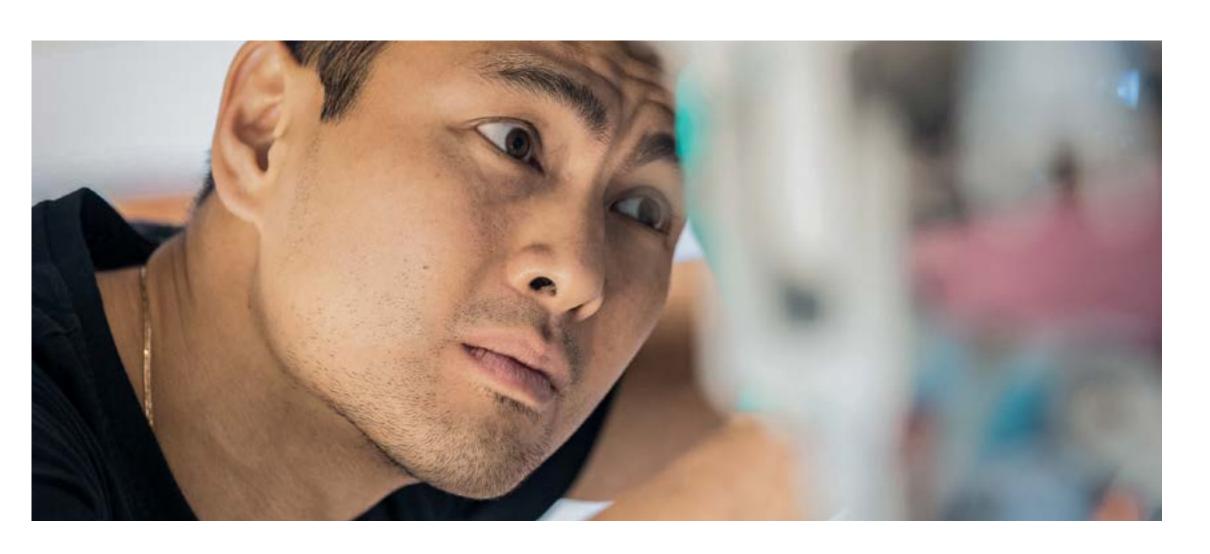
- Maintain best practices to eliminate hazards and reduce physical and psychosocial risks
- . Involve all employees and social partners in its OHS prevention approach
- . Comply with regulations and professional recommendations
- Seek to improve ATR's performance in the areas of safety and the protection of physical and mental health

In 2023, ATR continued to maintain high levels of occupational health and safety through three key objectives: consolidation of safety culture, strengthening of risk prevention, and management of risks related to industrial coactivity.

METRICS	2023 Results	2023 Target
Frequency rate (TF1)	2.69	<4
Newcomers training session	100%	100%

## Five key events took place in 2023:

- . Road Safety Day in May, which aimed to raise safety awareness around commuting, with an introduction to soft mobility.
- Quality of Life at Work Week in June 2023, a collective solidarity event that gave employees the chance to try out more than 60 activities including yoga, cycling, conferences and group lessons
- . Cancer Awareness Day, held as part of Pink October
- . Family Caregivers Day, which aimed to raise awareness of the schemes available to assist employees in the event that they become carers for family members
- . Cardiovascular Day in June, in partnership with mutual health insurance company MSAé and cardiologists



## **Strengthening risk prevention**

## Occupational Health and Safety network

At its French sites, ATR has set up an organisation in charge of assessing occupational risks, updating the Single Document for Occupational Risk Assessment (French 'DUERP'), raising awareness of risks, and contributing to key ATR projects with a view to eliminating risk at the design stage.

ATR's Occupational Health and Safety Officers have specific expertise in areas such as chemical and psychosocial risks, and work in close collaboration with management and employees on the final assembly line. In addition to meeting our legal objective of identifying risks and associated action plans, they are responsible for raising awareness and providing training to employees at their workstations.

## Regular internal audits

To strengthen ATR's safety culture and risk prevention, a certain number of initiatives were pursued in 2023. These included safety audits in our Operations and other departments, conducted by the company's Occupational Health and Safety Officers.

A total of 12 audits were carried out in 2023: three in services and nine in production.

Once completed, each audit report was approved and communicated to the teams and an action plan was drawn up to monitor the non-conformities in each department. These audits enable teams to progress by tracking their resolution of any anomalies.

# For example, 100% of anomalies reported in the fire audits were corrected in the following month.

METRICS	2023 Results	2023 Target
All anomalies identified during Safety Audits fixed within a month	100%	100%
All anomalies identified during Fire Audits fixed within a month	100%	100%



### Training and awareness sessions

Each employee has the required authorisation and training (e.g. electrical, working at height, CACES, etc.) for their activity. In addition, general risks are presented to new employees during information sessions as part of the onboarding process, and their understanding is checked via a survey at the end of the day. All employees (including temporary workers and trainees) who work regularly in the production department receive awareness training on the risks associated with industrial activities.

In 2023, more than 2,000 hours of training were delivered on the following topics:

- Electrical manipulation accreditation (initial and/or renewal)
- . First aid at work
- . Stacker training
- . ISO14001 awareness sessions
- . Other technical training

## Management of risks related to industrial coactivity

ATR carries out part of its activities with its partners and/or subcontractors. It has therefore drawn up 630 prevention plans to identify and prevent coactivity risks between ATR and external companies working on its premises. The issuing of this regulatory document is mandatory each time an external company carries out a mission involving hazardous activities for 400 hours or more per year. In 2023, 100% of in-situ subcontractors benefited from a prevention plan.



In the short term, ATR's goal is to obtain ISO 45001 certification for all of its French sites. Developed by the International Organization for Standardization, this standard aims to ensure employees' safety, reduce risks in the workplace, and create better and safer working conditions. Obtaining this certification will help to embed a safety culture within ATR.



## 4.1.2 Promoting wellbeing at work through open dialogue and work-life balance

## Gathering employee feedback and leveraging collective intelligence

As part of the company's approach to valuing employees and their engagement as a key success factor, in 2023 ATR continued to measure the level of employee engagement, in partnership with France's national centre for scientific research (the Centre Nationale de la Recherche Scientifique or CNRS). The aim is to measure all aspects of employee engagement and wellbeing in order to identify strengths and means for improvement, and to implement related action plans. The project also aims to grasp the impact of the recent health and economic crisis on the state of mind of ATR employees. Eight themes are addressed in the survey: performance, commitment, motivation, wellbeing at work, satisfaction of fundamental psychological needs, engagement in the company, leadership, and justice.

The second survey was conducted in March 2023 and achieved a remarkable response rate of 60%, showing how keen employees are to express themselves regarding their working conditions and attachment to the company. A third survey will be conducted in 2024, in order to complete the engagement level analysis.

In 2023, employees who expressed a desire during their 'development Interviews' to get involved in cross-functional projects joined the working group "EngageXpress". The group is responsible for improving wellbeing at work by developing new initiatives through collective intelligence. Its members work as a multifunctional team to implement three kinds of activities:

- . Sport: sports teams made up of ATR employees
- . Culture: conferences on specific topics in the aeronautical industry, hosted by ATR employees
- . Wellbeing: activities that encourage wellbeing at work such as introductions to sophrology and charity runs for breast cancer



## Supporting remote and hybrid working

At the beginning of 2022, ATR launched an experimental phase of hybrid working, where employees can work remotely up to two days per week (provided, of course, that remote working is compatible with their position). To preserve team dynamics, the remote work schedule is decided collectively by the manager and their team.

## Promoting social dialogue

All employees are covered by France's collective agreement for metallurgy. ATR has also opted to come within the social scope of Airbus, in order to benefit from a well-balanced labour status, boost social and economic performance, and secure the most advantageous policies for its employees.

At the same time, ATR remains aware of its specificities, which are managed via internal schemes, and practises constructive social dialogue with the unions on a daily basis to best meet the expectations of its employees and managers.

In France, ATR works with the Economic and Social Committee (CSE) on a range of subjects, amongst which the working environment and employee wellbeing.

In 2023, overall turnout at trade union staff representative elections was very high (71.51%), demonstrating the motivation of voters and their wish to see social dialogue promoted within the company.



# 4.2 Nurture an inclusive culture based on respect and equal opportunities

At ATR, every voice is welcomed, heard, and respected. ATR values diversity, multiculturalism and differences between people because it is these differences—whether in education, personalities, skills or experience—that enrich its business.

For the first time in its history, ATR is experiencing the coexistence of 4 generations within the company. These generations have different approaches to and expectations of work. Convinced that individual difference brings creativity and better collective performance, ATR wishes to support all employees in their individuality.

25% of ATR employees are women, and the company is actively pursuing the recruitment of female candidates as part of its commitment to increasing this percentage. The company has a proactive human resources policy with a particular focus on the recruitment and career development of women.

ATR is also a proud supporter of Women in STEM (Science, Technology, Engineering, and Mathematics) programme which, through local initiatives in schools and partnerships with universities, encourages girls and women to undertake careers in these fields.

## A collaborative approach

ATR believes that diversity must extend to all parts of the company, regardless of position or hierarchical level. For example, 20 of its employees serve as volunteer mentors to coach and support under-30s from disadvantaged neighbourhoods in their job hunting.

Thanks to this employee involvement and its mentoring programme, run in partnership with the association *Nos Quartiers ont du Talent*, in 2023 ATR received an award in recognition of its commitment to equal opportunities for young people.



93/100

## Committed to gender equality

ATR has a longstanding voluntary and sustainable approach to equality and professional diversity, beyond the applicable legal and regulatory obligations. It aims to promote proper balance between family and professional life and uphold the principle of fairness between the progression of women and men and equal treatment for equivalent qualifications, skills and experience.

Legislation introduced in 2019 obliges companies to publish an index of professional gender equality, as a score out of 100 points. The aim is to measure each company's status regarding gender equality and existing obligations. ATR's overall score of 88% reflects the importance of this issue to the company and highlights the concrete actions implemented in recent years.

ATR is committed to actively pursuing its efforts and regularly reaffirms its commitment to maintaining policies and actions that make it possible to apply the principle of equal treatment between men and women in practice, throughout their professional careers within the company. Objectives have been set to further increase the company's score over the coming years.

GENDER EQUALITY INDICATORS	2023 Results	Progress target for 20
1 - Gender pay gap (calculated from average pay, by age group and equivalent job category)	38/40	
2 - Gender pay gap in individual pay rise (excl. promotions)	20/20	
3 - Difference in promotion rates between women and men	15/15	
4 - Percentage of women employees who	15/15	

The Gender Equality Index is calculated from five indicators:

received a pay rise in the year

10 highest paid employees

Overall score

5 - Number of employees of the

underrepresented gender among the



In addition to this Gender Equality Indicator, ATR closely monitors its recruitment figures:

- . 34.3% recruitment of women in the engineering and executive populations
- . 15% recruitment of women in the technician, shopfloor and shopfloor supervisor categories
- . With 38.4% women among ATR's Early Career Programme hires, the company is promoting a more balanced professional mix from the very start of people's career paths.

0/10

88/100

## Raising disability awareness

As part of its annual Disability Week, in November 2023, ATR launched a Duo Day initiative where disabled people were invited to spend a day within the company.

Disability Week also featured an interactive conference, hosted by the health department with the support of a social worker, psychologist, and doctor.

All employees play an essential role in making inclusion a success within ATR, starting with management. That's why it is a priority to train managers on this subject.

In 2023, 100% of managers received training in unconscious bias in the recruitment process.

By 2025, the company aims to train employees in this area, in order to continue changing the mindset and ensure that ATR is a safe place to work, where differences are seen as an asset.





#### **Promoting women**

According to the United Nations Educational, Scientific and Cultural Organization (UNESCO), women represent only 35% of all higher education students enrolled in STEM (Science, Technology, Engineering, and Mathematics) related fields of study. The aviation industry in particular suffers from a lack of female candidates.

For several years now, ATR has been developing and strengthening relations with schools and associations to promote the feminisation of aeronautical professions. One example is its collaboration with French association Elles Bougent, which aims to feminise the tech professions by enabling middle and high school girls to find their vocation.

In March 2023, ATR decided to join the 'Féminisons les métiers de l'aéronautique' ("Let's feminise the aeronautical professions") campaign created by French charity Airemploi. ATR's involvement in this campaign demonstrates its desire to join forces with others, to promote the feminisation of the aeronautical professions through concrete actions, to raise awareness of these professions and the training courses available to access them, and to continue promoting inclusion in technical fields.



# 4.3 Attract and develop the talent of today and tomorrow

ATR is a medium-sized company of more than 1,300 people that promotes local teams, accessible management and human contact. Each employee understands the importance of their role, sees the results of their work, and does their job in line with a strong set of values: versatility, a cross-functional approach, diversity and responsibility. ATR's equal ownership by two major aerospace groups—Airbus and Leonardo—gives the company a unique multicultural identity, with a wealth of experience and expertise.

Through its active and dynamic human resources policy, ATR gives each employee a proactive role in their own career development. ATR encourages excellence, value creation and performance, both individually and collectively. The company optimises this approach by using digital solutions that facilitate interaction between employees, human resources and managers, allowing each employee to manage their professional development and develop their career within the company.

## Promoting the integration of the younger generation

ATR is strengthening its commitment to students, who represent a prime resource for recruitment. Each year, ATR offers a wide range of apprenticeships and internships, providing students with an opportunity to learn new skills within their teams.

These early career opportunities reflect new skills required for the transformation of the aeronautics sector (digital, technological, new ways of working, etc.).

To this end, ATR has developed special partnerships with leading schools and universities, including France's higher institute of aeronautics and space (ISAE-SUPAERO), its national school of civil aviation (ENAC), the Airbus Lycée, Saint-Exupéry high school in Blagnac, and Toulouse Business School (TBS).



METRICS	2023 Results	Target	Year
Number of interns and apprentices	136	130+	2024

## **Developing skills**

Career development is based on professional opportunities in technical expertise, project management and people management. ATR employees have access to a wide range of high-level development solutions (training sessions, coaching, mentoring, co-development, etc.) that promote hard and soft upskilling: free access to a digital training-course platform, an in-house training centre, special partnerships with prestigious academic institutions, and access to external training.

ATR training plans aim to secure the technical skills needed for industrial projects over a three to five-year period. In parallel, since 2021 ATR has revised its development interview process to give employees the opportunity to identify and share their strengths and areas of development with their managers. This allows employees to contribute to building their own development plan.

ATR has developed specific training to support new managers in their role, to train them in the basics of labour law and give them the keys and tools they need to unite their teams and detect any work-related issues within their teams. For senior managers, training takes the form of coaching sessions aimed at supporting their development and increasing their leadership skills.

ATR aims to develop leadership behaviour among all employees. To this end, the company has identified six key soft skills: human-centric, inspiring, exemplary, humble, entrepreneurial and innovative (see next page).

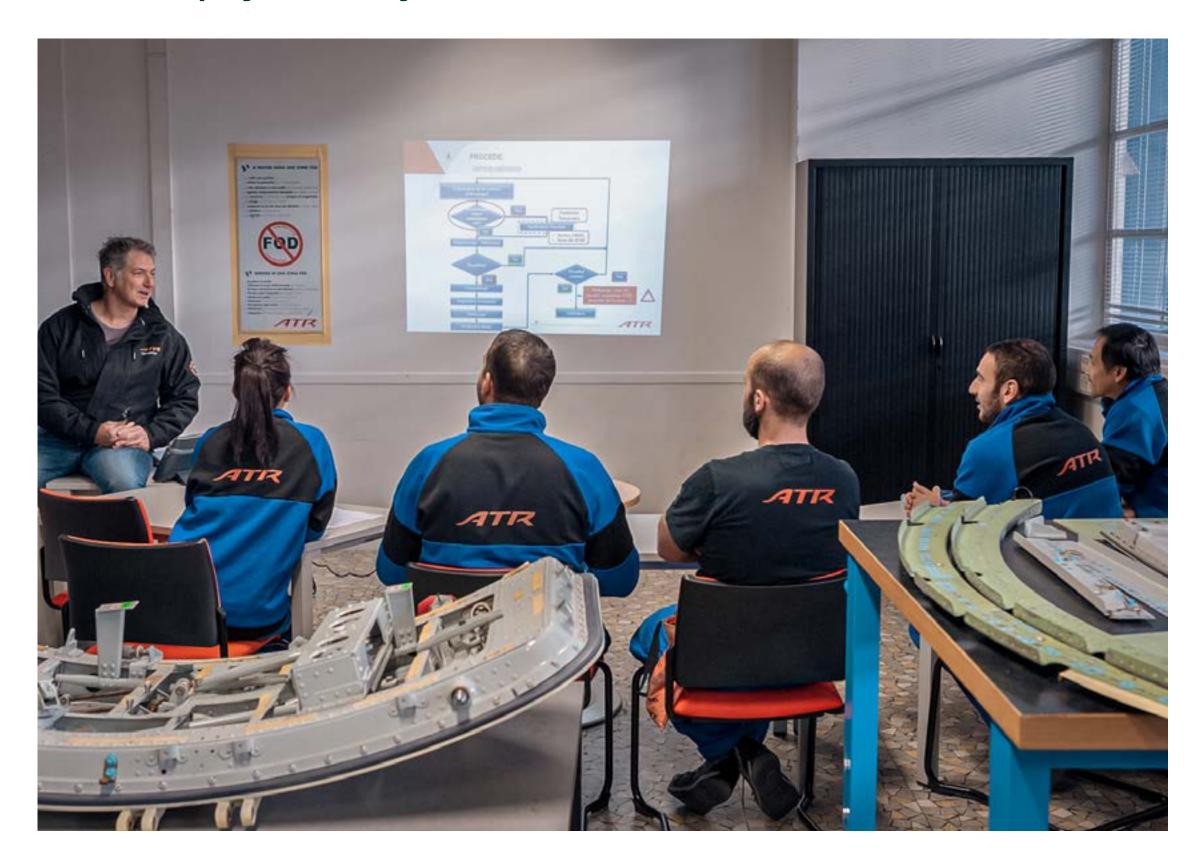
2023 saw the creation of a new programme called Manager Coach, developed especially for ATR and dedicated to manager leadership skills. The company aims to have 50% of its managers complete this training in 2024.

## **Encouraging internal mobility**

ATR encourages the internal mobility of its employees, in order to develop their skills and their networks within the company.

Internal mobility is managed by ATR's Mobility Committee, which meets every month to review vacancies and identify employees who have expressed a wish to move from one role or department to another.

This process provides employees with greater transparency on the opportunities available within the company. As a result, **15% of positions were filled through internal employee mobility in 2023.** 



## Focus on leadership skills within ATR



## **Human centric**

- Active listening
- Valuing and developing diversity and inclusion
- Encouraging cooperation and mutual support
- Fostering a culture where people feel valued



## Humble

- Paying attention
- Appreciating others
- Acknowledging mistakes
- Being willing to learn



## Inspiring

- Being true to oneself
- Keeping promises
- Persuading by communicating
- Generating enthusiasm and energy
- Gaining trust



## **Entrepreneurial**

- Putting ATR first
- Adopting a customer-centric approach
- Promoting excellence
- Confronting and managing complexity and uncertainty
- Delegating and encouraging collaboration
- Being reliable



## **Exemplary**

- Keeping commitments
- Acting with integrity
- Addressing and resolving conflict situations
- Promoting and embodying ATR's values



## **Innovative**

- Challenging the status quo and promoting change
- Testing new ideas
- Simplifying





# Business practices

## Act with purpose in everything we do

As the world leader in regional aviation, ATR is committed to exemplary ethical practices throughout its activities and supply chain, in order to secure the ongoing provision of incremental, reliable, affordable innovation.

# 5.1 Demonstrate uncompromising commitment to ethics & compliance

ATR is committed to a responsible business model founded on core values. We have developed a comprehensive Ethics & Compliance (E&C) programme that provides guidance and principles on how to conduct business in line with the highest ethical standards and in compliance with all applicable laws and regulations.

ATR's Ethics & Compliance department is under the responsibility of the Corporate Secretary and General Counsel.

METRICS	2023 Results	Target	Year
Percentage of newcomers trained in E&C-related topics within the first 12 months, as part of their onboarding	93%	100%	2024
Percentage of employees in exposed functions trained in E&C-related topics every two years	N/A	100%	2024
Percentage of employees trained in E&C-related topics every two years	N/A	100%	2024
Number of annual training sessions/certifications taken by each member of the ATR E&C team	2	1	2024
Annual frequency of E&C Committee and network meetings	4	4	2024
Percentage of new suppliers and customers put through a due diligence process, in line with ATR's internal programme/directive (KYC/KYS Policy)	100%	100%	2024

### **5.1.1 ATR's Code of Conduct**

Endorsed by its Assembly of Members, ATR's Code of Conduct is one of the cornerstones of its Ethics and Compliance policy and is vital to the integrity and compliance of its business culture. Updated in September 2022, the Code is available on ATR's corporate website.

The company's Code of Conduct sets out the key principles and values that must be implemented and followed by each ATR employee, trainee, external co-worker (including temporary workers, subcontractors, etc.) as well as any business entities over which ATR has control.

It covers seven areas: combating corruption, fair competition, import & export control, product safety & quality, corporate citizenship, assets & information, and working environment.

It also includes links to applicable policies and procedures e.g. business development, anti-corruption, gifts & hospitality, conflicts of interest, export control, flight safety, quality & environment, and sponsorship & donations.

### Click&Comply

With the support of the IT department, ATR's E&C team has developed Click&Comply: a compliance-dedicated digital platform to support the implementation of procedures via electronic forms and automated approval workflows.

Click&Comply is currently available for Gifts & Hospitality and Conflicts of Interest and will be extended to include KYC/KYS requests and Sponsorships and Donations.

## 5.1.2 Risk mapping

In compliance with France's Sapin II Law, ATR's Ethics & Compliance department performs periodic assessments and updates of the company's compliance risk mapping.

In 2022 and 2023, interviews and workshops were held with employees from all departments, subsidiaries and regions in order to gain a better understanding of ATR's risk exposure. The E&C team then reviewed the list of existing risks and incorporated associated scenarios, as per the requirements of France's anti-corruption agency.

ATR's compliance risk mapping was presented to its Executive Committee in August 2023 and subsequently approved. Action plans resulting from this mapping (including policy enhancements and updates, tighter controls, communications, the development of digital tools and training) are followed up by the E&C team.

## **5.1.3 Boost empowerment in E&C issues**

## **Training**

The 2023 Ethics & Compliance and Export Control training programme was delivered exclusively via e-learning courses.

It included a mandatory 'Speak Up' module for all employees to encourage and protect whistleblowers with sharing their views, asking questions, flagging anomalies, expressing concerns, or reporting findings relating to suspected wrongdoing or violations of laws, regulations, our Code of Conduct, our internal regulations or any other applicable policy., plus additional modules based on employee profile and risk exposure.

Overall training completion rate in 2023 was 83%. Please refer to the table below for further details.

TRAINING SESSIONS	Target population	Target population completion rate
Speak up culture	All	90%
One Compliance e-learning to choose on MyPulse	Focal Points	100%
Export Control: Introduction; or Requirements for Gifts and Hospitality; or Code of Conduct	Newcomers	69%
Recognising and preventing fraud	Finance	96%
Managing the bribery and corruption risks associated with sales-related credits	Commercial Customer Support Services	80%
Export Control - Intangible Management and Export Control Classification Export Control - classification	Engineering Procurement & Opertations	80%
Conflicts of Interest; or Sanctions, Embargoes and Screening	Other employees (except Commercial, Engineering, Finance, Procurement & Operations and Customer Services)	66%

## Promote a 'Speak up' culture

In line with France's Sapin II Law, ATR is committed to creating a trustworthy environment, where open and constructive dialogue can take place between coworkers and with management. It is our responsibility to maintain and nurture a compliance culture based on 'Speak Up'.

We do not tolerate any retaliation or attempted retaliation against people who have made reports in good faith or who are assisting investigations into suspected violations of ATR's Code of Conduct or applicable laws and regulations.

In 2023, 15 Speak Up reports were received by our E&C and HR Teams via the different channels available, including the open line.



#### **E&C Network**

The Ethics & Compliance team relies on an E&C network of approximately 40 focal points, appointed in all departments and subsidiaries to support the implementation of its compliance and export control programme.

Their roles and responsibilities include:

- Acting as a first point of contact and liaison with the Compliance and Export Control team
- Providing first-level E&C recommendations
- Identifying and escalating to the Compliance and Export Control team any potential ethics, compliance or export control violations or risks
- . Supporting the E&C network by reinforcing key messages and values
- . Supporting roll-out of the Compliance & Export Control Programme

Various initiatives were either continued or launched in 2023 to increase the visibility and awareness of our focal points, including:

- . ATR's Focal Point of 2023 award
- . A monthly newsletter and "E&C hot topic" slide
- Regular catch-up meetings with the Ethics & Compliance and Export teams to discuss ongoing projects

## **5.1.4 Conduct business with reputable stakeholders**

ATR has implemented policies to ensure that it only does business with reputable stakeholders who are involved in legitimate business activities.

Since 2021, the company has enhanced its internal processes by adding Know Your Customer (KYC) and Know Your Supplier (KYS) procedures, to ensure that comprehensive third-party due diligence is completed before contracting.

In 2023, the E&C team performed a total of 537 KYC/KYS analyses.

#### Of these:

- None required escalation to Top Management for review and approval of remediation actions
- Two were rejected, in agreement with the Commercial team, due to diversion risks or exposure to international sanctions



## **5.1.5 Export Control activities**

ATR complies with all applicable export control laws and regulations. The Export Control team plays a pivotal role by:

- . Offering expert guidance and assistance to all departments on matters concerning sanctions, embargoes, and import/export regulations
- . Collaborating closely with relevant authorities to request the required export licences
- Providing support to ATR subsidiaries in all facets of export control
- Developing and updating policies, procedures and guidelines to ensure strict compliance with export control regulations
- . Conducting thorough awareness and training sessions for all employees, to enhance understanding and adherence to export control protocols
- Managing classification of tangible and intangible items to secure necessary licences and authorisations prior to any import/export activities
- Ensuring proper marking of tangible items and intangible items, such as technical documentation, to uphold compliance standards
- Conducting rigorous sanction screenings through third-party verification to confirm the legitimacy of end users, end uses and destinations

#### **Outlook**

In 2024, ATR's E&C Team will focus on enhancing the compliance culture and strengthening the anti-corruption control framework across the entire organisation.

Other projects include the review of existing policies and procedures and the enhancement of existing digital compliance tools.

# 5.2 Offer cutting-edge and affordable technologies to meet market needs

ATR delivers the most environmentally and economically responsible aircraft in its market segment. It is committed to doing this long into the future by:

- offering our customers innovative and efficient solutions through the leveraging of disruptive new technologies
- enhancing the digitisation of our aircraft processes, systems, products and services, continuously and incrementally improving the efficiency of our aircraft
- guaranteeing the affordability of new technologies for our customers, and maintaining our competitive advantage regarding maintenance and other services
- . developing key partnerships for Research and Development (R&D) projects

METRICS	2023 Results	Target	Year
Number of key partnerships	13*	13	2024

## 5.2.1 Innovate to offer cutting-edge technologies & efficient solutions

## An expanding aircraft family

ATR recently expanded its family of aircraft with the ATR 72-600F, a purpose-built regional freighter, while its Short Take-Off and Landing (STOL) variant—the ATR 42-600S—is due to enter into service in 2025.

## 100% Sustainable Aviation Fuel (SAF) capabilities

ATR aims to achieve 100% SAF-operation capabilities for its entire aircraft family by 2025. After the success of its first test flight with 100% SAF in one engine in January 2022, it completed the world's first ever commercial aircraft flight with 100% SAF in both engines in June 2022, in collaboration with Braathens Regional Airlines (BRA) and Neste. (For more information, see section 3.2: 'Drive the transition towards netzero carbon emissions by 2050 in the regional aviation ecosystem').

## Latest generation engine

In November 2021, ATR unveiled its PW127XT engine series at the Dubai Air Show. Featuring the latest materials and technologies available, these engines ensure next-level efficiency and extra time on wing for our aircraft. The PWT127XT engine provides:



**40%** Extended flight time on wing, bringing the engine overhaul to 20,000 flight cycles



20% Reduction in engine maintenance costs



3% Improvement in fuel efficiency

<sup>\*</sup>Real figures for 2023 actually exceed 13, if key partnerships with suppliers, universities and laboratories as part of European and French projects are taken into account.

The PW127XT engine sets new standards in regional aviation for fuel consumption, carbon and NOx emissions, and operating economics.

This latest version also reduces turbine operating temperatures using a new high-pressure turbine module, improving both its efficiency and its durability for ATR customers.

The PW127XT engine is also fully compatible with Sustainable Aviation Fuel (SAF).



<sup>\*\*</sup>Compared to legacy ATR aircraft

#### **ATR EVO**

In May 2022, ATR announced plans for the next generation of its best-selling family of regional aircraft to be launched by 2030: the ATR EVO.

A two-engine turboprop 100% SAF-compatible, the EVO will incorporate advanced eco-design features, a new engine with hybrid capability, new propellers, and an enhanced cabin and systems.

Its aim is to offer both lower operating costs and lower carbon and NOx emissions, thereby enabling operators to play a tangible role in the decarbonisation of aviation.

Feasibility studies are ongoing and ATR is working closely with airlines, engine manufacturers and system providers to make the EVO a reality. (For more information, see section 3.2.)



Entry into service by 2030+



Improved performance in terms of time to climb and one engine inoperative ceiling\*\*



Enhanced Cabin with increased use of lighter, bio-sourced materials\*\*



End-to-end lifecycle

#### **New Avionic Suite**

ATR is continuously improving the avionic suite of its aircraft, with the latest Standard 4 set to optimise fuel consumption during descent and approach.

An upgraded Flight Management System (FMS) is also being introduced, to track and optimise fuel consumption throughout each flight.

### A more inclusive cabin

For the first time in 2023, ATR72-600 seat signs and safety instruction cards are translated into Braille, to make the cabin more accessible for the visually impaired



New POWERPLANT with hybrid capability



20% Overall improvement in fuel consumption\*



**20%** Less CO<sub>2</sub>\*



100% SAF capability



20% Maintenance cost reduction\*



Double digit operating cost savings

# 5.2.2 Develop key partnerships for Research and Development (R&D) projects

ATR is constantly working in partnership with other Research and Development stakeholders to ensure that regional aviation and regional aircraft remain at the cutting edge of technology.

#### **Clean aviation**

Financed by the European Commission and private partners, the Clean Aviation Project aims to develop more responsible air transport technologies for earliest possible implementation. This involves integrating, demonstrating and approving technologies capable of reducing CO<sub>2</sub>, NOx and noise emissions by 30% compared to modern aircraft.

For ATR, this means the approval of innovative technical studies and ground demonstrations for regional aircraft, leading to reductions in CO<sub>2</sub> emissions through lower fuel consumption.

### Corac

Bringing together leading manufacturers, research institutes and laboratories, France's civil aviation research council (CORAC) supports research projects into the development of new ultra-efficient engines, electric hybridisation, and 100% Sustainable Aviation Fuel capability.

As part of its 'France 2030' investment plan, the French government has set the ambitious goal of developing a low-emissions aircraft for the next decade. A significant portion of this investment has been allocated to CORAC's technological roadmap.

Two years ago, CORAC entrusted ATR with leading the consortium driving the PARIDES research project. Bringing together more than 10 partners, and subsidised by France's civil aviation authority (DGAC), this unprecedented project aims to explore the full potential of disruptive technologies, including the latest hybrid electric propulsion architectures, the use of alternative energy on board, new-

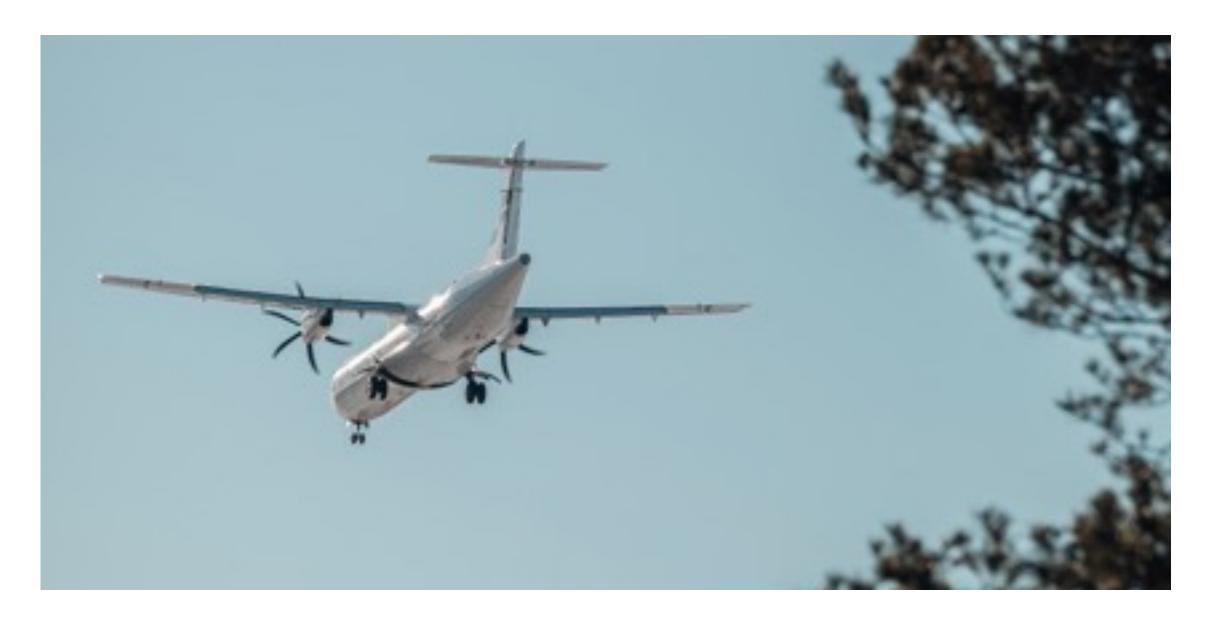
generation low-noise and high-performance propellers, the incorporation of

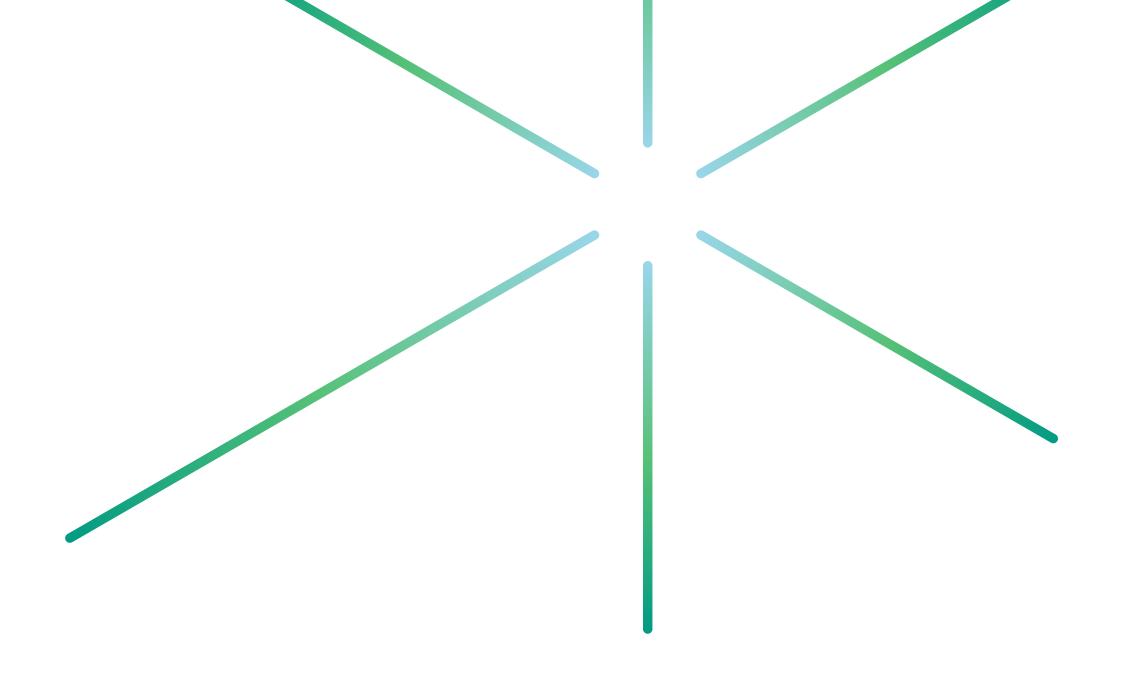
bio-sourced materials and recycled carbon-fibre cabin parts, an optimised de-icing system, plus innovative avionic features for regional operations.

Spearheading this wide-ranging research and innovation project has enabled ATR to expand its knowledge significantly, laying a solid foundation for the preparation of its next generation aircraft concept: the ATR EVO. It has also rallied key stakeholders around the common goals of preserving vital air links while safeguarding our planet.

## Partnerships with laboratories and universities

With its headquarters located at the heart of France's aeronautic cluster, ATR works closely with specialist laboratories, universities and start-ups. The performance and specificities of ATR aircraft make them ideal platforms for testing and implementing new technologies. Partnerships are ongoing in the above-mentioned areas with France's leading aeronautics universities and research laboratories, notably ISAE-SUPAERO, INSA and DGAC.







## **Certification Specification CO<sub>2</sub>**

GIACC, the Group on International Aviation and Climate Change, established by the ICAO\*, has developed an action plan to limit or reduce the impact of aviation on the climate, including the reduction of the carbon footprint of international civil aviation.

The plan involves input from governments, aircraft and engine manufacturers, non-governmental environmental organisations, research bodies and academics worldwide. Its first phase focuses on the development of CO<sub>2</sub> certification, while the second phase concerns the development of a CO<sub>2</sub> standard (regulatory limits, applicability, etc.)

On 29th July 2019, the European Union Aviation Safety Agency (EASA) published Certification Specification CO<sub>2</sub> (CS-CO<sub>2</sub>) to address environmental issues related to aircraft carbon dioxide

emissions. Its aim is to achieve uniform levels of environmental protection and a level playing field for all aviation stakeholders. These specifications will be applicable to all in-production aircraft from 1st January 2028.

As part of its CSR roadmap, ATR is committed to CS-CO<sub>2</sub> compliance in advance of its formal application. Certification work began in 2023 with a dedicated ground and flight test campaign, the next goal being certification of the PW127XT-powered ATR72 family by 2025.

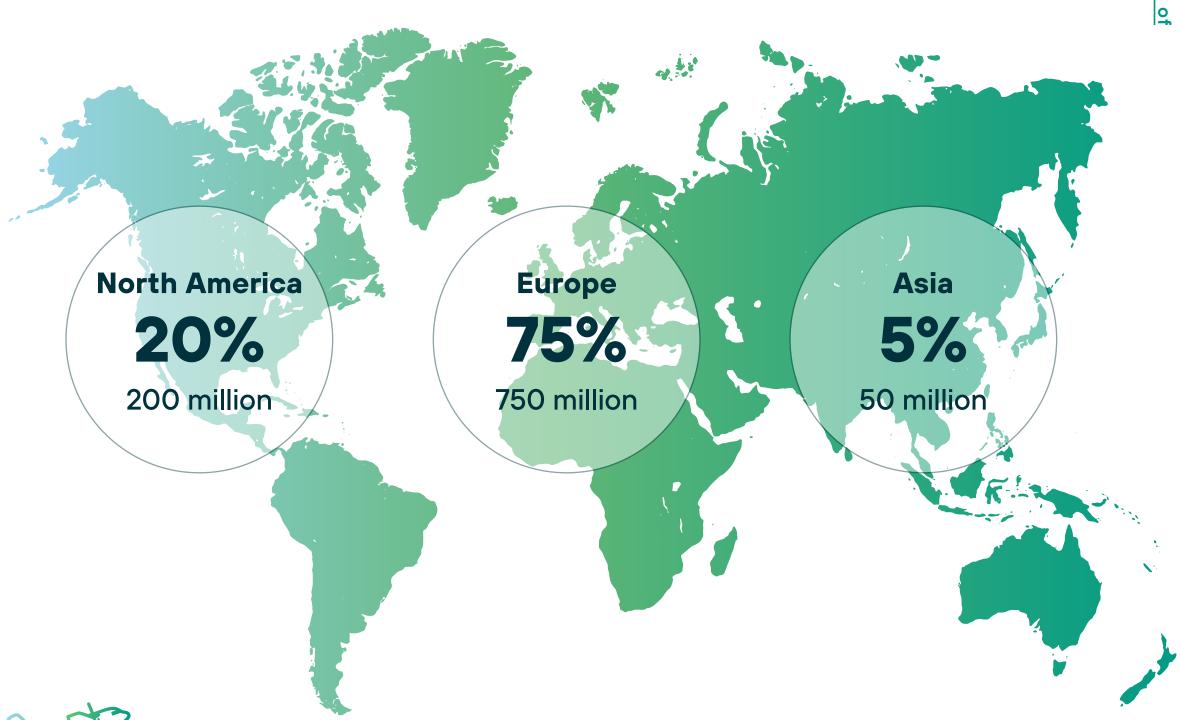
\* International Civil Aviation Organization

## 5.3 Consolidate responsible supply chain management

Procurement is central to ATR's strategic challenges, and environmental and social responsibility are key aspects of ATR's procurement strategy. In 2023, ATR's total spend was €1 billion and involved almost a thousand direct and indirect suppliers. About 75% of total spend went to European suppliers, mainly based in France. North American suppliers represented 20% of total spend and Asian suppliers around 5%, mainly for repair services.

## **5.3.1 Procurement & Supply Chain Strategy**

The Procurement department aims to secure ATR's competitive advantage globally by focusing on transparency, innovation, operational excellence, and sustainability. ATR's Procurement & Supply Chain Strategy is based on four pillars:





#### **RELATIONSHIPS**

- Communication
- Collaboration
- Transparency
- Anticipation



#### **SUSTAINABILITY**

- Environment & climate
- Social & people
- Business Practices



#### INDUSTRIAL EXCELLENCE

- On-Time Delivery
- On-Quality Delivery
- Maintain robust Quality First culture



#### COMPETITIVENESS

- Remaining competitive on prices
   & maintenance costs
- Retaining customer/operator profitability
- Innovation

Engaging our suppliers and partners is key to achieving our goals and to ensuring that the products and services ATR purchases generate benefits, not only for the company but also for the environment, society and the economy as a whole. ATR is therefore committed to promoting sustainable growth, developing mutually beneficial relationships, and engaging its supply chain in its CSR Strategy. Sustainability criteria are now systematically included in standard business relations criteria.

Since 2022, Procurement's vision of: "Accelerating responsible business practices with our supply chain to propel sustainable regional aviation" has been a key driver in the following areas:



#### **ENVIRONMENT & CLIMATE**

- Decarbonate the supply chain to reach net zero goal
- Promote eco-innovative approaches
- Reduce the environmental footprint within the supply chain
- Ensure substance transparency in products & processes
- Reduce hazardous substances



#### **SOCIAL & PEOPLE**

- Promote Human rights (no forced labour, no use of conflict minerals)
- Promote safe workplaces
- Support local suppliers where relevant



#### **BUSINESS PRACTICES**

- Act in full respect of ethics & compliance principles
- Establish zero tolerance for corruption
- Screen suppliers

KEY METRICS	2023 Results	Target	Year
Percentage of direct and indirect suppliers assessed using risk mapping methodology	100%	100%	2023
Percentage of indirect suppliers having signed our Supplier Code of Conduct (or committed to equivalent principles)	55%	100%	2025
Percentage of direct suppliers having signed our Supplier Code of Conduct (or committed to equivalent principles)	67%	100%	2025
Supplier response rate to the last CDP <sup>13</sup> Climate Change questionnaire	52%	100%	2027
Percentage of ATR's top 20 direct suppliers <sup>14</sup> that are ISO 14001-certified	90%	90%	2025
Percentage of most environmentally impacting indirect suppliers <sup>15</sup> that are ISO 14001-certified	60%	90%	2025
Percentage of identified high-risk suppliers <sup>16</sup> who have undergone a sustainability assessment	15%	100%	2026
Percentage of Material Declaration Forms (MDFs) received from direct suppliers	-	100%	2023

<sup>13</sup> An international non-profit organisation, the CDP runs a global disclosure system for investors, companies, cities, states and regions to calculate and manage their environmental impact (climate impact in particular) through their answers to various questionnaires.

14 Top 20 direct procurement suppliers based on amount spent.

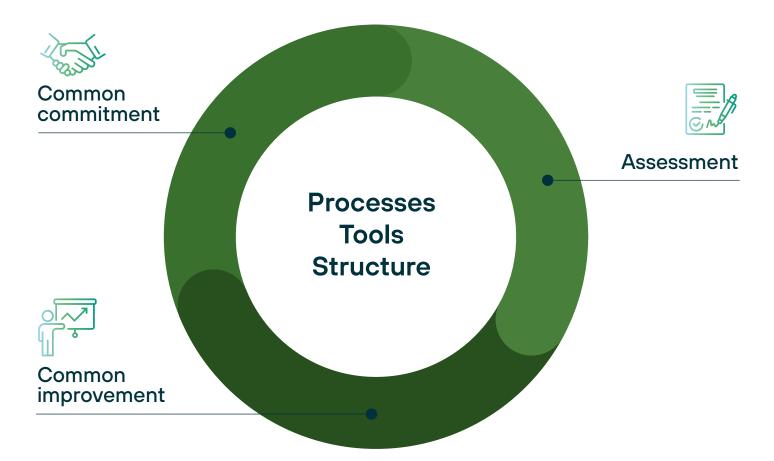
<sup>15</sup> Suppliers whose activity has a significant environmental impact for ATR according to its environmental risk mapping.

<sup>16</sup> Based on 2022 risky suppliers according to ATR risk mapping methodology (see details in § 5.3.2.2. Supplier assessment/risk mapping).

## **5.3.2 Sustainable Procurement Roadmap**

Since 2022, ATR has implemented a sustainable supply chain roadmap focused on three areas: Commitment, Assessment and Development.

Detailed below, this approach is being progressively integrated into ATR's structure, tools and processes, in order to embed our sustainable goals.



# Supplier commitment to sustainable business practices

- ATR Supplier Code of Conduct
- Sustainability clauses in our contracts / specifications

## Supplier assessment

- Supply base risk mapping to define priorities
- CSR assessment of overall sustainability maturity
- Specific assessment of carbon maturity (Carbon Disclosure Project or CDP)
- . On-site audits

## Supplier improvement

 Follow-up action plan to improve sustainable maturity

## Supplier commitment to sustainable business practices

Supplier Code of Conduct

Launched in 2022, ATR's Supplier Code of Conduct (SCoC) defines all its requirements, so as to ensure high performance, reliability and strict compliance with all applicable national and international regulations, along with responsible business practices and sustainable development.

Modelled on the International Forum on Business Ethical Conduct, ATR's SCoC reflects the company's values and is the reference document for responsible supplier management. Supplier Code of Conduct - digital version.

ATR asks its suppliers and subcontractors to commit to applying and cascading across their own supply chain the principles of ATR's SCoC, or to confirm that their own practices are aligned with the principles set out in the code.

ATR aims for 100% of its contactable suppliers (direct and indirect) to have signed its SCoC by the end of 2025.

At the end of 2022, SCoC acceptance became a pre-requisite for any new contracts signed.

By the end of 2023, 55% of indirect suppliers had been identified as 'at risk' and 67% of existing direct suppliers had signed the ATR SCoC (or had committed to equivalent principles).

## Sustainability clauses in contracts & specifications

Since 2021, ATR has been gradually integrating sustainability into call-for-tender processes by including environmental and CSR criteria in the scoring matrix used to assess supplier bids. Only those suppliers who meet these criteria, including compliance with ATR's Supplier Code of Conduct, can participate in our call-for-tender procurement process.

Since 2022, we have consolidated and added to our contractual clauses, with sections on ISO14001 certification, decarbonisation, eco-design and hazardous substance management.

#### ISO 14001 certification

We encourage our suppliers to implement an environmental management system based on the ISO14001 standard or equivalent.

By end of 2025, ATR expects 90% of its Direct Suppliers and 90% of most environmentally impacting indirect suppliers to be certified under ISO 14001.

#### **Decarbonisation**

Enlisting suppliers to work alongside ATR to tackle climate change is one of the key commitments of our sustainable procurement strategy.

Since our carbon footprint is significantly impacted by that of purchased goods and services, we encourage our suppliers to set a course towards a low-carbon future. To do so, we first evaluate the level of engagement of our supply chain, then drive action plans to align them with the goals of the Paris Agreement.

These action plans, in force until 2027, require suppliers to:

- evaluate their carbon maturity through a 'carbon questionnaire'
- calculate their carbon footprint including scopes 1, 2, and 3
- implement a reduction strategy, in line with the Paris Agreement
- effectively reduce CO<sub>2</sub> emissions with a dedicated action plan.

## **Eco-design**

ATR is committed to developing an eco-design strategy for its new products and services For further details, see 3.3 'Develop sustainable products and services, leveraging innovation and eco-design'.

This goal obviously involves suppliers, so ATR is currently integrating eco-design requirements into its Request for Proposal (RFP) processes to promote sustainable innovation. By 2026, these eco-design selection criteria will be mandatory for all new 'EVO' products.

## Hazardous substance management

ATR is committed to engaging its suppliers to increase transparency regarding hazardous substances, to ensure compliance with the applicable regulations (e.g. REACH), and to manage and limit use of the most hazardous substances.

In 2023, ATR launched a campaign to collect Material Declaration Forms. These are forms for suppliers to provide information on chemical substances used in manufacturing processes and contained in every product delivered to ATR (covering both hazardous substances and conflict minerals).

By the end of 2024, ATR expects 100% of Material Declaration Forms to be completed by its suppliers.



## **Know Your Supplier (KYS)**

In compliance with France's Sapin II law, ATR has developed a **Know Your Supplier (KYS)** due diligence process to ensure that all its suppliers embrace the highest standards of integrity. Suppliers may therefore be asked to provide evidence of their commitments, particularly in the areas of business ethics, anti-corruption, human rights (e.g., tackling human trafficking and child labour), labour standards and environmental sustainability.

As part of this process, suppliers cooperate by providing information related to their corporate structures, compliance programmes, commitments in terms of business ethics and sustainability, and any other relevant information, in order to meet KYS requirements.

## **Supplier assessment**

## Risk mapping

Since 2022, ATR's Procurement and CSR departments have conducted CSR risk mapping of purchased commodities, using methodology and tools that incorporate risk indexes for supplier location, type of activities, plus financial dependence on ATR.

ATR assessed 100% of its direct and indirect supplier commodities in 2023. The aim is to define priorities within our supply chain to implement CSR-related actions. For instance, a supplier producing parts with a risk of environmental impact in a country with human rights risks, will be managed first.

For direct suppliers, the results of the risk mapping were as follows: 41 direct suppliers were identified as Priority 1 (high-risk) suppliers, 116 as Priority 2 (medium-risk) suppliers and 45 as Priority 3 (low-risk) suppliers. The risk mapping for indirect purchases is now complete and all subcommodities have been assessed.

#### **CSR** assessment

In 2022, the International Aerospace Environmental Group (IAEG), signed a partnership with a third-party to assess the sustainability maturity of suppliers and create a voluntary, standardised approach to supplier sustainability assessments, aiming at building a more transparent and sustainable supply chain within the aerospace sector.

As a member of IAEG, ATR joined this voluntary initiative, and since 2023 we have started requiring our suppliers to provide sustainability maturity assessments each year.

In 2023, ATR achieved its predetermined goal of having 15% of its suppliers undergo a sustainability assessment by year end.

## Carbon Disclosure Project (CDP) assessment<sup>17</sup>

As of 2023, ATR actively encourages its top suppliers to set a course towards a low-carbon future, by asking them to complete an annual CDP climate change questionnaire.

ATR considers the CDP score a relevant indicator for assessing the maturity of its suppliers to address climate change.

ATR's goal is for 100% of its most emission-intensive suppliers to complete their CDP assessment by the end of 2027, with an intermediate target of 60% by 2025.

By the end of 2023, 52% of ATR suppliers had completed it.

The results will enable us to identify our suppliers' strengths and potential areas for improvement, and to engage with suppliers that have yet to respond.

According to the results of the 2023 CDP Climate Change questionnaire, 95% of ATR suppliers are ranked A or B.

#### Outlook

Our sustainable supply chain roadmap is evolving to actively mitigate sustainability risks in our supply chain, adapt to changing requirements, and support our ambition to become more sustainable.

Initiatives to be continued in 2024/2025 include:

- . monitoring the adoption of ATR's Supplier Code of Conduct
- continuing CDP external decarbonisation assessments
- extending supplier sustainability assessment coverage and monitoring associated activities. Where assessment results are inadequate, ATR reserves the right to conduct audits at suppliers' sites
- completing the Material Declaration Form campaign and improving the traceability monitoring of chemical substances

- . providing sustainability awareness training to procurement personnel
- . continuing to integrate sustainability elements into procurement processes
- developing specific sustainability training modules to support internal awareness in purchasing commodities
- embedding sustainability into all major supplier events e.g. virtual and live conferences



17 An international non-profit organisation, the CDP runs a global disclosure system for investors, companies, cities, states and manage their environmental impact (climate impact in particular) through their answers to various questionnaires.





# Customers

## Build customer trust based on safety and quality

**Regional air connectivity** provides essential links between regional hubs and the wider world; links which would otherwise require the development of expensive, challenging ground infrastructure and involve lengthy travel times by land or sea.

ATR customers play a key role in society by providing vital connections for local communities, boosting the economy and providing better access to education, jobs, health services and cultural activities.

ATR supports its customers' goals by manufacturing aircraft with unparalleled economics and flexibility, to make air transport affordable, responsible and inclusive.

## 6.1 Promote the highest safety standards

ATR's stakeholders rightly demand the highest standards of flight safety. Safety is of course measured quantitatively, but the standards we strive for are also expressed in terms of social expectations: we aim for continuous improvement in the prevention of accidents, injury and loss of life.

Our aim is to:

"Continuously improve the intrinsic safety of the ATR aircraft and its operational environment, ensuring the ATR brand is regarded as a reference for Flight Safety."

The ATR Flight Safety policy recognizes Flight Safety as the responsibility of all departments and employees and a transversal function relying on the resources of the business functions to achieve our Flight Safety objective and launch safety initiatives. As such our Flight Safety policy defines the need to dedicate and prioritize resources accordingly in a coordinated manner.

ATR's Flight Safety Board is the final arbitration and decision forum for the prioritisation and finalisation of safety measures.

The core processes governing ATR's flight safety activities include:

- . Accident/serious incident investigation
- . Safety Management System (SMS)
- . Regional Safety Plan (RSP)

These processes are underpinned by ATR's core flight safety principles:

- . Safety engagement
- Each employee must feel engaged and act in full awareness that their personal commitment to ATR's product and customers may ultimately impact the lives of passengers, airline personnel and fellow employees.
- . Alertness, leading by example

Each employee must be constantly aware of the potential impact of their activity on safety, they must maintain a proactive mindset, and encourage their colleagues to act in the same way.

- . Reporting and sharing
- Each employee must do their utmost to ensure that potential safety topics are reported and the lessons learned shared with stakeholders, within the appropriate reporting framework.
- . Trust and credibility
- ATR is committed to working in a spirit of openness, transparency and cooperation with all relevant stakeholders (internal and external) while maintaining business continuity.

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# Accident/serious incident investigation process (ICAO Annex 13 and EU 996/2010)

The aim of this process is to work hand in hand with the investigation authorities, to ensure an effective response and take all the necessary steps to prevent reoccurrence, thereby building and securing trust and credibility with ATR's stakeholders.

#### It involves:

- Providing feedback to operators and the safety community with associated lessons learned
- Ensuring compliance with EU 996/2010
- . Ensuring effective follow-up and closure of safety recommendations

## **ATR's Safety Management System (SMS)**

ATR's corporate Safety Management System manages safety risks generated within ATR's core activities of design, production and support.

The SMS is facilitated by an appointed Corporate SMS Officer and SMS Officers for each department, supported by a network of nominated SMS Representatives throughout the company.

#### ATR's SMS aims to:

- . Anticipate and respond proactively to safety-critical items.
- Contribute to current and future product design and new technologies whose safety benefits can be clearly demonstrated.
- Contribute to current and future flight operation procedures/training whose safety benefits can be clearly demonstrated

It also works to enhance and extend ATR's flight safety culture.

Flight safety culture is a permanent feature of ATR. It is defined as ATR's responsibility, not only to deliver a safe product, but also to continually strive to improve air transport safety in general, and in particular flight safety in the regions that we serve worldwide.

Our commitments are:

- Enhance and expand ATR's flight safety culture by encouraging internal reporting and implementing associated safety measures
- Promote internal sharing of lessons learned
- Employee training and awareness

Via the SMS, identify opportunities to further improve internal processes linked to ATR products and services)



## **Regional Safety Plan**

ATR's flight safety strategy requires the cooperation of local authorities, operators, manufacturers and other stakeholders. ATR is actively increasing its participation within the aviation safety community to achieve industry-wide safety initiatives and take a leadership role where necessary.

#### We aim to:

- . Actively participate in relevant industry safety initiatives/programmes, such as enhancing aviation professional training and promoting available new technologies
- . Provide feedback to the international safety community on lessons learned from investigations
- Actively communicate and promote ATR safety improvements (e.g. via the ATR Safety Website, ATRactive and ATR Flight Safety Conferences)
- . Actively contribute to the drafting of international safety standards
- . Enable customers to achieve the highest safety standards through a proactive approach
- . Coordinate safety initiatives with Flight Safety Managers at ATR's subsidiaries in Singapore, Miami and other locations worldwide

#### Governance

ATR's Safety Management System (SMS) is aligned with ICAO Annex 13, European Regulations 376/2014 and 996/2010, and the French Civil Aviation Code (Code de l'Aviation Civile).

Its flight safety policy is governed through four bodies:

- . Flight Safety Board
- . Regional Steering Committee
- . Investigation Committees
- . Local Committees

The Flight Safety Board (FSB) is the highest-level ATR committee dedicated to safety. The FSB meets quarterly and can also be triggered on request, subject to the importance or severity of a topic. Chaired by the Flight Safety Officer, the FSB consists of ATR's CEO, the Head of Programmes & Customer Services, the Head of Engineering, the Corporate Secretary and General Counsel, the Chief Engineer, the Head of Flight Tests, and the secretary of the Flight Safety Board.

The Investigation Committee is divided into two different parts:

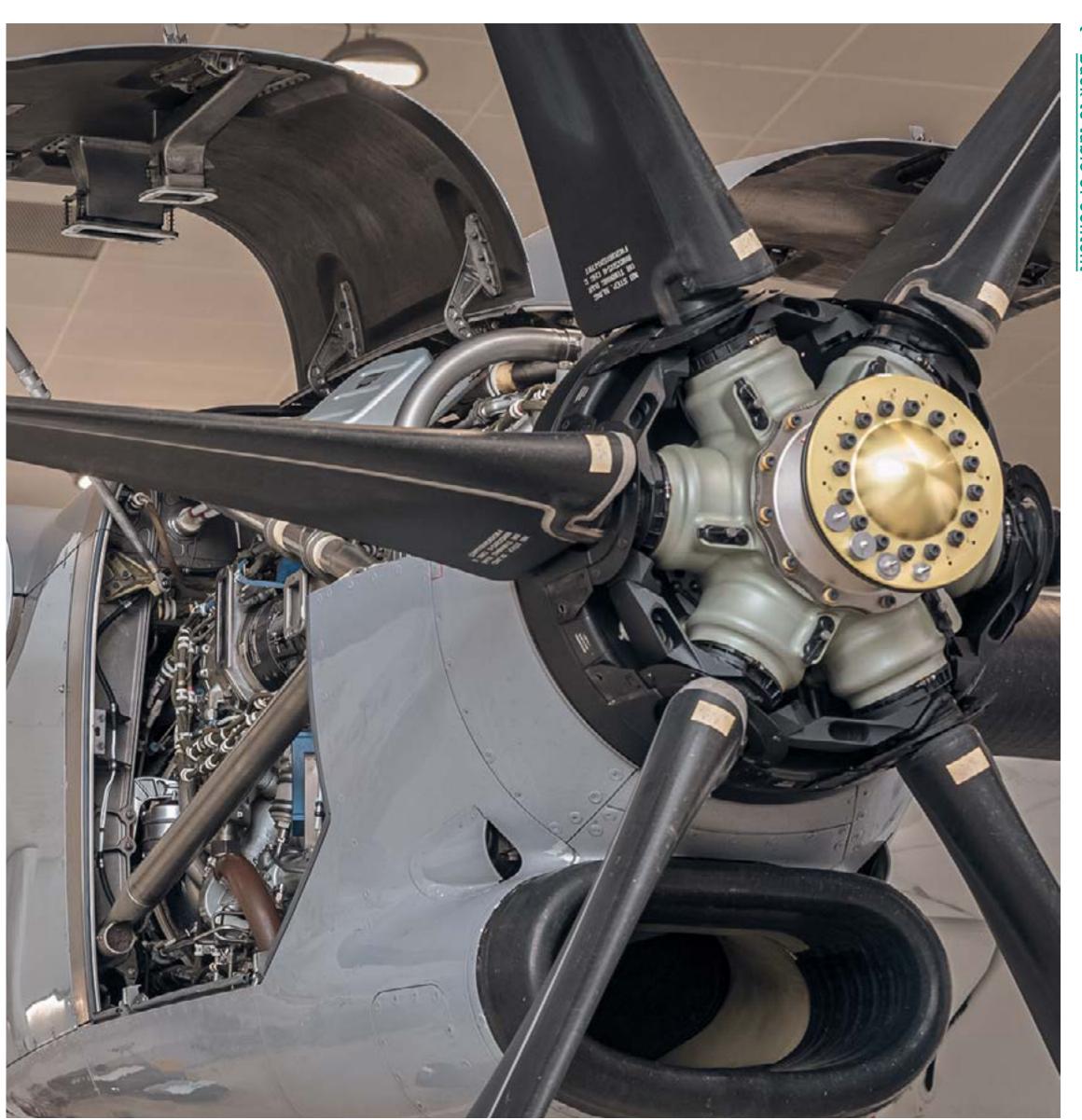
Investigation Committee – Part 1 is based on ICAO Annex 13 requirements and consists of ATR lead investigators, the Safety Manager and relevant department heads depending on the type of investigation (e.g., Engineering, Programmes & Customer Services, Quality, Corporate Secretary & General Counsel, Human Resources).

During accident or serious incident investigations, ATR's Investigation Committee – Part 1 intervenes in procedures associated with safety management. It manages ATR's participation in investigations by identifying potential safety issues and preventing their recurrence.

Investigation Committee – Part 2 studies voluntary reports submitted by employees and issues raised by Safety Management System (SMS) representatives, to assess safety risks, define actions and promote safety activities.

The Regional Steering Committee coordinates activities to support ATR customers in their relations with external bodies. The committee meets on a regular basis with Customer Care, Flight Operations Support, Training and Legal directors, plus ATR's three Regional Safety Managers and the Airworthiness representative. The purpose of the committee is to identify customers in need of additional operational or maintenance support and to prioritise appropriate action.

KEY METRICS	2023 Results	Target	Year
Percentage increase in the use of flight data monitoring each year	>10%	10%	Permanent
Percentage of employees who completed the ATR e-learning on produt safety	92%	100%	Permanent



## **Activities**

## Developing a safety culture through communication

Continuous and active safety communication (internal and external) is key to all processes. We use all available means of communication: the ATR safety website, intranet, dedicated customer sessions, ATR flight safety conferences, etc.

## Supporting flight safety organisations

ATR is a vocal and active member of international flight safety groups around the world. Due to its valued and longstanding experience in the regional aviation sector, the company plays a key role in the drafting and implementation of commercial regional aviation projects and initiatives worldwide, with a particular focus on:

- . extending and consolidating ATR's participation in the aviation safety community, to implement industry-wide safety initiatives and adopt a leadership role when required
- . launching one new initiative annually and in each region, including but not limited to:
- → navigation infrastructure
- → training
- → individual/dedicated airline projects
- → data analytics (Flight Operational Analysis)
- participation in projects such as the ICAO Global and Regional Aviation Safety Program
- cooperating with regional safety organisations and NGOs
- . actively contributing to the drafting of international safety standards.

#### **ATR** initiatives

Flight safety promotion at ATR is built on constant communication and feedback with both internal and external stakeholders. To illustrate this, in 2023 the company launched its first dedicated e-learning exercise for employees and hosted its 3rd Flight Safety Conference (see below) for ATR operators.

ATR promotes flight safety in every single region that it serves. Two examples of this are its working group on Upset Prevention and Recovery Training (UPRT) in the Asia-Pacific region, and its working group on Safety Management System safety culture with industry representatives in North America.





#### Flight Safety Conference 2023

On 29 and 30 November 2023, ATR welcomed more than 70 attendees to its annual Flight Safety Conference in Rome.

The purpose of the conference was to discuss a wide range of flight safety issues with customers and operators. Based on its extensive, longstanding experience as a manufacturer, ATR is able to share the very latest information on flight safety and provide solutions that will further enhance the safety of its worldwide fleet. The conference also gave ATR an opportunity to collect useful feedback that will help the company in its strategy of continuous improvement for safer regional aviation.

The event took a holistic approach to four key aspects of flight safety:

- Operations on ground: customer support, ground operations, fuel starvation management, and propulsion.
- Flight operations: UPRT best practices and reduction of Operations Engineering Bulletin (OEB).
- Approach and landing operations: best practices for adapting briefings to specific threats, securing Visual Flight Rules (VFR) operations, and for prevention as a whole. This interactive session enabled ATR to collect valuable feedback from its customers.
- Aviation system: regional aviation safety, flight safety enhancements and operational challenges.



## 6.2 Maintain a robust quality culture

To achieve its ambition of being recognised as a symbol of excellence across the industry, ATR draws on a robust Quality Policy and Quality Management System to secure cost savings throughout its value chain, boost customer loyalty and ensure a customer-centric approach.

Quality is a top priority for all ATR employees.

ATR's commitments to excellence include:

- building a mutually profitable relationship with customers and ensuring their longterm success through safe operations and reliable products
- fostering a quality culture aimed at developing, manufacturing, and providing products, services and behaviours that are trusted and preferred by ATR customers
- being proactive with regards to inherent risks to our activities, and identifying opportunities to exceed targets and make continuous progress
- . complying with relevant laws and regulations as well as internal requirements
- encouraging the integrity of what ATR delivers to its customers, internally and externally
- promoting quality amongst employees and stakeholders through effective communications and a speak up culture.

ATR's Quality and Environmental Policy has been developed and established as the cornerstones of its CSR strategy. The policy covers every stage in the lifecycle of ATR's products and relies on innovation to improve the performance of its aircraft and services.



Respecting regulatory obligations



Meeting customer expectations through continous product and service innovation

## **ATR's Quality Policy**

ATR's Quality Policy is based on three key commitments:

- Securing compliance of ATR aircraft from design to in-service Ensuring that all aspects of ATR aircraft, from the initial design phase to operation, and including the supply chain, meet international regulatory standards and relevant authority requirements. This includes adhering to performance standards and environmental considerations throughout the aircraft's entire lifecycle.
- Continuously improving global performance regarding products and processes Continuous improvement is at the heart of ATR's business, through permanent performance analysis and change implementation, to enhance the business and customer experience. ATR works with its human resources department to secure and maintain employee skills and expertise in relation to its products and processes.
- Ensuring customer satisfaction

  ATR strives to meet customer requirements by delivering top-quality products, promptly and effectively resolving any issues or concerns, and eradicating systemic root causes.



Constantly monitoring and imporving the overall quality and environmental performance of our sites and products



Managing and preventing environmental pollution

## Implementation of a Quality culture

Quality is essential to achieving ATR's goal of remaining the undisputed world leader in the regional market.

ATR is committed to building mutually beneficial relationships with its customers, in order to ensure their long-term success through safe operations and reliable products.

To achieve this goal, the company focuses on four key areas:

- . ATR's Business Management System (BMS)
- . developing quality skills and a speak up culture,
- promoting a quality culture
- boosting performance management and monitoring

## ATR's Business Management System (BMS)

Since 2015, design, manufacturing, sales, marketing and customer support activities for ATR's 42 and 72 aircraft have been ISO9001 certified at its French sites.

ATR was restructured in 2023, to incorporate an independent quality department. This has led to the updating of ATR's quality-related KPIs to highlight performance and identify levers for improvement.

ATR's objectives have been set with the support of all of its executive committee members, through a dedicated monitoring and governance process.

## **Developing Quality skills and a speak up culture**

ATR draws on its in-house network of more than 140 Quality employees to ensure the excellence of its operations and provide the necessary expertise to secure the safe design, assembly and servicing of its aircraft.

Throughout the end-to-end value chain, ATR provides an environment in which open and transparent communication is both valued and actively promoted.

## Promoting a Quality culture

In order to promote a Quality culture among its employees, ATR relies on business oversight as well as employee development and training. We also believe that effective, transparent, regular communications and performance management are key to disseminating quality policies and strategy.

Employees also have access to the ATR Quality Portal, which provides key information on Quality operations, authority requirements and ATR's business management system.

## **Boosting performance management and monitoring**

As an aeronautical company, ATR is subject to the regulations of the various aviation authorities (EASA, FAA, etc.) as well as specific certifications such as EN9100 & ISO 14001.

To comply with these requirements, ATR has implemented a range of methods and processes to assess and improve its activities via monitoring and audits.

All areas of ATR's business—management system, design, operations (shopfloor), supply chain and services—are regularly assessed, with improvement and efficiency checks performed as required.

Station inspections, zone closures, ground tests and conformity management are key to ensuring continuous production monitoring and thereby securing product compliance and conformity.



## 6.3 Exemplify customer centricity

Thanks to its regional structure, ATR provides its customers with a comprehensive, seamless service. ATR's key goal is to build a lasting, trust-based relationship with its customers, based on dialogue and customer satisfaction.

KEY METRICS	2023 Results	Target	Year
Number of routes opened each year	160	150	Permanent
Percentage of annual events involving customers that include a CSR slot	N/A	100%	From 2024

### Governance

ATR provides both aircraft and services to its customers and has four Customer Support Centres: Toulouse (ATR's headquarters), Miami, Singapore and Bangalore.

## 1 Headquarter & Final Assembly Line

Toulouse

#### **5** Commercial Offices

Toulouse, Miami, Beijing, Singapore, Tokyo

#### **4 Customer Services Centres**

Toulouse, Miami, Singapore, Bangalore

## **4 Spare Parts Warehouses**

Paris, Miami, Singapore, Auckland

## 7 Regional Customer Support Offices

Toulouse, Athens, Addis Ababa, San Paulo, Singapore, Bangalore, Jakarta

## **3 Training Centres**

Toulouse, Miami, Singapore

## 1 Training Partnership

Bangkok



## Implementation/Activities

## 360° support and services

ATR offers its customers 360° support, covering maintenance, modifications, spare parts, material management, fleet enhancement, engineering services and training.

ATR has developed innovative, competitive solutions to complement its operators' own capabilities, tailored to meet their specific requirements and to provide cost-effective, on- and off-aircraft maintenance.

All support services meet the highest standards and include:

- dedicated Aircraft On Ground services in Toulouse, Miami and Singapore, with specialists permanently on call for urgent spares deliveries
- enhanced spares logistics and support 24/7, via our Centralised Customer Order Desk
- ongoing product development via service bulletins
- . state-of-the-art training programmes and technical publication services.

## **Sharing ATR's expertise to ensure safe operations**

The ATR Training Centre provides the highest possible training standards for flight, crews, maintenance and flight operations personnel, plus comprehensive operations support for all ATR operators, lessors, and Maintenance, Repair and Overhaul organisations (MROs).

As an aircraft manufacturer, ATR is able to provide training in the very latest standards and technologies. Its international network of training centres and qualified instructors, based in Toulouse, Miami and Singapore, enable it to train more than 3,500 aviation professionals a year, with access to Full Flight Simulators. Training may also be provided at customer premises or through e-learning and virtual classrooms.

# Over 3,500 Aviation profess

Aviation professionals trained by ATR each year

## **Engaging customers in GHG reduction**

ATR not only provides the lowest emission aircraft in its market segment, but also supports its customers' commitment to reducing their Greenhouse Gas (GHG) emissions through a range of projects. Techniques to boost fuel efficiency include choosing the most direct routes, avoiding routes that could cause delays, and using Sustainable Aviation Fuel (SAF).

## **Raising awareness**

To engage its value chain even further, ATR seeks to raise customer awareness through regular conferences and webinars on forward-looking topics. It also encourages the use of Sustainable Aviation Fuel (SAF).

## **Data Analysis Library**

To support GHG reduction, ATR has developed a flight optimisation platform for its operators known as the Data Analysis Library (DALI). Accessible from anywhere, this web-based application not only enables customers to monitor their own flight data. It also analyses all that data concerning routes, fuel burn and flight phases, in order to provide its operators with precise recommendations that will enable them to further optimise their flights and fuel consumption.

## **Eco-flight**

ATR also seeks to promote eco-flight awareness and training through its recently developed eco-flight training module.

## **Engage customers in product development**

Since customer feedback is vital to product development, ATR has set up a Customer Advisory Board for its latest EVO aircraft concept. The board is made up of many different types of customers, to make it as representative as possible in terms of both geography and business models. Its aim is to define developmental targets in order to achieve the best possible compromise between performance and emissions reduction.

## 'ATRactive' platform

ATRactive is ATR's 24/7 customer portal, providing comprehensive online support and services for ATR customers and stakeholders. Customers can submit any query and follow its progress, stay informed of the status of major technical issues, manage their warranty online, and obtain detailed information on warranty procedures. They can also access training materials and get the latest news concerning ATR, plus full listings of its events.

## **Customer satisfaction**

ATR's role is to provide tailor-made solutions for each of its customers, from startup airlines to mature carriers. It increasingly provides support in the area of route and network development, helping customers identify where to operate in order to serve their communities as effectively as possible.

ATR periodically measures customer satisfaction index through an in-depth analysis of its satisfaction surveys, which embrace all aspects of its product support and services.

This analysis is used to define ATR's Customer Satisfaction Improvement Plan, which covers all those aspects where a need for improvement has been identified. Improvement initiatives are approved in collaboration with the relevant stakeholders and followed up by ATR's Customer Support Directors worldwide.

## **Customer relations and engagement**

Listening to our customers, supporting them and bringing them value have been key to

building loyalty and to fueling ATR's growth. That's why ATR needs to further its ability to meet the expectations of its customers in all their diversity and keep them at the heart of its ambitions and future.

In 2023, ATR created a specific structure to improve global customer relations and value delivered. An action plan was developed and approved, with implementation due to take place through 2024 and beyond. The key aims of this action plan are to:

- strengthen ATR's customer-centric culture
- manage customer accounts globally, to strengthen ties and better align with customer expectations
- · enhance fleet performance (operating costs, reliability, return to service)
- . improve the feedback loop, to accelerate product development in line with customer expectations
- further develop ATR support and services, with a specific focus on generating customer value





## Data verification

No independent third parties performed a review of this Non-Financial Statement.

atr-aircraft.com











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