ESG FACTBOOK 24 25

MTU AERO ENGINES AG

EDITION
JULY 2025

“We’ve been shaping aviation for over 90 years—and our journey continues. Our history doesn’t just motivate us, it obliges us to give aviation a sustainable future.”

LARS WAGNER
CEO MTU AERO ENGINES AG

As aircraft engine experts, we've been shaping aviation for many decades—and our journey continues. In 2024, the motto for our anniversary celebrations was "90 years and beyond." Our history doesn't just motivate us, it obliges us to give aviation a sustainable future.

We combine decades of experience with proven innovative strength to tackle the clear objective of reducing emissions from flight. Our Claire (Clean Air Engine) technology agenda is the key: we're developing a range of propulsion technologies, from evolutionary advancements to revolutionary concepts such as the Flying Fuel Cell.

In our production and maintenance operations, we're following our ecoRoadmap with a view to reducing MTU's carbon footprint by 63 percent by 2035 (vs. base year 2024). To this end, we commissioned a new photovoltaic system at our site in Serbia last year, which meets some 13 percent of our local electricity requirements. We're also making progress as planned with the geothermal plant on the site in Munich, having now successfully completed the drilling and deep drilling work. We want to use geothermal energy to meet up to 80 percent of our heat requirements at the site CO_2-free.

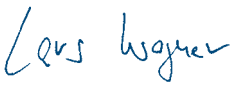
Another milestone was our inaugural comprehensive survey and report on our Scope 3 emissions for the 2024 financial year. This first balance sheet forms the basis for future reduction targets. We also published our first sustainability statement in accordance with the new Corporate Sustainability Reporting Directive (CSRD) in our Annual Report. These steps underline our commitment to transparency and comprehensive climate action.

With their diverse perspectives, ideas, and experience, our employees are at the heart of our sustainability strategy. Equality of opportunity and inclusion are crucial to our innovative strength and long-term success. Our employees live by a culture of tolerance, openness, and respect. They are the true changemakers when it comes to the transformation of aviation.

The protection of human rights along our value chain is a further key concern for us. We fulfill our duty of care both as an employer and as a customer in global supply chains. In doing so, we act in accordance with the principles of responsible corporate governance.

Together, we keep our goals firmly in sight and meet challenges with courage, confidence, and determination. Join us on our journey toward emission-free flight. Let's work together to create a future worth living for generations to come!

I hope you enjoy reading this ESG Factbook.



Chief Executive Officer and
Chief Sustainability Officer of MTU Aero Engines AG

SUSTAINABILITY STRATEGY
GOVERNANCE
REPORTING
FACTS & FIGURES

2

Our Sustainability Strategy 2025+ embeds sustainability goals in all our fields of action, from our products, to procurement, to production and maintenance

As a technology leader, we are shaping the future of sustainable aviation through innovative propulsion solutions. Emissions-free flight is our vision. In doing so, we stand for responsible and environmentally friendly production, maintenance, and procurement and offer a safe and attractive working environment. More information on our Sustainability Strategy 2025+ can be found *here*.

SUSTAINABILITY STRATEGY 2025+: OUR GOALS IN THE FIELDS OF ACTION

CORPORATE GOVERNANCE
- Comprehensive sustainability management
- Ensure the security of information and systems
- Protect personal data in all areas of the company
- Compliance as part of our corporate culture
- Combat corruption in all business areas
- Compliance with embargo and export guidelines
- Regular and open dialogue with all stakeholder groups

PROCUREMENT
- Human and employee rights are central components of our business relationships
- Promote a resource- and environment-friendly value chain
- Sustainability is embedded in our contracts and sourcing decisions
- Responsible handling of conflict minerals
- Compile a Scope 3 upstream carbon footprint

PRODUCTION & MAINTENANCE
- Reduce CO_2 emissions at all production and maintenance sites (Scope 1–3)
- Continuously improve resource efficiency
- Efficient management processes
- Advanced procedures in site and plant operations
- Raise employee awareness of environmental protection in production

EMPLOYEES
- Compliance with human rights at our own sites
- Active and targeted employee development at all hierarchical levels
- Promote equality of opportunity in the workforce
- Enable a healthy work-life balance for all employees
- Ensure a high level of health and safety in the workplace
- Promote mutual employer/employee dialogue
- Increase employer attractiveness and ensure high employee satisfaction
- Provide trust-based leadership

SOCIETY
- Research collaborations for joint knowledge building
- Corporate citizenship: MTU as part of society and a good neighbor
- MTU employees play a responsible role in society

PRODUCT
- Highest priority for product quality and flight safety
- Compile the MTU Group's Scope 3 activities
- Reduce the climate impact and energy consumption of products during operation
- Minimize exhaust and noise emissions from product use

Our sustainability strategy, goals, and performance are steered through our corporate sustainability management system

CORPORATE SUSTAINABILITY (CS) MANAGEMENT AT MTU

Through the steering CS management system, we monitor our sustainability strategy, performance, and goals.

SUPERVISORY BOARD

Audit Committee

Information on the results of the double materiality assessment, the content of the CSRD sustainability statement, and the progress made on actions and targets are part of the agenda for the annual meetings of the Audit Committee and the Supervisory Board.

REPORTS TO ↑ ↓ COMMISSIONS

EXECUTIVE BOARD

CEO/CSO | CFO | OEM Operations | Programs

Overarching sustainability goals are definied by the Executive Board and the Chief Sustainability Officer (CSO).
The CEO is also CSO, making him MTU's first representative for sustainability.

REPORTS QUARTELY TO ↑ ↓ COMMISSIONS

CORPORATE SUSTAINABILITY BOARD

Responsible for the implementation of CS management on behalf of the Executive Board. The CS Board supervises sustainability-related policies, targets, action plans, and dedicated resources.
It also oversees sustainability reporting and hence the preparation of the annual CSRD sustainability statement.

↑

Corporate Sustainability Management & Reporting department

Corporate Sustainability divisional topic coordinators

Corporate Sustainability site coordinators

The **CORPORATE SUSTAINABILITY BOARD** reports at least quartely to the **EXECUTIVE BOARD** and/or **CSO** – the **SUPERVISORY BOARD** on e.g. material impacts, risks and opportunities, the implementation of due diligence, the effectiveness and outcomes of the agreed policies, actions, and targets.

Our stakeholder engagement is incorporated into the materiality process for determining the key topics of MTU's sustainability strategy

Knowledge sharing, networking, and collaboration are more important than ever in view of the complex challenges currently facing society, the economy, and companies like MTU. That is why we are in active dialogue with our global stakeholders. Our stakeholder engagement is characterized by a continuous and open exchange that addresses our business activities and their impact on the environment and society. The results and findings of our stakeholder engagement are incorporated into the materiality process for determining the key topics of MTU's sustainability strategy.

The impact materiality considers the social and environmental impact of MTU's business activities (inside-out perspective); the financial materiality refers to the opportunities and risks for MTU (outside-in perspective).

The double materiality assessment of impacts, risks, and opportunities is based on the new European Sustainability Reporting Standard (ESRS) and covers MTU's own operations as well as the entire upstream and downstream value chain. The full CSRD sustainability statement is included in our *2024 Annual Report*.

MTU STAKEHOLDER GROUPS AND FORMS OF DIALOGUE

EMPLOYEES
Internal surveys and media, information and dialogue events

BUSINESS PARTNERS AND CUSTOMERS
Surveys, trade fairs, media

SUPPLIERS
Supplier portal, audits, surveys, joint events

CAPITAL MARKET
AGM, conferences, roadshows, investor meetings, trade fairs, ratings

APPLICANTS AND POTENTIAL EMPLOYEES
Job fairs, aviation fairs, MTU media, student internships, working student positions, training taster days (e.g. Girls Day)

POLITICS, PUBLIC AGENCIES
Events (e.g. parliamentary evening or SkyTalk), political dialogue (e.g. during plant tours)

SCIENCE AND RESEARCH
University / research institution cooperations, MTU centers of competence, joint research projects, trade fairs

MEDIA
Press communication, internet, social media, trade fairs

REGION
Community partnerships, social media, internet, stakeholder surveys, neighborhood dialogue

ASSOCIATIONS AND ORGANIZATIONS
Memberships in initiatives and associations, participation in events and working groups, cooperation with NGOs

MATERIAL ESRS[1] TOPICS FOR MTU (FY 2024)

ENVIRONMENT	
ESRS E1: Climate change	| Climate change mitigation | Energy
ESRS E5: Circular economy	| Resource outflows related to products and services
SOCIAL	
ESRS S1: Own workforce	| Working conditions | Equal treatment and opportunities for all | Other work-related rights*
ESRS S2: Workers in the value chain	| Working conditions | Equal treatment and opportunities for all | Other work-related rights
GOVERNANCE	
ESRS G1: Business conduct	| Corruption and bribery
ENTITY-SPECIFIC	
Product quality and flight safety	

*ESRS S1 sub-topic »Other work-related rights« material, except the sub-sub-topic »Privacy«

Stakeholder engagement is characterized by continuous and open dialogue that addresses the company's activities and their impact on the environment and society. The results of this are incorporated into the double materiality process for identifying and evaluating impacts, risks, and opportunities (IRO) in relation to the entire spectrum of ESRS sustainability matters.

External sustainability initiatives guide our sustainability guidelines and our contribution to a sustainable development

We shape the future of aviation

As an engine manufacturer and key player in the sector, we want to actively shape the transformation of aviation. Our efforts are focused on climate action and our vision of emissions-free flight.

In addition, as a manufacturing company and employer of more than 13,000 people, we embrace the principle of bringing sustainability, economics, ecology, and social responsibility into harmony. Our guiding principle "We shape the future of aviation" reflects our sustainable approach. We joined the UN Global Compact in 2011. As a participant, we are committed to upholding the ten principles for respecting human rights, ensuring fair working conditions, protecting the environment, and preventing corruption. We consider them important guidelines for responsible corporate governance, and base our policies such as the MTU Code of Conduct on them. We also want to contribute to support the implementation of the global *Sustainable Development Goals* (SDGs) and have identified eight for MTU to focus on. More information on our contribution to the SDGs can be found *here*.

We are a full member of the IAEG (International Aerospace Environmental Group) and are actively involved in the GHG Management and Reporting, REACH Authorisation and Restriction, Life Cycle Assessment, and Circular Economy working groups. Among IAEG's key objectives are developing voluntary consensus standards around the environment and setting up supporting documents and data for assessment and reporting.

SUSTAINABLE DEVELOPMENT GOALS SUPPORTED BY MTU

The content of this publication has not been approved by the United Nations and does not reflect the views of the United Nations or its officials or Member States.

TEN PRINCIPLES OF THE UN GLOBAL COMPACT

- Businesses should support and respect the protection of internationally proclaimed human rights.
- Businesses should make sure that they are not complicit in human rights abuses.
- Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.
- Businesses should uphold the elimination of all forms of forced and compulsory labor.
- Businesses should uphold the effective abolition of child labor.
- Businesses should uphold the elimination of discrimination in respect of employment and occupation.
- Businesses should support a precautionary approach to environmental challenges.
- Businesses should undertake initiatives to promote greater environmental responsibility.
- Businesses should encourage the development and diffusion of environmentally friendly technologies.
- Businesses should work against corruption in all its forms, including extortion and bribery.

WE SUPPORT

UN GLOBAL COMPACT

We continuously improve the transparency and comprehensiveness of our sustainability reporting

We regard the protection of human rights as an essential component of our sustainable corporate governance and part of our social, ecological, and corporate responsibility.

Our commitments to comply with the following guidelines and principles are the foundation of our business activities and are the basis for our policies and guidelines:

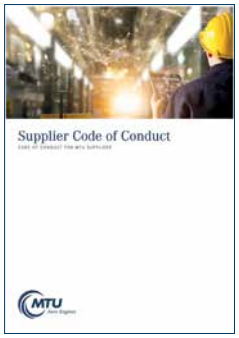
- United Nations Universal Declaration of Human Rights
- Core Labor Standards of the International Labour Organization (ILO)
- 10 Principles of the UN Global Compact
- UN Guiding Principles on Business and Human Rights and the UN Declaration on Human Rights
- The UN's 2030 Agenda and Sustainable Development Goals (SDGs)
- German Corporate Governance Code

The observance of legal and ethical rules and principles are set out in our Code of Conduct, which embodies our corporate culture and reflects our resolve to comply strictly with the relevant laws and internal regulations.

In 2025, we published our first CSRD Sustainability Statement, which is the main source of our sustainability reporting. An overview of all our sustainability reports and policies can be found on our *website.*

2024 ANNUAL REPORT
(incl. CSRD Sustainability Statement)

CODE OF CONDUCT



SUPPLIER CODE OF CONDUCT

POLICY STATEMENT ON THE PROTECTION OF HUMAN RIGHTS

RULES OF PROCEDURE FOR COMPLAINTS AND WHISTLEBLOWING

ESG key figures at a glance

ENVIRONMENTAL METRICS	2024[1]	2023[2]	2022[2]
GHG EMISSIONS			
Total GHG emissions (Scope 1, Scope 2, and significant Scope 3 categories)			
Total GHG emissions (location-based) (t CO_2e)[5]	6,157,574	/	/
Total GHG emissions (market-based) (t CO_2e)[3,5]	6,111,762	55,600	51,900
Scope 1 GHG emissions			
Gross Scope 1 GHG emissions (t CO_2e)	42,705	39,600	38,000
Proportion of Scope 1 GHG emissions from regulated emissions trading schemes (in %)[4]	71.1	/	/
Scope 2 GHG emissions			
Gross location-based Scope 2 GHG emissions (t CO_2e)[4]	70,736	/	/
Gross market-based Scope 2 GHG emissions (t CO_2e)	24,924	9,700	9,600
Significant Scope 3 emissions[6]			
Total gross indirect (Scope 3) GHG emissions (t CO_2e)[3,5]	6,044,133	6,300	4,300
3.1 Purchased goods and services (t CO_2e)[4]	912,906	/	/
3.2 Capital goods (t CO_2e)[4]	103,249	/	/
3.4 Upstream transportation and distribution (t CO_2e)[4]	54,931	/	/
3.11 Use of sold products (t CO_2e)[4]	3,352,602	/	/
3.15 Investments (t CO_2e)[4,5]	1,620,445	/	/
GHG intensity per million euros of net revenue (location-based) / (market based) (tCO_2e/€ million)[4,5]	848.7 / 842.3	/	/
Financial resources for the implementation of a transition plan (in €)[4]	115,000,000	/	/
Carbon credits canceled for the reporting year[4]			
Total carbon credits canceled for the reporting year (t CO_2e)	13,185	/	/
Share from removal projects (%)	30.3	/	/
Share from mitigation projects (%)	69.7	/	/
Recognized CDM quality standard (%)	68.3	/	/
Recognized VCS quality standard (%)	1.4	/	/
TÜV certificate for carbon storage (%)	30.3	/	/
Share from projects within the EU (%)	30.3	/	/
Share of carbon credits that qualify as corresponding adjustments (%)	0	/	/

1 Unless stated otherwise, since 2024 data covers all entities under operational control.
2 Since 2023 data covers our 6 MTU main production and maintenance sites (Serbia is not included in data before 2023).
3 Scope 3 data until 2023 only included CO_2 emissions from business travel (air and rail travel and car rental) for the MTU sites in Germany and Canada (2023 and 2022).
4 KPI has been calculated and/or reported for the first time for the 2024 financial year.
5 Including emissions from investments with no operational control.
6 The emissions falling under category 3.3 “Fuel and energy-related activities (not included in Scope 1 or Scope 2)”, 3.5 “Waste generated in operations”, 3.6 “Business travel”, 3.7 “Employee commuting”, 3.9 “Downstream transportation and distribution”, 3.10 “Processing of sold products”, 3.12 “End-of-life treatment of sold products” and 3.13 “Downstream leased assets” are not considered significant due to their low level.

ENVIRONMENTAL METRICS	2024[1]	2023[2]	2022[2]
EU TAXONOMY (IN %)			
Taxonomy-aligned turnover	16	0	0
Taxonomy-aligned CapEx	17	3	2
Taxonomy-aligned OpEx	22	25	25
ENERGY CONSUMPTION AND MIX			
Total consumption (MWh)	384,708	326.3	306.7
Total fossil energy consumption (MWh) / Share of fossil sources in total energy consumption (%)[4]	240,372 / 62.5	/	/
Fuel consumption from coal and coal products (MWh)	0	/	/
Fuel consumption from crude oil and petroleum products (MWh)	67,208	/	/
Fuel consumption from natural gas (MWh)	124,868	/	/
Fuel consumption from other fossil sources (MWh)	0	/	/
Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources (MWh)	48,296	/	/
Consumption from nuclear sources (MWh) / Share of consumption from nuclear sources in total energy consumption (%)[4]	4.524 / 1.2	/	/
Total renewable energy consumption (MWh) / Share of renewable sources in total energy consumption (%)[4]	139,812 / 36.3	/	/
Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biological origin, biogas, renewable hydrogen, etc.) (MWh)	434	/	/
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	138,858	/	/
Consumption of self-generated non-fuel renewable energy (MWh)	520	/	/
Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors (MWh/€ million)[4]	53.0	/	/
ISO 50001 certification (in % of employees[4] / in % of sites[4])	3.1 / 6.7	/	/
AIR POLLUTANT EMISSIONS (IN METRIC TONS)[5]			
Carbon monoxide (CO)[6]	/	13	18
Nitrogen oxide (NO_x listed as NO_2)	123	131	139
Sulfur dioxide (SO_x listed as SO_2)	6.3	11	16
Particulates (dust)[7]	0.3	1	2

1 Unless stated otherwise, since 2024 data covers all entities under operational control
2 Since 2023 data covers our 6 MTU main production and maintenance sites (Serbia is not included in data before 2023);
4 KPI has been calculated and/or reported for the first time for the 2024 financial year;
5 Data on airborne emissions covers Scope 1 and 2 of our 6 main MTU production sites. In 2024 a switch from location-based to market-based data occurred. Previous data is therefore not comparable to 2024
6 Data on carbon monoxide has not been compiled anymore for 2024;
7 Data on dust from 2024 onward covers PM2.5 only

ENVIRONMENTAL METRICS	2024[1]	2023[2]	2022[2]
WATER BALANCE (IN 1,000 M³)[3,4]			
Withdrawal (Total)	9,132.7	9,129.5	8,538.5
Municipal water	276,6	218.7	183.4
Groundwater	8,856.1	8,910.8	8,355.1
Discharge (Total)	9,393.4	9,242.1	8,795.2
Sewer system	322.2	178.8	141.3
Surface water	1,116.8	1,522.5	386.1
Groundwater	7,954.4	7,540.8	8,267.7
Consumption (Total)	- 260.7	-112.6	-256.6
Municipal water	- 45.6	39.9	42.1
Groundwater[5]	- 215.1	-152,5	– 298.8
RESOURCE USE AND CIRCULAR ECONOMY			
Durability of key MTU products[6]			
Total durability: Durability in years of operation (in %) / Durability in operating hours (in %)	96.5 / 95.2	/	/
Business jets (BJ): Durability in years of operation (in %) / Durability in operating hours (in %)	100 / 100	/	/
Narrowbody/regional jets (RJ): Durability in years of operation (in %) / Durability in operating hours (in %)	94.5 / 93.7	/	/
Widebody jets (WJ): Durability in years of operation (in %) / Durability in operating hours (in %)	103.1 / 93.6	/	/
Rates of recyclable content in products and packaging[6]			
Products (in %)	98.2	/	/
Packaging (in %)	94.9	/	/
WASTE FOOTPRINT (IN METRIC TONS)[3]			
Total waste	8,895	8,399	7,951
Recycled	6,869	6,192	5,681
Disposed of[7]	2,025	2,207	2,270
Hazardous waste / Share of hazardous waste (in %)	3,858 / 43.4	3,606 / 42.9	3,420 / 43.0
Recycled	2,046	1,538	1,302
Disposed of[7]	1,811	2,069	2,118
ENVIRONMENTAL MANAGEMENT			
EMAS certification (in % of employees[6] / in % of sites[6])	77.1 / 20.0	/	/
ISO 14001 certification (in % of employees[6] / in % of sites[6])	33.3 / 33.3	/	/
EMAS + ISO 14001 certification (in % of employees[6] / in % of sites[6])	80.4 / 40.0	/	/

1 Unless stated otherwise, since 2024 data covers all entities under operational control
2 Since 2023 data covers our 6 MTU main production and maintenance sites (Serbia is not included in data before 2023).
3 Data on water balance and waste footprint covers our 6 main MTU production and maintenance sites from 2023 onward (previous data do not include the MTU site in Serbia).
4 Water footprint for production and maintenance sites; no water withdrawal or discharge in water-stressed regions. Consumption is the difference between water withdrawal and return. For the reasons mentioned above, the return rate for groundwater is higher and is therefore shown as negative.
5 In 2024, during investigations into geothermal energy, larger quantities of municipal water were sourced and subsequently discharged as wastewater into the sewage system. In addition, several heavy rainfall events led to the site being drained through the wastewater system multiple times. As a result, the water return was higher than the water extraction. Consequently, both metrics are significantly higher than in previous years.
6 KPI has been calculated and/or reported for the first time for the 2024 financial year.
7 Since 2024 data can been broken down into disposed waste for incineration (total waste for incineration in 2024: 1,852 metric tons, thereof harzardous waste: 1,811 metric tons) and disposed waste for landfill (total waste for landfill in 2024: 173 metric tons, thereof hazardous waste: 0 metric tons). For previous years, this breakdown is not available.

SOCIAL METRICS	2024[1]	2023[2]	2022[2]
PERSONNEL METRICS			
Total number of employees (headcount)[8]	11,953	12,170	11,273
Male	9,900	/	/
Female	2,053	/	/
Other[3]	0	/	/
Not reported[3]	0	/	/
Total number of employees by region[8]			
Germany	9,241	9,783	9,155
Europe excluding Germany	1,733	1,546	1,335
Americas	954	841	783
Asia Pacific[3]	25	/	/
Total number of employees in countries with significant employment[3]			
Germany	9,241	/	/
Poland	1,299	/	/
Total number of employees by employment relationship and breakdown by gender			
Permanent employees[8]	11,330	11,464	10,539
Male	9,399	/	/
Female	1,931	/	/
Other[3]	0	/	/
Not reported[3]	0	/	/
Temporary employees[8]	623	706	734
Male	501	557	591
Female	122	149	143
Other[3]	0	0	0
Not reported[3]	0	0	0
Non-guaranteed hours employees[3]	**0**	/	/
Male	0	/	/
Female	0	/	/
Other	0	/	/
Not reported	0	/	/

1 Unless stated otherwise, since 2024 data covers all MTU entities under operational control.
2 Since 2023 data covers our 6 MTU main production and maintenance sites (Serbia is not included in data before 2023).
3 KPI has been calculated and/or reported for the first time for the 2024 financial year.
8 The methodology for data calculation was changed in 2024. Data for previous years is not comparable.

SOCIAL METRICS	2024[1]	2023[2]	2022[2]
PERSONNEL METRICS			
Employee turnover			
Turnover rate (%)[4]	4.2	4.4	5.8
Total number of employees who have left (headcount)	497	451	540
Employee training and development			/
Training days per employee (ESG short-term incentive)[7]	3.38	3.6	/
COLLECTIVE BARGAINING AND SOCIAL DIALOGUE			
Collective bargaining coverage (in %)			
Germany[5]	90.1	90.4	91
European Economic Area (EEA)[3,6]	78.5	/	/
Worldwide[5]	73.4	76.2	77
Social dialogue (Workplace representation)			
Germany[6]	99.7	/	/
European Economic Area (EEA)[3,6]	99.7	/	/
DEMOGRAPHICS			
Gender distribution at top management level			
Total number of employees (top management levels)[3]	170	/	/
Male (total) / (in %)	144 / 85	/	/
Female (total) / (in %)	26 / 15	/	/
Other (total) / (in %)	0 / 0	/	/
Not reported (total) / (in %)	0 / 0	/	/
Women in senior management positions (in %)			
First management level (FüPoG II)[7]	8.7	10.5	/
Second management level (FüPoG II)[7]	15.5	19.8	/
Distribution of employees by age group[8]			
Employees under 30	2,055 / 17	/	/
Employees between 30 and 50	6,935 / 58	/	/
Employees over 50	2,963 / 25	/	/
Employees with disabilities			
Proportion of employees with disabilities (Germany only, in %)	4.5	4.3	4.6

1 Unless stated otherwise, since 2024 data covers all entities under operational control.
2 Since 2023 data covers our 6 MTU main production and maintenance sites (Serbia is not included in data before 2023).
3 KPI has been calculated and/or reported for the first time for the 2024 financial year.
4 Includes employees who have left voluntarily or due to dismissal, retirement, or death in service.
5 Data covers all fully consolidated companies in the company's financial reporting.
6 Data covers all MTU entities under operational control.
7 The KPI covers the three locations MTU Aero Engines AG (München), MTU Maintenance Berlin-Brandenburg GmbH, and MTU Maintenance Hannover GmbH (approx. 77% of employees in 2024).
8 The methodology for data calculation was changed in 2024. Data for previous years is not comparable.

SOCIAL METRICS	2024[1]	2023[2]	2022[2]
HEALTH & SAFETY			
ISO 45001 certification (in % of employees[3] / in % of sites[3])	80.4 / 46.7	/	/
Number of fatalities – employees	0	0	0
Number of fatalities – value chain workers at MTU sites[3]	0	/	/
Number of work-related accidents[4]	64	/	/
Rate of work-related accidents[3,5,7]	3.3	/	/
REMUNERATION METRICS (PAY GAP AND TOTAL REMUNERATION)			
Gender pay gap[3]	2%	/	/
Ratio of the median of the total annual remuneration of all employees to the total annual remuneration of the highest-paid individual[3]	1:41	/	/
INCIDENTS, COMPLAINTS, AND SEVERE HUMAN RIGHTS IMPACTS			
Incidents, complaints, and penalties			
Number of reported incidents of discrimination, incl. harassment	11	5	1
of which confirmed cases of discrimination, incl. harassment	6	3	0
Number of complaints received through reporting channels for workers[4]	5	/	/
Amount of fines, penalties, and compensation (in €)[3]	0	/	/
Severe incidents and penalties related to human rights[3]			
Number of serious human rights incidents reported	0	/	/
Amount of fines, penalties, and compensation for severe human-rights incidents (in €)	0	/	/
VALUE CHAIN			
Suppliers by region (total)	7,741	7,297	6,243
Germany (total) / (in %)	4,603/ 59.5	4,303 / 59.0	3,939 / 63.1
EMEA (Europe, excluding Germany) (total) / (in %)	1,957 / 25.3	1,587 / 21.7	1,388 / 22.2
Americas (total) / (in %)	1,034 / 13.4	1,320 / 18.1	829 / 13.3
Asia Pacific (total) / (in %)	147 / 1.9	87 / 1.2	87 / 1.4
Purchasing volume by region (in € million)[8]	5,171	4,427,2	3,822.8
Germany (total) / (in %)	833 / 16.1	947.2 / 21.4	780.6 / 20.4
EMEA (Europe, excluding Germany) (total) / (in %)	829 / 16.0	657.7 / 14.9	454.4 / 11.9
Americas (total) / (in %)	3,229 / 62.5	2,583.1 / 58.3	2.361,4 / 61.8
Asia Pacific (total) / (in %)	279 / 5.4	239.2 / 5.4	226.4 / 5.9

1 Unless stated otherwise, since 2024 data covers all entities under operational control.
2 Since 2023 data covers our 6 MTU main production and maintenance sites (Serbia is not included in data before 2023).
3 KPI has been calculated and/or reported for the first time for the 2024 financial year.
4 The methodology for data calculation was changed in 2024. Data for previous years is not comparable.
5 The rate of work-related accidents is calculated by dividing the respective number of cases resulting in at least one day of absence from work by the total working hours of the employees (including interns, apprentices, trainees, and working students) and standardized to one million working hours.
7 Until 2023 the accident rate was calculated per 1,000 employees for the 8 MTU entities under operational control: 4.0 (2023), 5.4 (2022), 6.2 (2021).
8 Includes production material for our OEM and MRO business, as well as non-production material for OEM.

SOCIAL METRICS	2024[1]	2023[2]	2022[2]
VALUE CHAIN			
Local proportion of the purchasing budget for non-production material			
Germany	85	84	86
Poland	61	54	60
Serbia[3]	44	/	/

GOVERNANCE METRICS	2024[1]	2023[2]	2022[2]
Prevention and detection of corruption and bribery			
Sites reviewed for corruption risks (in %)	100	100	100
Employees trained on compliance in the reporting year[3]	8,595	/	/
Employees trained on the Code of Conduct in the reporting year[4]	7,974	2,523	3,131
Degree of training coverage for functions at risk for corruption[3]	71%	/	/
Convictions and fines			
Number of convictions for violations of anti-corruption and anti-bribery laws[3]	0	/	/
Amount of fines for violations of anti-corruption and anti-bribery laws (in €)[3]	0	/	/
Quality & product safety			
ISO 9001 certification (in % of employees[3] / in % of sites[3])	99.9 / 86.7	/	/

1 Unless stated otherwise, since 2024 data covers all entities under operational control.
2 Since 2023 data covers our 6 MTU main production and maintenance sites (Serbia is not included in data before 2023).
3 KPI has been calculated and/or reported for the first time for the 2024 financial year.
4 The methodology for data calculation was changed in 2024. Data for previous years is not comparable.
5 Includes production material for our OEM and MRO business, as well as non-production material for OEM.

The ESG ratings reveal our potential for improvements in sustainability performance and reporting

Our sustainability performance is regularly assessed by ESG rating agencies. The results are used by institutional investors and our clients and business partners. We take part in the ratings and assessments every year, to gain a better understanding of where we stand regarding our sustainability performance and how we can improve further.

While we acknowledge the good results we have achieved so far, continuous effort is being made to further stabilize and improve our ESG performance and transparently report on it.

RATING AGENCY	RATING TYPE	SCORE (2024)[1]	CHANGE (previous score)	RANKING
MSCI[2]	ESG Rating	A (Average)	↘ (AA)	Top 54% of ouf 39 aerospace & defence companies
SUSTAINALYTICS[3]	ESG Risk Rating	28.3 (Medium Risk)	↘ (26.5)	16 out of 95 companies in the aerospace & defense sector
ISS ESG	ESG Rating	C+ (Prime)	→ (C+)	Top 10% out of 76 aerospace & defence companies
CDP	Climate Rating	B (Management)	→ (B)	Top 56% in the activity group powered machinery
ecovadis	Supply Chain Rating	74/100 (Silver status)	↗ (66/100)	Top 6% of the assessed companies in the sector manufacture of air and spacecraft and related machinery

1 Rating results as at February 2025.

2 The inclusion of MTU Aero Engines AG in any MSCI Index, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement or promotion of MTU Aero Engines AG by MSCI or any of its affiliates. The MSCI indexes are the exclusive property of MSCI. MSCI and the MSCI index names and logos are trademarks or service marks of MSCI or its affiliates.

3 Copyright©2023 Morningstar Sustainalytics. All rights reserved. This ESG Factbook contains information developed by Sustainalytics (www.sustainalytics.com). Such information and data are proprietary of Sustainalytics and/or its third party suppliers (Third Party Data) and are provided for informational purposes only. They do not constitute an endorsement of any product or project, nor an investment advice and are not warranted to be complete, timely, accurate or suitable for a particular purpose. Their use is subject to conditions available at *https://www.sustainalytics.com/legal-disclaimers*.

ENVIRONMENT
STRATEGIES
MANAGEMENT
PERFORMANCE

3

DR. MARKUS WALTEMATHE
DIRECTOR MRO TECHNOLOGY AND NETWORK

"We are committed to a sustainable circular economy by extending the service life of engines through adaptive workscoping on overhauls and innovative component repairs, thereby conserving resources and reducing emissions."

"We identify solutions for a sustainable future by integrating environmental protection and climate action throughout our organization. By reducing our emissions—both on land and in the air—we enhance our resilience and create long-term value for the company."

SANDRA KIEFER
ENVIRONMENTAL SUSTAINABILITY MANAGER

Environmental protection is part of MTU's integrated management system (IMS)

Environmental protection
We have defined environment-related due diligence obligations that we observe in our own Group companies as well as in our cooperation with suppliers. We regularly analyze the environmental performance of our sites and strive to improve it. This involves the optimized use of natural resources such as energy, raw materials, and water in an efficient and sustainable manner.

Integrated management system
Environmental protection is part of MTU's integrated management system (IMS). Our environmental management goals include low resource consumption and a circular approach for products and materials insofar as possible. We reduce water consumption and strictly limit the pollution to air, soil, and water from our activities. Overall responsibility for company-wide environmental protection and climate action is held by the Executive Board. Environmental management is not centralized; the environmental departments at all production and maintenance sites are responsible for the local implementation of relevant rules and regulations. The direct local responsibility for environmental protection lies with the respective site management, who are advised and supported by internal experts. The technical departments regularly share their innovations and best practices with each other. Our German sites (Munich, Hannover, and Ludwigsfelde), Serbia, Australia, and Brazil are certified to ISO 14001 or EMAS (accounting for 80.4 percent of our operations[1]).

Internal campaigns and trainings
We get our employees involved in active environmental protection via information campaigns and training courses—for instance, to motivate them to increase energy efficiency at work. This takes place as part of initial training for new employees, through two annual action days addressing environmental topics and sustainability for apprentices, and via web-based training on environmental protection.

Stakeholder dialogue on environmental impact
We are in dialogue with our stakeholders about the environmental impact of site operations. Through their environmental declarations, the MTU sites in Munich, Hannover, and Ludwigsfelde inform the public annually. We provide information on the geothermal energy project at the Munich site on our website in the form of a project diary. Environmental experts are the point of contact for questions and comment. Stakeholders can also use the available reporting channels to submit complaints and report irregularities, which we investigate immediately. This applies to employees, suppliers, residents, and other stakeholders. We also engage in cross-industry dialogue with experts at the local/national level (e.g. Munich Climate Pact, UN Global Compact). We support and work intensively in the working groups of the IAEG (International Aerospace Environmental Group) in order to create standardized approaches and conditions for the aviation industry.

Emergency response
Emergency management plans have been prepared to deal with operational disruptions with a negative environmental impact, and a crisis committee has been set up. We also hold regular staff drills and trainings and provide instructions on what to do in the event of an emergency.

80.4 %

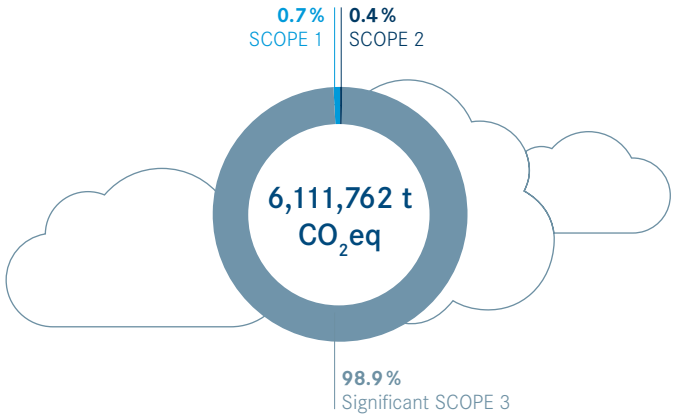
OF OUR OPERATIONS[1] ARE ISO14001 OR EMAS CERTIFIED

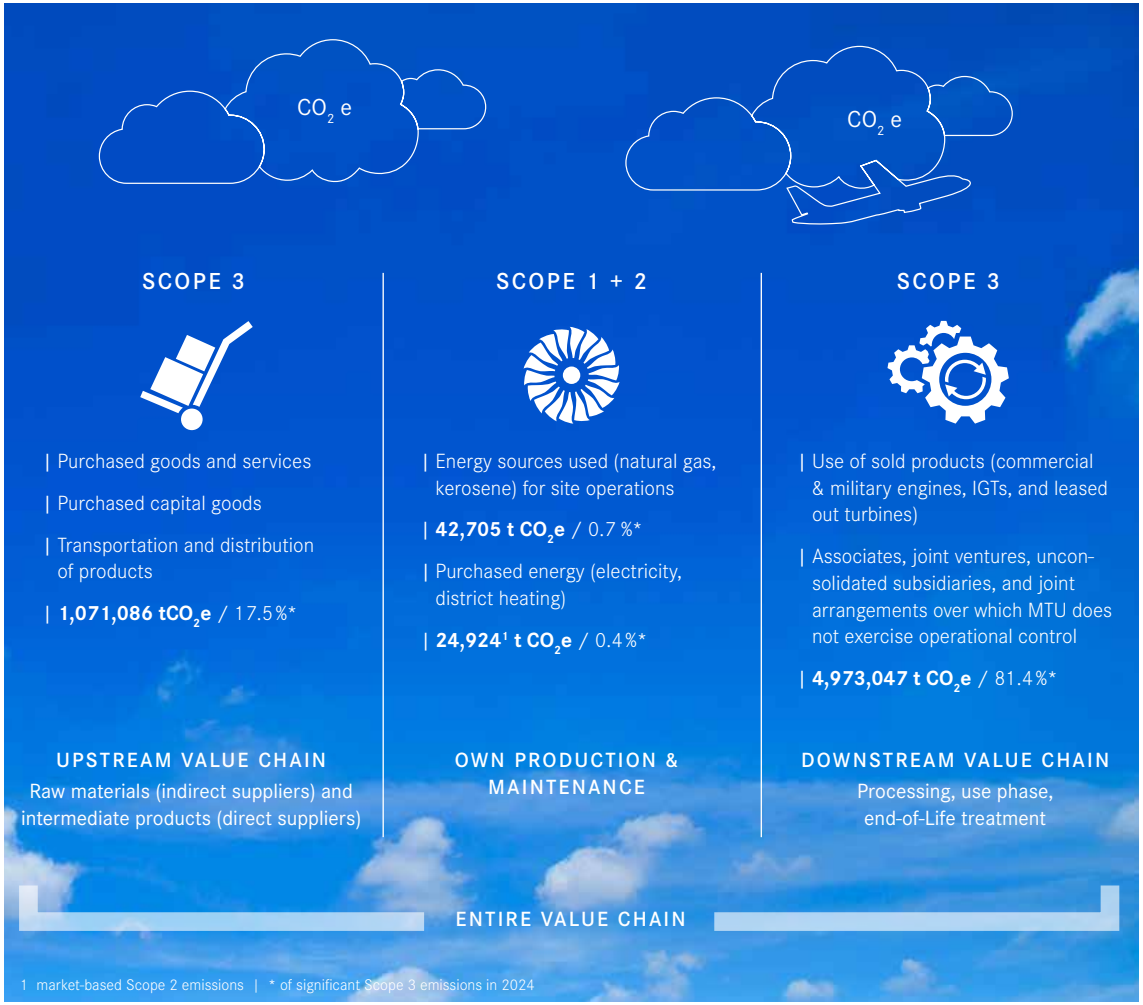
1 measured in terms of employees as at December 31, 2024

The majority of our GHG emissions occur in our upstream and downstream value chain

Our CO_2eq emissions from production and maintenance activities (Scope 1 and Scope 2) mainly result from the energy consumption required to operate the facilities and test beds for engines. We have identified our significant Scope 3 categories by considering GHG emissions and criteria outlined in the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (September 2011). The categories include 3.1 Purchased goods and services, 3.2 Capital goods, 3.4 Upstream transportation and distribution, 3.11 Use of sold products, and 3.15 Investments. Nearly 99 percent of our GHG emissions occur in our upstream and downstream value chain.

MTU TOTAL GHG INVENTORY 2024





Our way to reduce our climate impact

We have set ourselves GHG emission reduction targets as part of our sustainability strategy. When setting our targets, we were guided by the EU's Green Deal and the underlying objective of the Paris Agreement, which aims to limit global warming to 1.5 °C. With our ecoRoadmap strategy, we want to permanently reduce GHG emissions at our own production and maintenance sites. By 2030, Scope 1 and Scope 2 emissions were planned to be reduced by 60 percent (vs. base year 2019). A reduction of 42.2 percent has already been achieved by the end of 2024. Due to this positive development, MTU has set itself a new, even more ambitious goal: emissions are to be reduced by 63 percent by 2035 (vs. base year 2024). In addition to actions aimed at reducing emissions in our own operations, we are committed to developing low-emission products under the MTU's Claire technology agenda. This includes specific quantitative targets for reducing the overall climate impact of our products, addressing both CO_2 emissions and non-CO_2 effects, primarily arising from NO_x emissions and contrails.

OUR GHG EMISSIONS REDUCTION TARGETS

PRODUCTION & MAINTENANCE (SCOPE 1 & 2)

2025 | 2030

By 2025
- Compile, analyze, and evaluate MTU Group's main Scope 3 activities

By 2035
- Reduction of CO_2 emissions at all production sites (Scope 1 & 2) by 63 % (vs. 2024)
- Evaluate and manage all Scope 3 activities at fully consolidated sites

In the long term
- The long-term goal is to reduce emissions (Scope 1 & 2) in line with the Paris Agreement

PRODUCTS DURING OPERATION

2025 | 2035 | 2050

By 2025
- Up to -60 %* climate impact with the current generation of turbofans

2035+
- Up to -65 %* climate impact with the next generation of turbofans
- Up to -95 %* climate impact with the Flying Fuel Cell™

By 2050
- Up to -70 %* climate impact with the subsequent generation of turbofans
- Up to -80 %* climate impact with the Revolutionary Turbofan
- Up to -95 %* climate impact with the Flying Fuel Cell™

*using 100% SAF compared to a kerosene-powered gas turbine from the year 2000, climate metric: GWP100

MAIN ACTIONS

SCOPE 1 & 2

- Increasing energy efficiency (e. g. modernizing machinery / building technology systems, LED lighting, eliminating compressed air leaks, optimizing the heating network, using heat pumps, and renovating buildings)
- Expanding self-generation of renewable energy (e.g. installation of geothermal energy and photovoltaic systems)
- Milestones 2024: PV system (Serbia) and geothermal drilling (Munich)
- Purchasing renewable energy (e. g. renewable gas and green electricity)
- Use of sustainable aviation fuel (SAF) in test operation of the engines

PRODUCTS DURING OPERATION

- Development of components for sustainable commercial propulsion concepts incl. the second generation of the geared turbofan (GTF), the Revolutionary Turbofan and the Flying Fuel Cell™

In our Claire technology agenda – Clean Air Engine – we pave the way for emissions-free flight

In our Claire technology agenda we defined goals and opportunities focused on the transition to emissions-free flight. This transition consists of three steps:

Step one: The transition has already begun with the geared turbofan (Pratt & Whitney GTF™ engine), which has been in service since 2016 and has achieved unprecedented fuel savings because of its geared architecture. Especially in combination with sustainable aviation fuels, the GTF can already greatly reduce climate impact today.

Step two: In the mid-2030s, we aim to deliver the next generation of the GTF with additional efficiency gains to reduce CO_2 emissions and advanced combustor technologies to minimize non-CO_2 effects. As an alternative hydrogen-electric propulsion concept, the Flying Fuel Cell generates electrical energy from hydrogen and oxygen and will have no further emissions with climate impact beyond water.

Step three: By 2050, enhanced efficiency gains of all propulsion technologies have the potential to reduce emissions even further. Additionally, the Revolutionary Turbofan will have the potential to further reduce the climate impact due to innovative technologies such as waste heat recovery. An additional goal is to introduce the Flying Fuel Cell™ for short- and medium-haul routes. More information on Claire can be found *here*.

SAFs play a significant role on the path to reducing the climate impact of aviation. Together with our partners, we ensure that our engines are 100% SAF-compatible, and we have successfully demonstrated this in several test runs. MTU also conducts studies that assess the impact of different SAF compositions on engine behavior and contrail formation.

And we are actively engaged in dialogue with various stakeholders in order to support the adoption of SAF, for example, as active members of the Aviation Initiative for Renewable Energy in Germany e.V.–an alliance of airlines, manufacturers, and research institutions.

R&D activities for low-emission aviation

With our R&D activities, we are actively promoting low-emission aviation. In 2024, the focus of R&D activities contributing to our transition plan was on further increasing the efficiency of the next-generation geared turbofan and developing the technology for the Flying Fuel Cell, which, as the propulsion system of the future, has no harmful emissions other than water. Furthermore, these are partially related to taxonomy-aligned OpEx and CapEx from MTU's CapEx plan under activity "9.1 Close to market research, development, and innovation." The total capital and operating expenditure of this CapEx plan stood at around €49 million in 2024.

In total, our financial resources for the implementation of a transition plan amounted to €115 million in 2024. This amount is attributable to the implementation of energy efficiency measures at MTU's consolidated sites as well as the measures already mentioned, such as research and development and self-generation of renewable energy.The basis of our technology development is our culture of innovation, which we cultivate with a variety of initiatives (e.g. collaboration with centers of competence and elite university institutes) to create new and innovative solutions for the future. We also achieve our excellent position by patenting our work; in 2024, MTU's patent portfolio contained 2,153 individual patents.

€115 m

FOR THE IMPLEMENTATION OF A TRANSITION PLAN IN 2024

2,153

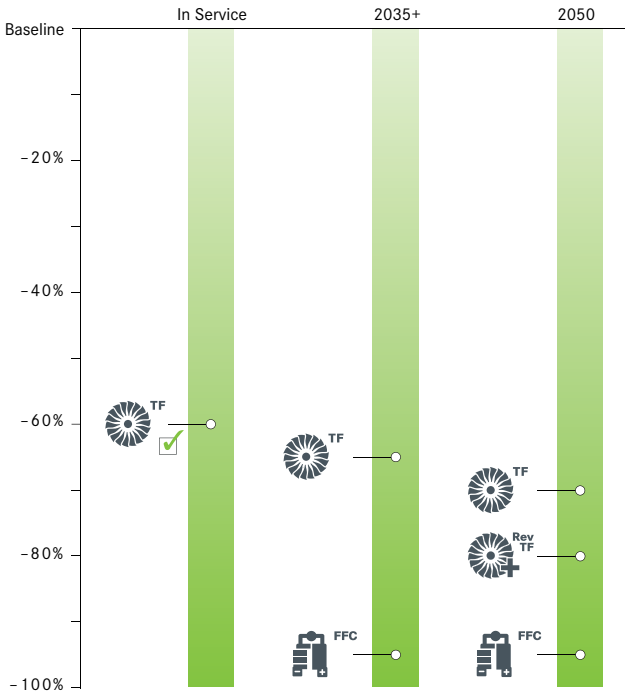
IS THE SIZE OF MTU'S PATENT PORTFOLIO IN 2024

16–20 %

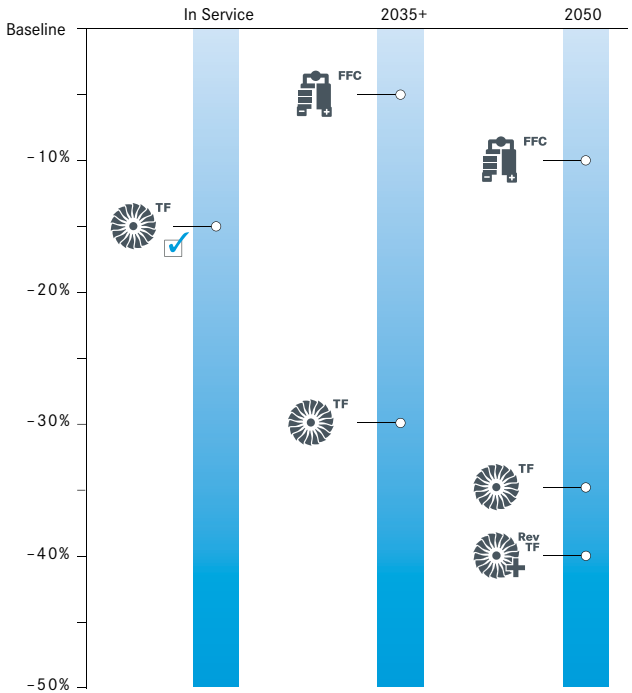
LESS CO_2 EMISSIONS OF THE GTF ENGINE COMPARED TO THE PREVIOUS GENERATION

Claire technology agenda

Climate impact



Energy consumption



Reducing climate impact*
(global warming potential)

Climate impact is a result of **CO_2 and NO_x emissions** and of **contrail formation**

Reducing energy consumption*

Energy consumption refers to the **energy required** for a standard mission

Alternative fuels

All concepts run on **100% SAF** or **hydrogen** from **100% green energy**

Noise reduction

All concepts meet future **noise emission limits**

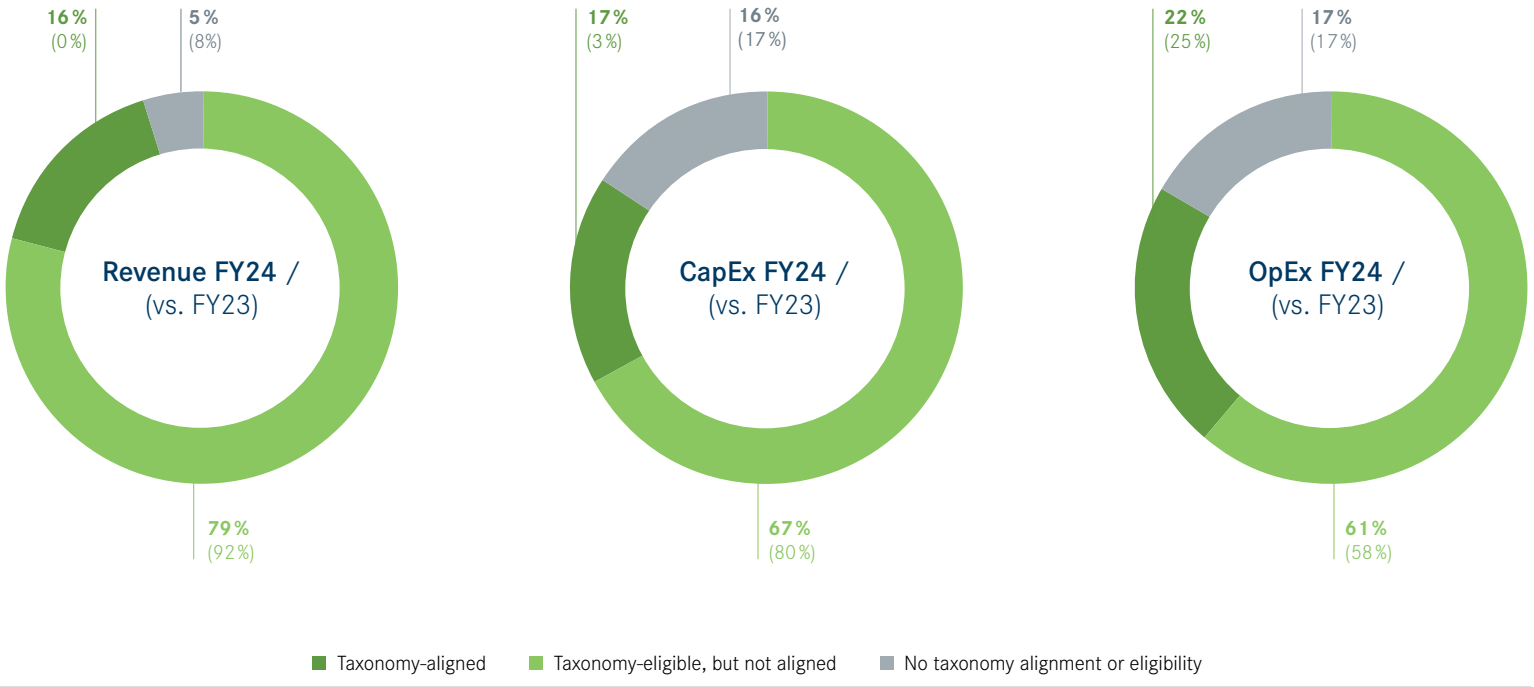
TF = Turbofan Rev TF = Revolutionary Turbofan FFC = Flying Fuel Cell™

* compared to a kerosene-powered gas turbine from the year 2000

For the 2024 financial year we assessed for the first time the EU Taxonomy alignment of 3.21 Manufacturing of aircraft, leading to 16 % taxonomy-aligned revenues

The disclosure of taxonomy-eligible and taxonomy-aligned revenue, CapEx, and OpEx for the MTU Group for 2024 financial year was based on a full analysis of the Group's business activities. In 2024 financial year, a review of taxonomy alignment was carried out for the first time in relation to the technical screening criteria of economic activity 3.21 Manufacturing of aircraft.

Overall, taxonomy-aligned CapEx has increased to 17 percent in financial year 2024 (from 3 percent in FY23) and taxonomy-aligned revenues could be reported for the first time.



Our taxonomy-relevant economic activities aimed at climate change mitigation range from aircraft-related activities and geothermal energy production to buildings/data processing

The economic activities of MTU to be reported are mainly aimed at environmental objective 1 (climate change mitigation). The following relevant taxonomy-eligible and taxonomy-aligned economic activities were identified for 2024 financial year:

3.21 MANUFACTURING OF AIRCRAFT

MTU's activities in the area of aircraft engines are classified as taxonomy-eligible. The alignment assessment was successfully completed for a small number of engines in the commercial sector.

6.18 LEASING OF AIRCRAFT

The necessary evidence for a review of taxonomy alignment for MTU's short- and medium-term engine leasing could not be provided for the 2024 financial year.

4.22 PRODUCTION OF HEAT/COOLING FROM GEOTHERMAL ENERGY

Taxonomy-aligned CapEx can be reported for the construction of MTU's geothermal energy plant in Munich.

7.2 RENOVATION OF EXISTING BUILDINGS

The technical screening criteria for Taxonomy alignment of the renovation of existing production facilities or roofs were not fully met in the 2024 financial year.

9.1 CLOSE TO MARKET RESEARCH, DEVELOPMENT AND INNOVATION

This activity comprises MTU's research activities, in accordance with capital expenditure plans, on new engine technologies that are intended to lead to a reduction in GHG emissions and thus to an expansion of the taxonomy-aligned economic activity 3.21 Manufacturing of aircraft.

8.1 DATA PROCESSING, HOSTING AND RELATED ACTIVITIES

Taxonomy alignment for expenditures on server rooms and the maintenance/operation of energy-efficient IT infrastructures was not achieved for the 2024 financial year as the requirement for a significant contribution to climate change mitigation was not met.

7.7ACQUISITION AND OWNERSHIP OF BUILDINGS

Taxonomy alignment referring to taxonomy-eligible capital expenditure and expenses was achieved for some of the new buildings.

7.3 INSTALLATION, MAINTENANCE AND REPAIR OF ENERGY EFFICIENCY EQUIPMENT

The technical screening criteria for taxonomy alignment for measures such as more energy-efficient LED light sources in buildings, production, and maintenance were not fully met in the 2024 financial year.

MTU's largest photovoltaic system at the Serbia site and the completion of deep geothermal drilling (Munich site) mark key milestones for the future use of renewable energy

Efforts to reduce fossil energy consumption at our sites involve energy-efficiency measures, self-generation of renewable energy, and purchasing green electricity.

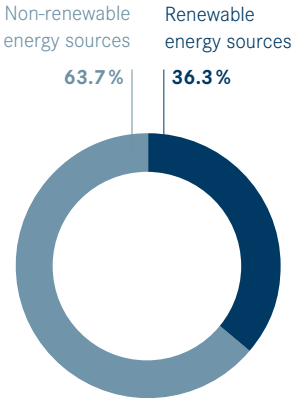
Examples in 2024

- Self-generation of renewable energy: entry into service of MTU's largest photovoltaic system at the site in Serbia with extensive self-generation and completion of deep geothermal drilling at the Munich site, marking a key milestone for the future use of renewable energy from geothermal sources
- Energy efficiency measures (e. g. improvement of temperature control in production areas and offices, switch to LED lighting, refurbishment of the heating system at the MTU Maintenance Hannover GmbH site; optimization and replacement of machines and technical building systems, such as ventilation systems, installation of heat pumps)
- Purchasing of renewable energy: for example, electricity consumption from renewable energy at our sites in Ludwigsfelde, Poland, and Serbia, RNG (renewable natural gas) at our site in Canada

Energy management system

The energy management system of MTU Maintenance Serbia is certified according to DIN EN ISO 50001 (3 percent of MTU's operations in percentage of employees). The environmental management system (incl. energy management) of MTU's Munich, Hannover and Ludwigsfelde sites are certified according to EMAS. In total, 80 percent of MTU's operations (in percentage of employees) were certified either to EMAS or to ISO 50001 in 2024.

ENERGY CONSUMPTION IN 2024



NON-RENEWABLE ENERGY USE:

Purchased electricity from fossil sources, natural gas and kerosene at test beds, as well as fuels for mobility.

RENEWABLE ENERGY USE:

- Photovoltaic energy (incl. PV systems in Munich, Poland, and Serbia, and solar thermal power plant)
- Use of waste heat from compressed air generation as thermal energy (combination principle)
- Purchased renewable energy (unbundled certificates)

Reducing aircraft noise and air pollutant emissions
is one of our declared goals

In addition to our commitment on climate action, our declared goals include reducing aircraft noise and exhaust emissions.

The combustion process in engines produces pollutants in the form of nitrogen oxides (NO_x), carbon monoxide (CO), unburned hydrocarbons (UHC), and soot/particulate matter. All of the engines in which MTU holds a workshare meet the relevant ICAO certification standards for limiting NO_x, CO, UHC, and soot emitted by aircraft engines.

Since the combustor is not part of our portfolio for commercial engine programs, we can influence air pollutant emissions only indirectly by improving the efficiency of the engine with our components.

Together with our partner Pratt & Whitney, we have succeeded in significantly reducing NO_x emissions of the GTF engine family, which are 50 percent lower than those of its predecessor. Particulate emissions from combustion are also significantly lower and can be further reduced when using sustainable aviation fuels (SAFs) instead of conventional aviation fuels. Our development of revolutionary propulsion concepts also holds great potential for reducing pollutant emissions: our Flying Fuel Cell (FFC) concept avoids pollutant emissions altogether.

OUR TARGETS ON THE REDUCTION OF AIRCRAFT NOISE AND AIR POLLUTANT EMISSIONS

	2025	2035	2050
PRODUCTS DURING OPERATION	**By 2025** | Up to −10 EPNdB noise (cumulative) with the current generation of turbofans compared to predecessor products | Reduction in particulate emissions	**By 2035+** | Further reduction in noise through the next generation of turbofans and the Flying Fuel Cell™ | Up to −100 % NO_x emissions through the concept of avoiding CO, UHC, and particulate emissions by using hydrogen in the Flying Fuel Cell™ | Significantly reduce particulate emissions through combustor technologies and the use of sustainable aviation fuel	**By 2050** | Further reduction in noise through the subsequent generation of turbofans and the Flying Fuel Cell™ | Avoid CO, UHC, and particulate emissions by using hydrogen in the Flying Fuel Cell™ and potentially in turbofans

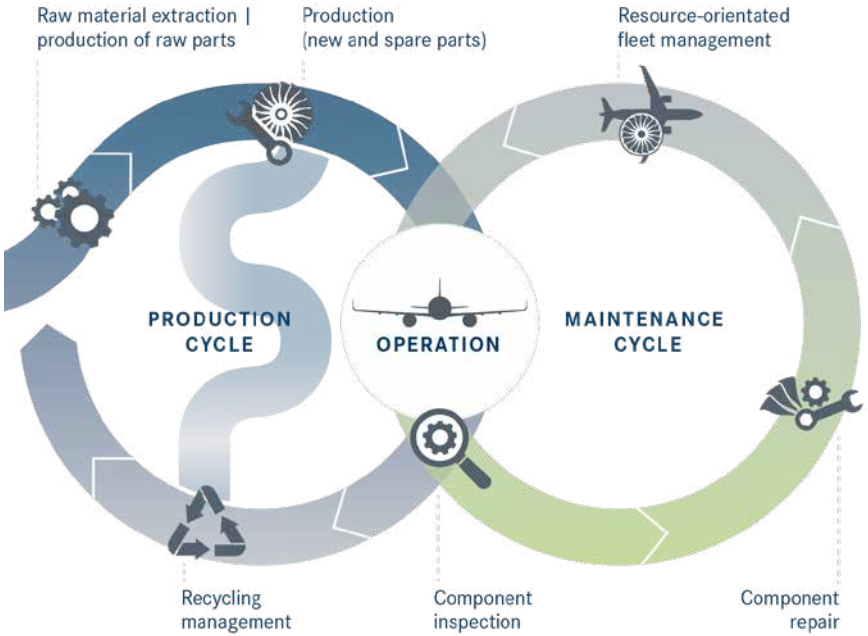
Circular economy is an integral part of MTU

Our material consumption mostly occurs in production. In all of our production methods, we pay attention to the efficient use of materials and seek to avoid waste. We develop our own production and repair methods that are characterized by their high material efficiency. The use of new repair techniques, tailored maintenance programs, and reuse of parts increases the service life of engines and conserves primary material sources.

Our internal policy on the "Evaluation of environmental aspects in product design" addresses the material impact in production and maintenance, through resource-efficient production and repair methods and the use of REACH-compliant materials, recycled materials, and recyclable materials in product design. The policy also supports the development and design of products with a long service life and useful life.

Hands-on examples promoting circularity at MTU:

- *MTUPlus Intelligent Solutions* are tailored to the specific needs of our customers and to resource-efficient MRO
- Development of digital twins of engines across all lifecycles to accelerate the development of new products, optimize processing, and enable the early development of suitable repair processes
- Technologies such as EDM (electrical discharge machining) and AM (additive manufacturing) are intended to increase process stability and/or to reduce the use of materials
- All metal chips in production are collected by type and returned to the value chain



Circular economy plays a major role at MTU in both production and maintenance. Secondary materials are already used in the production of our modules, and the chips produced are collected by type and fed back into the value chain (closed-loop recycling).

During operation, maintenance cycles (with the key processes of inspection, repair, and maintenance planning) are optimized on the basis of usage data. Components that need to be replaced are transferred to recycling management.

Using recirculated water is one approach to reduce our impact on water sources

We use water responsibly as a natural resource, and we have set up local water management systems for water protection at our production and maintenance sites. Our water consumption depends on production and maintenance volumes. Targets for the protection of the resource are formulated at the local level.

We monitor the development of water availability in our operating regions

Our main production and maintenance sites are situated in Germany, Poland, Serbia, and Canada, one of which is in a water-stressed region as determined by the World Resources Institute's Aqueduct Water Risk Atlas (water risk for the other sites: low or low/medium). Water-stressed regions are regions in which water is a scarce resource. We monitor the development of water availability in the regions in which we operate, which allows us to make decisions about additional measures to take, if required.

Withdrawn water almost exclusively comes from groundwater

We use drinking water for production and maintenance processes, in sanitary facilities, and in company restaurants. At the Munich site, we also use well water for cooling processes in machinery. We use large amounts of Quaternary groundwater from our own wells for cooling at the Munich site. Using well water contributes to environmental protection and climate action, as it eliminates the need for energy-intensive cooling processes such as compressor cooling systems.

We use recirculated water as much as possible in chemical process baths for applying protective coatings to blades and also for the process water in installations for testing component damage. Thanks to this recirculation, we have to treat only a small amount of wastewater before discharging it into the municipal sewers. We also use recycled water for the chemical cleaning of engine parts. Our sustainable water management also includes systematic inspection and renovation of the well-water and sewer networks.

Strict monitoring on wastewater

We treat wastewater in suitable sewage systems according to the type and extent of pollution. After treatment, the quality of the discharged wastewater complies with the official requirements for the respective sites. We carry out strict monitoring at the sites to ensure that legal limits are observed and comply with all local authority requirements. Neither water sources nor water surfaces were negatively impacted or polluted by our operating activities. This applies in particular to our site in Canada, which is situated in direct proximity to the ocean.

SOCIAL
STRATEGIES MANAGEMENT PERFORMANCE

4

ADRIAN EHRENBERG
HR SUSTAINABILITY MANAGER

"Equal opportunities begin in the mind—with the awareness that it is precisely the diversity of perspectives that constitutes the great potential of our cooperation. I therefore see it as my task to actively contribute to breaking down barriers, challenging prejudices, and creating a related framework in which everyone feels valued, heard, and that they belong. In this way, equal opportunities become real added value—for us as people and employees and as MTU."

"I firmly believe that social sustainability is a key success factor for us as a company in our increasingly interconnected and dynamic world. For us, it means creating a working environment in which responsibility for society, respect, and equal opportunities are firmly anchored. With fair working conditions, the targeted promotion of talented individuals, and respect for human rights worldwide, we translate these values into specific areas of HR policy action."

DR. ULRIKE WOLFRUM-DAHLEM
DIRECTOR HR GUIDANCE & CORPORATE POLICIES

Safety takes priority in what we do

As part of our sustainability program, we defined goals for 2025 on product quality and flight safety: our quality vision for 2025 is “Zero Defects.” In this, we stand for sustainable quality management including implementation of innovative and recognized standards, a high degree of employee training, and recognized and standardized methods for systematic defect prevention, analysis, and sustainable remediation.

It is our policy to put safety first in whatever we do
In our safety policy (part of our Corporate Safety Management System) we committed ourselves to making safety the first priority in whatever we do. Wherever we work across the globe, we are committed to satisfying customer, regulatory/statutory, and in-house requirements without fail.

Our integrated management system covers quality and safety management
Our integrated management system (IMS) forms the basis for and encompasses more specific MTU management systems for product quality and flight safety, such as the quality management system (QMS) or the safety management system (SMS). The IMS and its components support customer satisfaction, process orientation, and continuous improvement in all phases of development, production, and maintenance. It takes into account the requirements of the ISO9001, EN/AS9100, ISO14001/EMAS, and ISO45001 standards.

Corporate Quality reports directly to the Chief Operating Officer
Corporate Quality, which is responsible for the operational implementation, reports directly to the Chief Operating Officer (COO) and submits quarterly reports on quality aspects and flight incidents to the Executive Board.

Appropriate organizational structures and responsibilities, such as a Flight Safety Board and a Flight Safety Manager, have also been established.

Comprehensive testing and monitoring processes
To ensure compliance with quality and safety requirements, MTU has implemented comprehensive testing and monitoring processes for its components throughout the entire value chain.

Annual audits
Annual internal quality audits and quality audits by customers and authorities provide evidence that MTU meets uniformly high standards and complies with regulatory requirements. A defined process ensures that all customer complaints regarding inadequate quality of MTU products are followed up and analyzed and that suitable actions are defined and implemented to eliminate the causes of defects.

Regular quality trainings for employees
Regular site-specific training on quality aspects is held for employees and managers. New employees, for example, are required to complete mandatory training on the IMS. More information on product quality and flight safety can be found in our *2024 Annual Report* (Group Sustainability Statement).

99.9 %
OF OUR OPERATIONS[1] ARE ISO 9001 CERTIFIED

1 measured in terms of employees as at December 31, 2024

The health of our employees is a top priority

MTU's health and safety (H&S) management system is an integral part of the integrated management system (IMS). 80.4 % of our operations[1] are ISO 45001 certified.

Decentralized occupational safety approach with regular reporting to the Executive Board
A Group report on workplace accidents is submitted to the Executive Board each quarter. Our occupational safety approach is not centralized; local implementation addresses the requirements at each site. At the individual production sites, occupational safety is the responsibility of the site managers; occupational safety officers are appointed at the management level. Local safety departments take action on occupational safety issues on-site and report regularly to site management. The workforce at the company's production sites in Germany, Poland, and Canada is represented in locally organized occupational safety committees, the composition of which includes employee representatives.

Regular review of health and safety processes
To minimize the risk of injury or accidents during working hours and avoid negative impacts on its workforce, MTU is constantly improving health and safety measures and encouraging its workforce on MTU sites to report unsafe situations in order to improve constantly. Occupational health and safety processes are regularly reviewed and developed.

Annual mandatory safety training
Safety training at least once a year is mandatory for all employees throughout the Group; for production employees, it is sometimes held monthly. We train all employees and temporary workers on health and safety matters when they first start working at MTU. The local safety departments carry out ongoing prevention work at the company's sites through training sessions or nformation campaigns.

Regularly updated risk assessments and audits
Occupational health and safety is implemented on a site-specific basis: an overarching exchange between the technical departments promotes mutual learning and standardization within MTU. The occupational safety specialists on-site derive proactive measures from regularly updated risk assessments, routine inspections of workstations, and audits in production and administration.

Preventive health programs
We provide occupational and emergency medicine and offer preventive programs on nutrition, exercise, and physiotherapy on a local basis. If illnesses or accidents occur, internal case managers support the reintegration process. A working group with safety officers continuously improves safety standards in order to achieve ongoing improvements in behavior-based safety and reduce unsafe situations.

Occupational health and safety actions
MTU has implemented a number of actions to improve health and safety in the workplace, including the "Safety Culture@MTU" project and themed action days (e. g. on occupational health and safety or handling hazardous substances).

80.4%
OF OUR OPERATIONS[1] ARE ISO 45001 CERTIFIED

3.3
WORK-RELATED ACCIDENT RATE[2] IN 2024

0
FATALITIES IN 2024[3]

1 measured in terms of employees as at December 31, 2024;
2 Includes accidents at work with an injury that results in at least one day absence from work standardized to one million working hours (including interns, apprentices, trainees, and working students);
3 Includes fatalities among employees and value chain workers at MTU sites

As an employer, we protect our employees' rights and use regular feedback for successful collaboration

Policy on freedom of association and collective bargaining
Our employees are free to belong to trade unions or to form collective bargaining units and to agree on regulations for their working conditions within the framework of collective bargaining. MTU protects employees' rights and safeguards their freedom of association through the *Policy Statement on the Protection of Human Rights*. Managers ensure that company agreements are implemented and observed on a day-to-day basis in their areas of responsibility.

Regular, open, and trust-based dialogue between employee representatives and management
MTU takes the perspectives of the workforce into account by engaging in regular, open, and trust-based dialogue between employee representatives and management. MTU's German sites have works councils as well as a Group Works Council, which is responsible for Group-related matters, and executive representative committees. In Poland, workers' representatives advocate for the workforce in discussions with management, while in Canada and Serbia, employees are represented by unions. Additionally, employees' interests are safeguarded on the co-determined Supervisory Board, where seats are equally distributed. Dialogue with employee representatives at the Group level takes place during regular monthly meetings, e.g. as part of an ongoing exchange on specific topics.

Employee engagement process
MTU assesses the effectiveness of engagement with its workforce through regular employee surveys. We maintain an active dialogue with our employees to ensure that their voices are heard and their rights are protected. One important yardstick for successful collaboration and leadership is our integrated feedback landscape in Germany that includes:

- PulseChecks: Status in the company regarding satisfaction, commitment, and strategy
- Leadership feedback: 180-degree feedback for managers at all levels, focused on the individual manager and their impact in terms of leadership values
- Team feedback: Status regarding cooperation and promoting dialogue within the team about improvements

We also conduct regular surveys at our sites outside Germany, e.g. at MTU Aero Engines Polska. Moreover, further employee involvement forums are established at our sites around the world. These range from works meetings in Germany and townhall meetings in Serbia and the United States to special instruments.

EMPLOYEES COVERED BY COLLECTIVE AGREEMENTS

Germany[1]	90.1%
European Economic Area[2]	78.5%
Worldwide[1]	73.4%

SOCIAL DIALOGUE (WORKPLACE REPRESENTATION)

Germany[2]	99.7%
European Economic Area[2]	99.7%

1 Data covers all fully consolidated companies.
2 Data covers all MTU entities under operational control.

MTU is committed to equality of opportunity in all its dimensions.
We empower the strengths of talented individuals and create trust based on corporate values.

We are actively committed to a tolerant and open culture. Racism and exclusion have no place at MTU! With a team of more than 13,000 employees from 88 nations, we draw our strength from global cooperation.

Policy on non-discrimination and equality of opportunity
MTU is actively committed to equality of opportunity and equal treatment of all employees and takes a clear stand against discrimination in the workplace. We do not discriminate on the basis of ancestry, age, social origin, gender, sexual identity, health status, disability, religious or political worldview, or language, and we establish uniform working conditions for our employees. We want to assign employees to positions in accordance with their skills, abilities, and performance. We have laid down these principles in our globally applicable *Code of Conduct* and our *Policy Statement on the Protection of Human Rights*.

Human Resource (HR) sustainability management system
As part of our management system, we shape the topic globally together with colleagues from our international sites and continuously drive forward our goals via annual short-, medium-, and long-term analysis and assessment of the corporate shared value “people and profit” for MTU and society.

The HR sustainability manager works cross-functionally with different departments including HR, communication, legal and other sustainability disciplines. The aim is to actively develop and strengthen our culture, structures, and processes within MTU.

Training and communication
We provide regular updates on equality of opportunity, belonging, and commitment in our internal media and via our social media channels. We use training courses and presentations to draw the attention of employees and managers to the positive effects of an inclusive working environment at MTU, and to raise awareness of unconscious bias and for a work environment free of discrimination.

Networks and initiatives
We support employee resource groups (ERGs), i.e., self-organized networks and groups of employees that promote a diverse, inclusive work atmosphere. These include the Network of Engine Women under the patronage of CEO Lars Wagner and the AeroPride queer network, founded in 2023 under the patronage of COO Dr. Silke Maurer.

MTU is also a signatory to the Diversity Charta and a partner company of the Impact of Diversity. In addition, we are in constant contact with experts, organizations, and networks on topics relating to equality of opportunity.

88 NATIONALITIES ARE WORKING AT MTU

15% WOMEN IN TOP MANAGEMENT

4 GENERATIONS WORK HAND IN HAND AT MTU, FROM BABY BOOMERS TO GEN Z

4.5% EMPLOYEES WITH DISABILITIES AT MTU’S GERMAN SITES

We do believe that a diverse workforce is a good basis
for the company's future success

Women in management

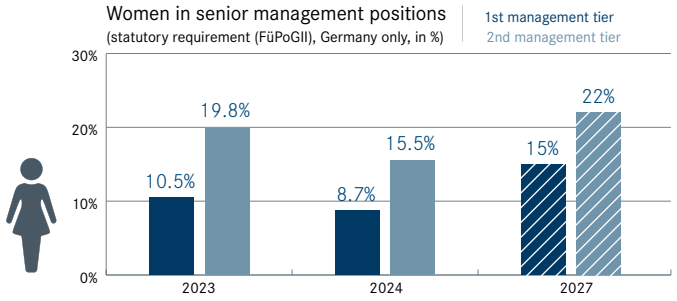
As of December 31, 2024, the proportion of women in the first management tier was 8.7% and the proportion in the second tier below the Executive Board was 15.5%. The Executive Board set a target quota of 15% for the first management tier and 22% for the second tier, to be achieved by December 31, 2027. In recent years, various initiatives have been introduced to increase the proportion of women in management positions. The measures focus on recruiting more female potentials and providing more intensive support for female employees during their careers. We invest extensively in the development of our female employees and are involved in mentoring programs and a variety of initiatives. In addition, we have an active network for women and measures to improve work-life balance. Equal opportunity is also reflected in our compensation system, which is designed to be non-discriminatory. The MTU gender pay gap for 2024 is 2% (Group level).

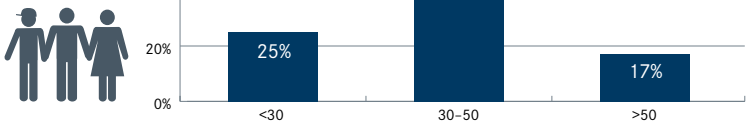
Inclusion of people with disabilities

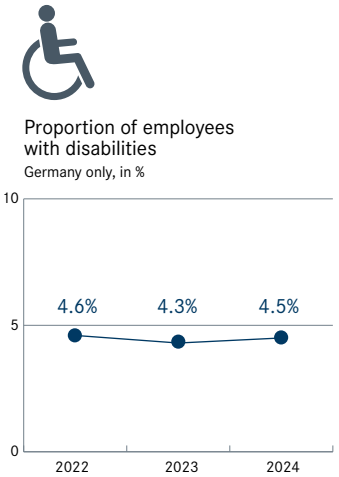
As part of our inclusion efforts as an employer, we recognize the importance of integrating employees with disabilities. At our sites in Germany, we have elected representatives for employees with severe disabilities as well as dedicated inclusion officers who act as points of contact for issues relating to disability. We view it as a matter of course for us to live up to our social responsibility by explicitly encouraging people with disabilities to apply for a job with us. If requested, we can ask a trusted member of the representative body for employees with severe disabilities to be involved in the application and recruitment process. In 2024, the proportion of our employees in Germany with disabilities was 4.5%. We have been able to recruit many new employees for MTU in recent years, but we still see potential to attract even more candidates and thus comply with the statutory quota of 5% employees with severe disabilities.

Cross-generational collaboration

We believe in good relations between young and old. At our company, four generations work hand in hand–from baby boomers to Gen Z. We are meeting certain challenges such as knowledge management that are associated with our aging workforce in Germany. Employees in every age group receive equal access to training and development.







Competitive wages and measures to balance our employees' work-life balance are part of an appreciative and respectful approach

For us, fair wages are part of an appreciative and respectful approach. Employee wages at all our sites are above the legally stipulated local minimum wage. We reexamine our remuneration structures regularly. MTU ensures that employees receive competitive remuneration, regardless of characteristics that can be a basis of discrimination. The remuneration of pay-scale employees in Germany is based on collective bargaining agreements. Variable compensation for senior managers is tied to MTU's performance. We offer a broad range of additional benefits. In addition to the statutory obligations, in Germany these include profit-sharing, family related services, mobility benefits, a healthcare service, and training opportunities. In addition to MTU's contributions, all employees can make a personal contribution to the company pension plan. At our international sites, we offer a range of benefits such as private life insurance, health insurance, and retirement planning support.

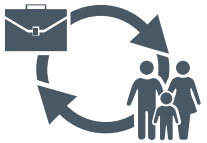
Bonus programs/employee stock ownership: We enable our employees to share in the company's success. While each site uses different regulations and programs, the majority of our employees is eligible for performance-related company bonuses or employee stock ownership programs: for our German sites[1], we have offered an employee share program, with which we aim to strengthen the entrepreneurship of our employees and their loyalty to MTU. Some locations outside Germany have their own programs, such as the Long-Term Bonus Program in Rzeszów, Poland[2], which takes effect after one year of employment, or benefits are offered after a defined period of employment (e.g. at the site in Vancouver, Canada[3]).

Social fund: MTU maintains a social fund that provides support to MTU employees who find themselves in financial difficulties through no fault of their own, as well as to humanitarian causes outside the company.

MTU has implemented measures to promote its employees' work-life balance. Taking these actions has created a working environment that enables employees to balance their professional obligations with their private lives:[1]

WORK-LIFE BALANCE

- Wide variety of part-time working arrangements
- Job sharing
- Part-time work for older employees and part-time retirement
- Remote/hybrid work (depending on job)
- 30 days of vacation
- Flexible working hours and flextime accounts
- Sabbaticals (between 2 to 6 months)
- Educational leave



BALANCING WORK AND FAMILY LIFE

- Parental leave
- TurBienchen kindergarten (in Munich)
- Day care program during school holidays
- famPlus family service
- Collectively agreed leave, especially for childcare and caring for relatives
- Collectively agreed time off for special personal occasions (e. g. wedding, change of residence, deaths in the family)

1 This applies to all employees of the following MTU Group companies: MTU Aero Engines AG (Munich), MTU Maintenance Berlin-Brandenburg GmbH, MTU Maintenance Hannover GmbH, and eMoSys GmbH (77% of total employees in 2024);
2 The MTU site in Rzeszów, Poland, accounted for 11 % of total employees in 2024;
3 The MTU site in Vancouver, Canada, accounted for 5% of total employees in 2024.

Our aim is to upskill employees and foster a culture of continuous learning

MTU attaches great importance to the development of its employees and invests systematically in training and developing their talents. Promoting vocational learning and qualifications for our employees is also enshrined in the MTU Principles and in our HR strategy. Our aim is to increase participation in training courses in order to upskill employees and foster a culture of continuous learning.

"Employee training" KPI part of the Executive Board's remuneration
The performance indicator "training days per employee" is anchored in the Executive Board's remuneration short-term incentive (STI) to ensure the continuous development and qualification of employees. The Supervisory Board selected the criterion to give a targeted boost to the strategic, forward-looking focus on proactive learning and individual development – as it considers learning and training to be a prerequisite for the recruitment and retention of employees who realize their potential and put their ideas into practice.

The Executive Board prioritizes training and development initiatives
The head of People and Culture is responsible for the training and development of employees Group-wide. Every year, the Executive Board discusses training KPIs, prioritizes and decides on selected training and development initiatives, and commissions their implementation. We offer extensive training programs in aviation and specialized fields (e.g. safety training), supported by an online learning portal for self-directed learning. This ensures employees have the resources to enhance their skills and advance their careers.

In Germany[1] we offer our employees support for their professional development (either financially or through paid time off). Support is granted, for example, for master craftsman/technical college, semester fees for bachelor's and master's degree programs, and seminars.

Training needs are determined annually
MTU's commitment to training its employees is reflected in a nuanced training and development program and in extensive offerings and investments that meet with a high demand for knowledge and skills acquisition among employees. This is based on our Group-wide works agreement in Germany, which guarantees access to training for all employees and requires management to conduct an interview with each employee once a year to discuss their development opportunities (training interview). Training needs are determined annually in a regular process in an interview between manager and employee or via departmental/company interviews by the in-house training team.

Leadership development
MTU offers development opportunities and programs across all levels in order to identify and best cultivate new talent, while supporting our existing managers in their professional development. MTU offers new as well as more experienced managers support from coaches regarding a change in leadership or function as well as for the purposes of reflection and sparring.

MTU TARGET (FY 2024)[1]
3.0 training days per employee

TARGET ACHIEVEMENT (FY 2024)
3.38 training days per employee

GROUP-WIDE INITIATIVES TO DEVELOP OUR MANAGERS

- Management transition coaching
- (International) First Leadership Program
- Consulting on individual development measures

1 This applies to all employees of the following MTU Group companies: MTU Aero Engines AG (Munich), MTU Maintenance Berlin-Brandenburg GmbH, MTU Maintenance Hannover GmbH (77% of total employees in 2024)

GOVERNANCE

STRUCTURE
COMPLIANCE
DUE DILIGENCE

5

LENA HERZHAUSER
SUSTAINABILITY MANAGER
SUPPLY CHAIN

"For MTU, a sustainable supply chain means fulfilling our corporate responsibility and, together with our partners, creating not only economic but also ecological and social value through well-considered decisions."

"Respect for human rights is a central part of our sustainable corporate responsibility. MTU is committed worldwide to fair working conditions, the protection of human dignity, and ecological diligence within the company and along the supply chain–for a responsible and future-proof industry. We take our human rights due diligence very seriously."

SICCO HEERE
HUMAN RIGHTS OFFICER

MTU's Executive Board defines strategic goals, manages the company, and ensures its sustainable development

Lars Wagner

Chief Executive Officer[1]

- CEO at MTU Aero Engines AG since January 2023
- **Responsibilities:** Human resources, legal affairs, strategy, technology & development, corporate communications; Chief Sustainability Officer (CSO)

Katja Garcia Vila

Chief Financial Officer & Chief Information Officer[2]

- Member of the MTU Executive Board since April 2025
- **Responsibilities:** Finance, IT

Michael Schreyögg

Chief Program Officer

- Member of Executive Board since July 2013
- **Responsibilities:** Marketing & Sales and program management for MTU's commercial and defense programs, MTU Maintenance locations

Dr. Silke Maurer

Chief Operating Officer

- Member of Executive Board since February 2023
- **Responsibilities:** Purchasing, production, assembly, quality

1 Lars Wagner will not be available for an additional term of office after his mandate, which runs until the end of 2025. In the course of 2025 Dr. Johannes Bussmann (55) is to become the new CEO of MTU Aero Engines AG
2 As of July 1, 2025, Katja Garcia Vila succeeds Peter Kameritsch as the new Chief Financial Officer.

Our diversed and experienced Supervisory Board[1] monitors and advises the Executive Board in the management of the company's business

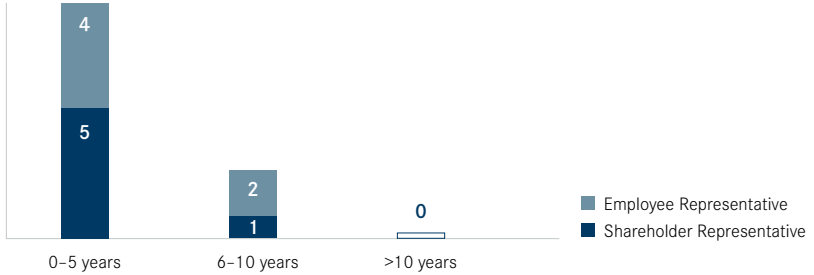
12
SUPERVISORY BOARD MEMBERS

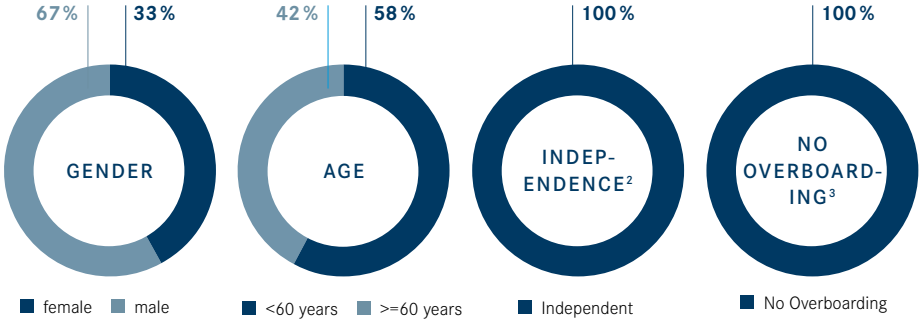
6
SHAREHOLDER REPRESENTATIVES
elected by the Annual General Meeting

6
EMPLOYEE REPRESENTATIVES
elected by MTU Aero Engines employees

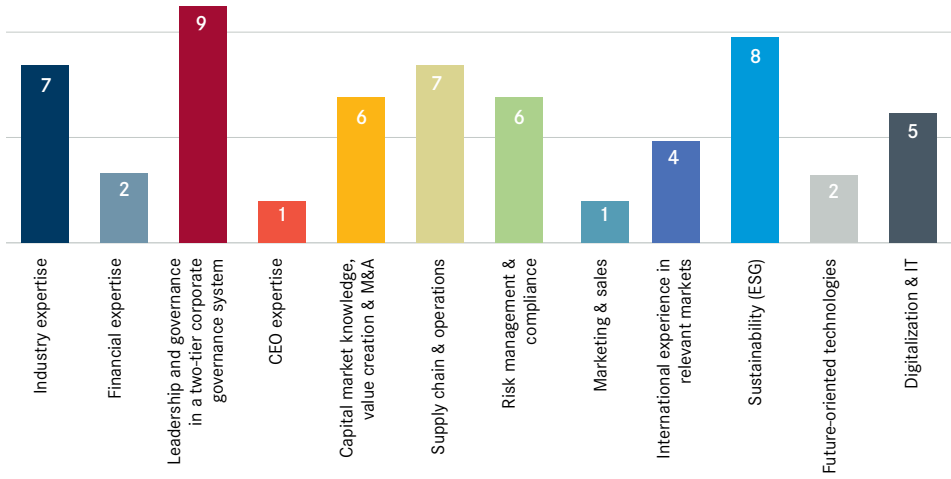
AVERAGE TENURE TODAY ~ 3.5 YEARS

Shareholder Representative average tenure 2.7 years
Employee Representative average tenure 4.3 years





QUALIFICATIONS OF THE SUPERVISORY BOARD MEMBERS



1 As at June 2025
2 The Supervisory Board undertook a detailed examination of the recommendations of the German Corporate Governance Code (GCGC) on the independence of the members representing the shareholders. The Supervisory Board deems all of its members to be independent.
3 According to the GCGC, a Supervisory Board member who is not a member of the Executive Board of a listed company should not hold more than a total of five Supervisory Board mandates at non-Group listed companies or comparable functions. As at May 8, 2025, none of our Supervisory Board members held more than three mandates on Supervisory Boards or comparable oversight bodies of other business enterprises in Germany or abroad.

The Supervisory Board of MTU has four committees, which all consist exclusively of independent members

AUDIT COMMITTEE

Examination and preparation of the decisions of the Supervisory Board on the approval of the annual and consolidated financial statements, the management reports, and the profit distribution proposal

MEMBERS

Ute Wolf (Chair)
Dr. Christine Bortenlänger
Claudia Sowa-Frank
Josef Mailer

PERSONNEL COMMITTEE

Preparation of the personnel decisions of the Supervisory Board, in particular the appointment and dismissal of members of the Executive Board and their remuneration

MEMBERS

Gordon Riske (Chair)
Ute Wolf
Daniele Frijia
Josef Mailer

MEDIATION COMMITTEE

Submission of proposals to the Supervisory Board in the event that the Supervisory Board cannot reach the two-thirds majority required for the appointment or dismissal of an Executive Board member

MEMBERS

Gordon Riske (Chair)
Ute Wolf
Daniele Frijia
Josef Mailer

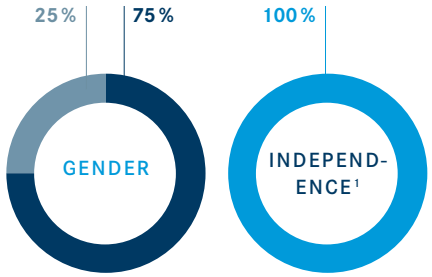
NOMINATION COMMITTEE

Recommendation of shareholder representative candidates for election to the Supervisory Board

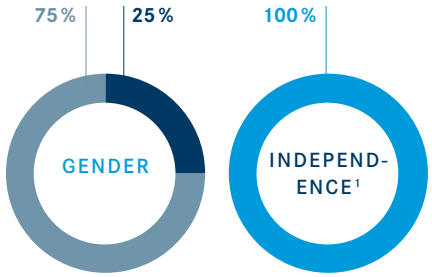
MEMBERS

Gordon Riske (Chair)
Ute Wolf

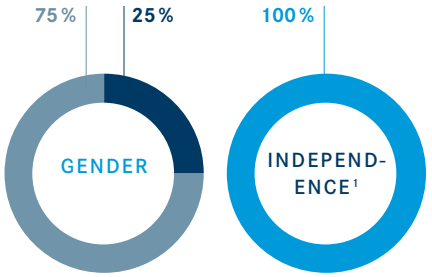
AUDIT COMMITTEE



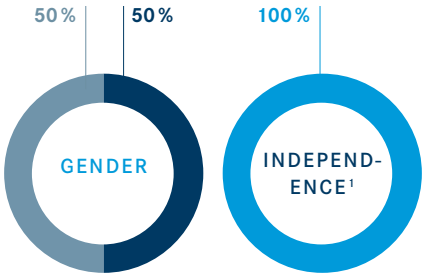
PERSONNEL COMMITTEE



MEDIATION COMMITTEE



NOMINATION COMMITTEE



female male independent

1 The Supervisory Board undertook a detailed examination of the recommendations of the German Corporate Governance Code (GCGC) on the independence of the members representing the shareholders. The Supervisory Board deems all of its members to be independent.

ESG targets account for 20 % of the short- and long-term incentive of the Executive Board

Non-performance-related components[1]	25 – 35 %	Fixed compensation	Fixed compensation paid in 12 equal installments
	1 – 2 %	Fringe benefits payments	Taxable reimbursements of expenses; cash equivalent of in kind; insurance premiums
Performance-related components	16 – 26 %	Short-term incentive (STI)	**Financial and ESG performance criteria:** 50 % EBIT (adjusted) 30 % free cash flow (adjusted) 20 % ESG targets[2] Capped at 0 %-200 %; strategic targets taken into account by multiplier (0.8 – 1.2); cap: 240 % of the target amount
	29 – 39 %	**4-year period** Restricted Stock Plan (RSP) (performance-related component as long-term incentive)	**Financial and ESG performance criteria:** 40 % relative total shareholder return (rTSR) 40 % earnings per share (EPS) (adjusted) 20 % ESG targets[2] Capped at 0 %–200 %; cap (incl. share price performance and dividend payments): 250 % of the target amount
		Additional, performance-related compensation in cirumstances[2]	Possibility for the Supervisory Board to award an additional performance-related compensation in exceptional circumstances

Share Ownership Guidelines: 200 % (CEO) and 100 % (other Executive Board members) of their base compensation within four years from the date of their initial appointment

Maximum compensation: CEO: € 8.5 million; other Executive Board members: € 5.0 million

Malus and clawback clauses: Reduction of performance-related components that have not been paid out (malus clause) or claim reimbursement of performance-related components that have already been paid (clawback clause).

STI ESG targets (FY24):

- CO_2 abatement through sustainable measures (10 %): target value: 5.40 kt CO_2
- Training days per employee (10 %): target value: 3 days

PSP/LTI ESG targets (FY24):

- Remaining CO_2 emissions (10 %): target value: 9.8 %
- Women in management (10 %): target value: 16 %

Resolution by the Supervisory Board in the reporting year: Waiving the ability to grant this performance-related component from FY 2025 onward

1 Executive Board members appointed after January 1, 2021, receive an annual cash pension allowance for their own pension provision instead of a defined benefit commitment to a company pension. Pension benefits account for 5 % – 22 % of the total target compensation;
2 The share of the ESG targets in the variable compensation is 20 % for both the STI and the LTI, regardless of a possible strategic multiplier.

The respect and protection of human rights are recognized as fundamental values that are integral to MTU's operations worldwide

Policies and commitment

In our *Policy Statement on the Protection of Human Rights*, we commit ourselves to complying with relevant internationally recognized conventions, including the UN Guiding Principles on Business and Human Rights. Respect for human rights is not limited to activities within MTU's own operations, but also applies to the business conduct of suppliers, service providers, and other business partners. The contents of the Supplier Code of Conduct are a binding contractual component. Fundamental requirements on human rights and environmental issues are included in the negotiations before the contract is signed. The possibility of verifying the information is also required.

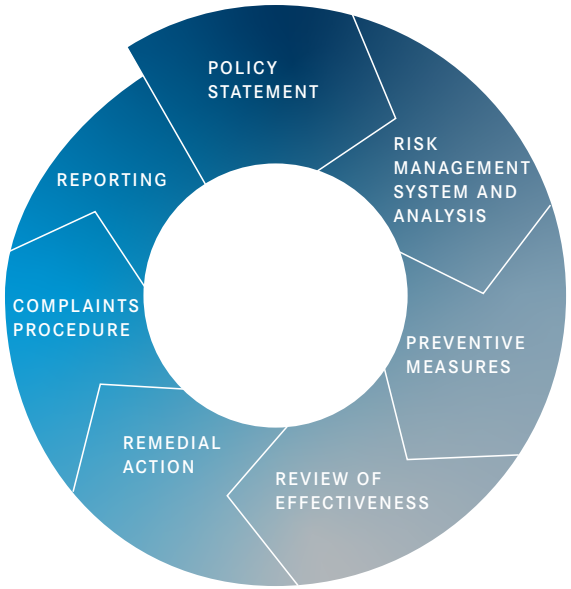
Risk management system and analysis

The risk management system for the protection of human rights is designed in such a way that human rights violations and environmental due diligence obligations can be identified and minimized as much as possible. MTU's Human Rights Officer is responsible for evaluating reports of potential human rights violations and for monitoring human rights risk management. The most important task for human rights coordinators working in the areas of purchasing, human resources, and environmental protection is to issue regular risk assessments for human rights violations and environmental due diligence at our sites and at direct suppliers.

Preventive measures

By assessing risks before awarding contracts to new suppliers and by collecting and evaluating more detailed ESG-relevant supplier information, sustainability aspects are included in the final contract award decision. Basic expectations with regard to human rights and environmental issues are communicated and secured in the contractual obligations. This helps to ensure that potential risks are identified and risk-minimizing actions can be defined and implemented in cooperation with suppliers.

COMPREHENSIVE HUMAN RIGHTS DUE DILIGENCE



Complaints procedure

Reporting procedures have been established to ensure that we can systematically follow up on all complaints or reports of human rights infringements. Employees and external stakeholders can make reports to the Compliance Officer as a confidential contact point in the Group, or anonymously via the web-based iTrust reporting system, available in multiple languages. This applies to all human rights concerns. More information can be found in our *Rules of Procedure for Complaints and Whistleblowing*.

Remedial action

Upon receiving information of events that are related to MTU and give rise to suspicion of possible misconduct, MTU investigates them immediately and seeks solutions. The procedure involves clarifying the facts and agreeing on and implementing necessary, appropriate, and reasonable corrective action. If necessary, the report is forwarded to the relevant parties, such as investigative authorities and contact persons at suppliers. For MTU, communication is the most important tool for clarifying the situation and preventing further incidents.

Reporting

We report on our human rights due diligence process in our *CSRD Sustainability Statement* and our *LkSG report* (available in German only).

MTU's commitment to responsible sourcing includes environmental and social aspects as well as transparency in the supply chain

MTU's global supply chains

Measured by purchasing volume, the **Western Europe** and **North American** markets account for the lion's share of MTU's procurement.

Supply chain due diligence

- To meet the requirements of the **German Supply Chain Due Diligence Act (LkSG)**, we developed a strategy to consider human rights issues in the upstream value chain, with a focus on Tier 1 suppliers. The following policies are a central component of the MTU procurement organizations: Supplier Code of Conduct, Terms and Conditions of Purchase, and Manual for the implementation of human rights risk management
- **Annual risk analysis** for direct suppliers of fully consolidated Group companies based on defined ESG-relevant criteria such as product groups and their sourcing countries
- Topics including forced labor and child labor are part of the **risk assessment**
- We require an **ESG assessment** by an external provider from key suppliers. Key suppliers are defined on the basis of an increased ESG risk and/or purchasing volume.
- Purchasers receive **regular training** on the MTU Code of Conduct and the Supplier Code of Conduct
- We reserve the right to carry out **on-site audits** to verify compliance with the Code of Conduct
- Suppliers must regularly demonstrate their **ISO 9001 compliance** for quality management via re-certifications.
- In the event of a violation, the supplier must demonstrate that suitable **corrective measures** have been implemented
- In 2024, MTU was not informed of any cases of non-respect of human rights that involve value chain workers reported in its upstream and downstream value chain.

More information on our supply chain due diligence process in our *CSRD Sustainability Statement* and our *LkSG report* (available in German only).

Conflict minerals – transparency in the supply chain

- We do not procure minerals directly; instead, they enter production or pre-production via a global, multi-stage upstream value chain.
- To avoid the use of conflict minerals, we conduct an **annual survey of OEM suppliers** of products containing the following raw materials: tantalum, tin, gold, and tungsten.
- Our relevant direct suppliers of components containing minerals named in the **Dodd-Frank Act** are required to **provide information once a year** on the origin of the minerals and only to procure minerals from certified mines and smelters (Conformant smelter list) in order to minimize the risk of conflict minerals in the supply chain
- The MTU **Terms and Conditions of Purchase** (TCP) include **requirements for suppliers regarding conflict minerals**. These include, in particular, ensuring that potential conflict minerals come from responsible smelters/ suppliers.

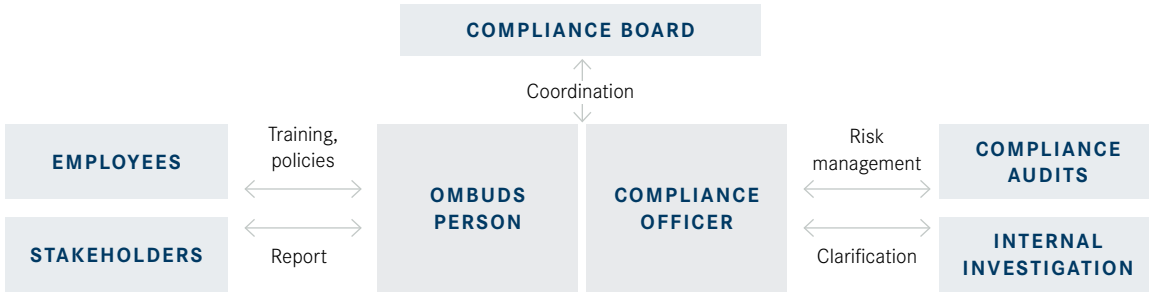
A company-wide compliance system ensures ethical and correct conduct

MTU's compliance management system (CMS) encompasses risk identification, preventive measures, and continuous monitoring to maintain regulatory compliance and support corporate integrity

- **Risk-based approach**: All fully consolidated sites are reviewed for corruption risks and regularly queried on compliance-relevant issues. The Corporate Audit unit reviews the effectiveness, efficiency, and appropriateness of MTU's internal control system.
- **Compliance trainings**: When new employees are taken on, we inform them about our Code of Conduct and require them to sign a declaration to uphold it. We regularly train our employees and managers across all hierarchies on the *Code of Conduct* and on specific compliance-relevant topics, such as antitrust law.
- **Whistleblower system**: Our global whistleblower system allows employees and external stakeholders to report suspected instances of unlawful conduct to the Compliance Officer. Tips can also be submitted anonymously via the web-based *iTrust* reporting system, which is available in several languages. The identity of each whistleblower and the information they provide are treated as confidential.
- **Communication**: We inform our employees about their options to report non-compliant behavior on our intranet and our external stakeholders on our website.
- **Investigations and follow-up**: The Compliance Officer reviews all submitted reports. If any are found to be credible, the Compliance Officer initiates the investigative steps necessary. Reports are processed and investigated in accordance with our *Rules of Procedure for Complaints and Whistleblowing*.
- **Trade compliance**: Our international trade compliance department provides the internal framework for implementing uniform process standards throughout the company. The department's head reports directly to the person in charge of exports at MTU (CEO). Mandatory training for all employees affected by export control regulations is conducted with an established concept.

More information on our compliance organization can be found on our *compliance website* and in our *CSRD Sustainability Statement*.

MTU'S COMPLIANCE ORGANIZATION



The core functions responsible for ensuring ethical and correct conduct at the company are a Compliance Board and a Compliance Officer.

The Compliance Officer works in close coordination with the Compliance Board and provides quarterly updates to the full Executive Board and the Supervisory Board's Audit Committee, which for its part informs the plenary meetings of the Supervisory Board. In addition, the Compliance Officer has a regular direct reporting line to the CEO, who holds responsibility for the company's business ethics and anti-corruption policy as the final decision-making authority. The Supervisory Board's Audit Committee oversees the Executive Board's compliance activities.

The managing directors of the sites must ensure that all compliance-relevant provisions and regulations are adhered to within their areas of responsibility, and they must see to it that compliance is appropriately embedded in the local organization.

We promote ethical and transparent business practices
that are supported by our policies and procedures

Responsible tax policy and transfer prices
We promote ethical and transparent business practices and, in particular, do not use tax avoidance measures, such as the establishment of companies solely for this purpose. We have adopted a Group-wide **MTU Tax Code of Conduct and Tax Policy** that establishes our principles, tax strategy, and tax risk management in the company and defines our responsibilities. In this Tax Code of Conduct we commit e. g. to encourage ethical and transparent business practices and not to employ legal entities solely for purposes of tax avoidance. Furthermore, we ensure compliance of intercompany transactions with OECD guidelines.

We commit to ensuring that transfer prices must always satisfy the arm's length principle. The transfer prices between companies of MTU Group must be designed and documented in accordance with the tax regulations and the **MTU Policy on determination and setting of transfer prices for intra-group transactions and their documentation** ("Transfer pricing policy") that sets detailed standards in this regard.

Political engagement
In the representation of our interests, we maintain a responsible and transparent approach to actors and organizations and have been disclosing our lobbying activities in the German lobbying register and the European Union's Transparency Register for several years. Representatives of MTU Aero Engines AG always act in accordance with the principles of integrity, which is based on openness, transparency, and honesty. In all contacts with public officials and elected representatives, attention is paid to sincerity and objectivity in communication.

Lobbying expenses
In the 2023 financial year we had expenses of €621,001–630,000 in the field of interest representation.

Lobbying activitites
- Dedicated personnel: Our lobbying activities are coordinated by 3 employees at our office in Berlin.
- Direct contact with federal and state ministries and with political decision-makers, e.g. Bundestag and Landtag members or their staff, and participation in related events, relevant position papers, and consultation contributions (either directly or via associations).
- Memberships in business associations such as BDLI – Bundesverband der Deutschen Luft- und Raumfahrtindustrie e.V., BDSV Bundesverband der Deutschen Sicherheits- u. Verteidigungsindustrie e.V., and VDI Verein Deutscher Ingenieure. Please find the full list in the *German lobbying register*

Lobbying positions
In addition to our commitment to a competitive German aviation industry, the focus of interest representation is on climate-neutral transformation, the expansion of research and funding programs in commercial and military aviation, the safeguarding of national and European sovereignty, and the strengthening of international trade. MTU is currently engaging in the following four topics:

- 2025 federal budget: Stabilization of funding for the federal government's LuFo program
- Call for greater investment in alternative fuels in the aviation sector
- 2025 federal budget: Ensure sufficient funding for the FCAS program (currently: phase 2)
- Ensure sufficient funding for the development of a new helicopter engine

Data protection and IT security is fundamental for our digitalized business processes

MTU generates, maintains, and processes large amounts of data with special confidentiality requirements–especially for but not limited to our military business. Ensuring the high availability and integrity of IT systems is a prerequisite for seamless business operations. MTU's IT security management covers technical and organizational actions to limit the probability and impact of security incidents.

Data protection

Data protection governance
We have appointed data protection officers or coordinators in all our Group companies. The aim is to achieve uniform data protection and data security standards for the handling of personal data throughout the Group that meet the requirements both of the EU General Data Protection Regulation (GDPR) and of the national legislation applicable at each site, such as the German Federal Data Protection Act (BDSG). The Executive Board is briefed on data protection once a month.

Data protection management system
We have established a management system for data protection and expect all employees to comply with its regulations.

Data protection measures
- Regular audits and checks are carried out on workflows that process personal information, especially in the course of processing orders.
- Data protection is part of our ongoing information and training offers for employees, targeted to the needs of different groups.

IT security

IT security governance
A dedicated central team responsible for IT security serves as the point of contact within the MTU Group. IT security officers in the centers and in legally independent associations act as local contacts for IT issues and implement IT security guidelines and requirements on-site. The MTU Executive Board receives regular reports from the IT security officers regarding the company's external situation, current developments, and current and future defensive measures.

Information security management system
Our management system for information security is oriented toward ISO 27001.

Technical and organizational IT protection
- Protective measures on a technical and organizational level ensure our IT systems are stable and secure.
- Continuous investment in technological and organizational actions ensures the availability, confidentiality, and integrity of the IT systems that we use and operate.
- IT risks are continuously reassessed.

About this ESG Factbook

This ESG Factbook serves as an additional publication to our *CSRD Sustainability Statement* and summarizes our sustainability performance and KPIs for the 2024 financial year for our stakeholder group capital markets and ESG ratings.

Reporting period and cycle
The ESG Factbook includes quantitative ESG data for the 2024 financial year (January 1, 2024, to December 31, 2024). Where applicable, information up to June 2025 was also taken into account. To better organize how information is presented and provide explanatory context for readers, activities from outside the reporting period are also cited in some cases. The Factbook is updated at least annually and will be available in English as an online report at *our website.* The CSRD Sustainability Statement is included in the Group management report of the *Annual Report*.

Scope of validity
The Factbook covers all of the MTU Group sites that are treated as fully consolidated in the company's financial reporting. This includes the following:

- MTU Aero Engines, Munich, Germany (headquarters)
- MTU Maintenance Hannover, Germany
- MTU Maintenance Berlin-Brandenburg, Ludwigsfelde, Germany
- MTU Aero Engines Polska, Rzeszów, Poland
- MTU Maintenance Serbia, Nova Pazova, Serbia
- MTU Maintenance Lease Services B.V., Amsterdam, Netherlands
- MTU Maintenance Canada, Vancouver, Canada
- MTU Aero Engines North America, Rocky Hill, United States

Where available, data covers all MTU Group sites under operational control. Data has been marked accordingly. The consolidated group is identical to the consolidated group in the consolidated financial statements and thus includes the companies listed in the *2024 Annual Report*, p. 111 (please refer to the section General basis (BP-1) in the Group Sustainability Statement).

[4] MTU Aero Engines AG took over 3D.aero GmbH, based in Hamburg, on December 16, 2024.

For further information on the consolidated group, please refer to the section headed "Consolidated group" in the chapter "I. Accounting principles and policies" in MTU's consolidated financial statements.

External validation of the report
The ESG Factbook was not subject to external auditing or validation. We have already reported selected key figures for topics of very high importance in our CSRD Sustainability Statement. These have been verified by auditors as part of a limited or, in some cases, a reasonable assurance engagement. Data that is not part of the CSRD Sustainability Statement has not been verified by auditors (refers to data on air pollutant emissions, water balance, waste footprint, environmental management, ISO certifications, collective bargaining and social dialogue (Germany and worldwide), proportion of employees with disabilities, value chain, and certain governance metrics (sites reviewed for corruption risks, employees trained on compliance in the reporting year, and employees trained on the Code of Conduct in the reporting year)).

Forward-looking statements
This Factbook contains forward-looking statements. These statements reflect the current understanding, expectations, and assumptions of MTU Aero Engines and are based on the information available to management at the present time. Forward-looking statements provide no guarantee that certain results and developments will actually occur in the future, and they entail risk and uncertainty. Consequently, for a variety of reasons, the actual future results of MTU Aero Engines may deviate substantially from the expectations and assumptions expressed here. MTU Aero Engines assumes no obligation to update the statements contained in this communication.

Wording
We have opted for gender-neutral language in MTU's communications, so this ESG Factbook is written in an inclusive way. To ensure readability and consistency, we follow rules that we have established for inclusive language@MTU.

Glossary

Claire technology agenda
Clean Air Engine (Claire) is MTU's technology agenda. It formulates possible solutions and potential for sustainable commercial engines as part of the move toward emissions-free flight. The aim of these endeavors is to reduce the climate impact, in other words, CO_2 and NO_x emissions and condensation trails. Reducing energy consumption is also important. The focus is on the evolutionary development of gas turbine technology based on the geared turbofan and completely new, revolutionary propulsion concepts. Sustainable aviation fuels (SAFs) and hydrogen play a key role.

Convictions and fines
The figures include reported convictions for corruption or bribery incidents and the amount of fines for incidents directly involving MTU or MTU employees in the reporting period from January 1 to December 31.

Energy consumption and mix
To calculate the energy mix, the energy mix data for the relevant energy sources concerned is taken for each site and multiplied by the site's energy consumption. The total energy consumption is determined based on meter readings and/or invoices from energy suppliers. Estimation methods were used for sites and energy sources for which no primary data could be collected. MTU's energy consumption is calculated, taking into account all available activity data per square meter. This factor is used for the estimated energy consumption of subsidiaries that do not have energy consumption data. If data is not available in time, MTU uses the previous month's or year's data or calculates the consumption data using the mean value of the available data.

Gender distribution at top management level
The top management levels comprise the management levels below the Executive Board: Level 1 at MTU mid-level with first-level managers (OFK) and Level 2 at MTU departmental level with second-level managers (FK). The number is the headcount and is reported as of December 31, 2024. In some EU member states it is possible for persons to legally register themselves as having a third, often neutral, gender, which is categorized as "other" in the table above. It should be noted that the gender category "other" is not applicable in the following countries with MTU sites, as it is not possible to legally register a third gender there: Brazil, China, Poland, Serbia, Singapore, USA (state of Texas).

Gender pay gap
The gross hourly wages of all male and female employees are based on the gross annual amount subject to payroll tax, which is divided by the annual working hours (adjusted for the reporting period from January 1 to December 31 if the payroll period differs). The KPI is calculated at the Group level. Hourly wages at international sites are converted into euros accordingly.

GHG intensity based on net revenue
GHG intensity per million euros of net revenue is determined on the basis of MTU's total emissions and net revenue (from contracts with customers/in accordance with IFRS 15) in tCO_2eq per million euros in the reporting year.

Incidents, complaints, and penalties
The figures include work-related incidents of discrimination reported or identified in the reporting period from January 1 to December 31 that relate to MTU's own workforce. Available reporting channels for complaints are: (i) the internet-based whistleblower system, which has been set up as a central portal for reports or complaints and offers both employees at MTU and third parties, such as employees of suppliers, the opportunity to submit information about suspected unlawful behavior, anonymously if desired. Complaints reported via the internet-based reporting system will be assessed by the compliance officer directly. Additionally, complaints may be reported via (ii)

direct communication channels to the responsible management level or the equal opportunities officer. Reports submitted via the National Contact Point for the OECD Guidelines at the German Federal Ministry for Economic Affairs and Climate Action are also taken into account, provided MTU is aware of the report. Complaints raised and incidents reported are assessed by the Group Compliance Office in consultation with the General Equal Opportunities Office.

Ratio of the median of the total annual remuneration of all employees to the total annual remuneration of the highest-paid individual
The calculation of the median total remuneration of employees follows the definition of ESRS S1-6 (i.e. members of the Executive Board are not included as employees) and is based on the gross annual amount subject to payroll tax (for different payroll periods, adjusted to the reporting period January 1–December 31). To ensure the comparability of the remuneration data, it was extrapolated to an annual working time of 2,080 hours. The KPI is calculated at the Group level. The annual gross wage or equivalent at international sites is converted into euros accordingly.

Recyclable content in products and packaging
This KPI evaluates the recyclability of MTU's products and their packaging. The assessment follows the definition of recycling outlined in the EU Waste Framework Directive (2008/98/EC), excluding energy recovery and reprocessing into fuels or backfilling materials. The recyclability of MTU's products is determined at the parts level and allocated on a mass-based approach to modules (HPC, LPT, TCF) and product level. Components made of metal alloys are considered 100% recyclable, while the recyclability of other materials was determined through literature research and discussions with experts. For materials whose recyclability could not be determined, a value of 0% was assumed. The total recyclability of MTU's products is determined by dividing the recyclable content of all products sold by the total weight of products sold. The same calculation method also applies to the recyclability assessment of materials used to package the products sold, including the packaging in circulation that is owned by MTU. The packaging's rate of recyclable content is determined with the aid of the MTU packaging catalogue, among other things. This contains the item numbers of the materials used for the packaging of MTU products, the material type, and the weight. Using this information, the recyclability of the respective materials is first determined on the basis of literature research and discussions with experts. The recyclable weight is then calculated by multiplying the recyclability of each item of packaging by its respective weight and the quantity ordered. The total recyclable content is thus the ratio of total recyclable material to total packaging weight.

Scope 1 emissions
The calculation of Scope 1 emissions includes the direct emission sources within the company. The data used to calculate the Scope 1 emissions is based on MTU's energy consumption data. To calculate the emissions, the activity data collected is multiplied by the corresponding emission factors.

Scope 2 emissions
To calculate the Scope 2 GHG emissions, MTU follows both location-based and market-based methods. For location-based emissions, MTU uses average energy generation emission factors specific to the MTU sites. For market-based emissions, MTU quantified the GHG emissions from generators with whom MTU has contractual agreements for bundled and unbundled electricity. If no data on contractual instruments is available, MTU takes account of the emission factor of the corresponding residual mix, if available.

Scope 3 emissions
MTU bases its calculation of Scope 3 GHG emissions on data from certain activities within its upstream and downstream value chain.

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