



2030+

Sustainability Strategy

MTU AERO ENGINES AG

Corporate Sustainability Framework 2030+

At MTU, sustainability is at the core of our mindset and operations. As a technology leader, we are dedicated to shaping the future of sustainable aviation through innovative propulsion concepts and services that drive responsible stewardship and practices.

We actively work to minimize risks and mitigate the negative impacts of our operations and products on people and the planet. This commitment drives us to implement responsible and eco-friendly procurement, production, and maintenance processes. We believe in providing a safe and attractive working environment that promotes human rights and equal opportunities. Transparency and strong collaboration are the cornerstones of our engagement with both internal and external stakeholders.





Product Stewardship

FIELDS OF ACTION

GOALS AND FOCUS TOPICS

Product Quality and Flight Safety

Product quality & flight safety

Safety is guiding everything we do in product quality and flight safety. By committing to excellence and continuous improvement, we ensure our competitiveness. Quality and safety are of paramount importance in aviation. We diligently adhere to all legal requirements for safe flight operations, as rigorously enforced by aviation authorities.

Climate Impact of Products and Services

Evolutionary & revolutionary engine concepts

- | Reduction of CO₂ emission intensity of next generation of single-aisle engines
- | Technology development flying fuel cell that allows flying without CO₂ emissions
- | Technology funding for products with improved environmental performance
- | Industry stewardship for non-CO₂ effects and SAF (e.g. participating in research projects)

Industry & research collaboration

By collaborating through research and industry partnerships, we leverage expertise and resources to develop technologies for our sustainable solutions. Our collaboration network comprises seven Centers of Competence (CoCs) and approximately 100 key technology partners. The CoCs include five leading universities, as well as the German Aerospace Center (DLR) and the Fraunhofer Society. Our joint activities cover the entire research spectrum, ranging from fundamental and application-oriented research to product-related development. Key areas of focus include future propulsion systems, advanced manufacturing technologies, and innovative maintenance concepts.



FIELDS OF ACTION

Climate Impact of Products and Services

GOALS AND FOCUS TOPICS

Sustainability MRO metrics

We are dedicated to establishing sustainability metrics that systematically measure and enhance the environmental impact of our MRO services. We are committed to integrating sustainability criteria into all MRO projects to ensure that environmental responsibility and efficiency go hand in hand.

Predictive maintenance and fleet management

MTU is dedicated to reducing maintenance costs, conserving resources, and minimizing transportation to MRO workshops. We provide intelligent fleet management to optimize shop visits and implement a predictive maintenance strategy. Our emphasis on improving engine performance and efficiency, while lowering Specific Fuel Consumption (SFC), underpins our commitment to sustainable aviation solutions.

Used parts management

We provide substantial ecological and economic benefits by prioritizing the reuse of components and extending the service life of used parts. By intelligently utilizing these parts instead of relying on new ones, we significantly reduce raw material and energy consumption, ultimately lowering maintenance costs for our customers.

Repair development

„MTU-Repair instead of Replacement“ reflects our belief that „Repair beats Replacement.“ We develop and industrialize repairs and innovative in-house technologies and processes to restore heavily worn engine components, delivering substantial cost savings, reducing material waste, and extending part lifespans. Specializing in tailored repairs for diverse engines, we frequently conduct on-wing repairs and utilize our state-of-the-art MRO facilities, all while achieving high in-house repair rates.

Parts repair

We enhance the service life of components through our repair methods. By expanding our repair capacities, industrializing the repair process, and continuously optimizing our capabilities throughout our network, we ensure maximum efficiency and longevity. This approach helps to minimize the use of finite resources and the associated greenhouse gas emissions.



Environmental Management

FIELDS OF ACTION	GOALS AND FOCUS TOPICS	
<h2>Climate Change</h2>	<p>Energy efficiency in production</p> <p>We are committed to enrich transparency through systematic energy assessment at the main sites. We actively control energy flows by integrating an energy management system.</p> <hr/> <p>Climate Change Mitigation:</p> <p>Reduction of Scope 1 & 2</p> <ul style="list-style-type: none"> 2035: -63 % (CO₂e) <i>absolute</i> reduction, compared to 2024 2050: -90 % (CO₂e) <i>absolute</i> reduction, compared to 2024 2050: Neutralizing residual GHG emissions by carbon removal (10 % compared to 2024) <hr/> <p>Climate change adaptation</p> <p>We establish a guideline to enhance adaptation measures to mitigate physical risks based on physical climate risk analysis in own operations. Consider adaptation measures to mitigate physical risks based on physical climate risk analysis in site development projects. Enhancing transparency and fostering understanding of environmental issues within the MTU supply chain to establish a TNFD-aligned data framework.</p>	<p>Climate targets Scope 3 emissions</p> <ul style="list-style-type: none"> Procurement (scope 3.1): Mission to increase weight-based and/or supplier-specific data to 70 % by 2028, compared to 2024, mission to decrease supplier-related CO₂e emissions by 2050 from 2028 Sold products (scope 3.11): -45 % (gCO₂e/ASK) (<i>relative</i> reduction by 2040, compared to 2019), commitment to the commercial aviation industry's Net Zero 2050 ambition Investments (scope 3.15): Mission to increase investment-specific data to 50 % by 2028, compared to 2024, mission to decrease investment-related CO₂e emissions by 2050 from 2028
<h2>Environmental Impacts</h2>	<p>Enhance transparency</p> <p>Fostering understanding of environmental issues within the MTU supply chain and in own operation to establish a TNFD-aligned data framework.</p>	<p>Develop methodology</p> <p>Enable efficient conduction of reliable life cycle assessments to evaluate environmental impacts through technological improvements and MRO services.</p>
<h2>Circularity</h2>	<p>Circularity</p> <p>Development and implementation of a circular economy strategy for MTU, including procurement, product design, production, maintenance, and waste management, by 2027 to achieve strong resilience.</p>	



Social Responsibility

FIELDS OF ACTION

Working Conditions

GOALS AND FOCUS TOPICS

Health and safety

We are dedicated to minimizing workplace accidents. Our focus is on enhancing employee awareness of safety and fostering a strong safety mindset among our employees. Our contractors are included in our safety programs by reasonable trainings to meet a high standard in work safety at our sites.

FUTURE OF WORK

Corporate values

Our overarching goal is to evolve corporate values that promote collaboration and foster a „one MTU“ mindset. Achieving this goal will strengthen our teamwork culture and boost MTU's attractiveness as an employer of choice.

Working hours

To ensure MTU's future viability, we have flexible working time models in place, which we regularly review to prioritize appealing scheduling options. Our customized shift systems are designed to meet the evolving needs of the company while promoting a healthy balance between work and personal life.

Strengthening of Human Rights

We are committed to protecting and strengthening the human rights of our employees. We strive to ensure compliance with human rights in our supply chain and will further develop our due diligence processes, including risk analysis, mitigation measures, monitoring, and reporting, especially with risk-based focus on our deeper supply chain tiers.



FIELDS OF ACTION

GOALS AND FOCUS TOPICS

Equal Treatment**Equal opportunities and inclusion**

MTU has identified and prioritized the key dimensions needed to strategically establish supportive structures that foster equal opportunities and an inclusive working environment. In addition, a company-specific equity and inclusion narrative is being developed and rolled out across the organization. To ensure sustainable implementation, a phased roadmap is being created. The measures are aimed at strategically embedding equal opportunities and an inclusive environment throughout the company and ensuring their long-term effectiveness.

Equal pay

We are unwavering in our commitment to equal pay for equal work, regardless of gender. Fairness and transparency in remuneration are core values that reflect our dedication to inclusion and respect. In order to address pay disparities effectively, it is essential to conduct a comprehensive pay gap analysis across all entities. This analysis will help identify any existing disparities and provide a clear understanding of the current situation. Following this assessment, transparency measures and corrective actions will be implemented in accordance with the EU Directive, ensuring compliance and promoting fairness within the organization. Furthermore, to achieve sustainable implementation, Equal Pay principles will be integrated into HR processes.

Employee development

To drive MTU's growth, we are enhancing our talent management to offer enticing development opportunities and growth potential for all employees. Our approach includes tailored competency models and development plans that align with MTU's needs while fostering individual growth, peer collaboration, and leadership development. By shaping our talent management in this way, we ensuring both current excellence and readiness for the future.

Societal Engagement**Corporate citizenship**

Our aim is to strengthen local communities, enhance our reputation, and reinforce our social license to operate, while also boosting our attractiveness as an employer. Through our donations and sponsorship activities, we provide targeted support to social and sustainability projects that are locally grounded or aligned with our business. We are dedicated to promoting STEM* education in collaboration with schools and universities, offering talented young people exciting internships and research projects that provide valuable hands-on learning experiences.

* Science, technology, engineering and mathematics



Corporate Governance

FIELDS OF ACTION

Compliance

GOALS AND FOCUS TOPICS

Global ethical culture

We are dedicated to preventing corruption and bribery across the MTU group. Our goal is to uphold the highest standards of integrity in all our operations, striving for zero confirmed cases. Through whistleblower protection, we aim to increase the trust of individuals to report misconduct. We are committed to fostering a strong speak-up culture by enhancing our internal channels and ensuring easy access for all employees.

Global compliance education

We are dedicated to creating a comprehensive, global compliance training framework to ensure that all employees receive regular, standardized ethics education. Our escalation mechanism will reinforce this commitment, promoting a unified compliance culture and fostering integrity and accountability throughout the entire MTU group.

Business partner due diligence

We prioritize ethical business conduct as a fundamental criterion in selecting our partners. Our commitment to transparency allows us to effectively report on our value chain from a governance perspective, fostering trust and accountability in all our collaborations. Ethical business conduct as an important criterion in the selection of our partners and transparency and being able to report about our value chain from governance view. To achieve this, we are raising employee awareness of ethics in the selection process and improving data accuracy, while also enhancing the safety of export control checks.

Information Security

Data privacy

We are dedicated to ensuring a high level of data protection and maintaining compliance with all applicable regulations throughout the entire data lifecycle.

Information security

We are committed to further develop MTU's Information Security Management System (ISMS) to ensure compliance with legal and regulatory requirements. Our proactive approach to managing information security risks aligns with relevant international standards, safeguarding our data and reinforcing trust in our operations.

Cyber security

We are dedicated to ensuring a robust level of cyber resilience. Our proactive approach involves effectively managing incidents to minimize damage, continuously monitoring for emerging risks and opportunities, and further developing our cyber resilience strategies to safeguard our operations and strengthen our defense against future challenges.



FIELDS OF ACTION

GOALS AND FOCUS TOPICS

Information Security**Use of artificial intelligence**

We are dedicated to the responsible, ethical, and sustainable use of AI technologies. We strive for high compliance with regulations like EU AI Act. We actively promote awareness of the opportunities and risks associated with AI among our employees. We will continuously refine and improve our strategies and guidelines through ongoing monitoring of our AI applications, ensuring that we adapt to emerging insights and best practices.

Integrity and Alignment**Stakeholder dialogue**

We are dedicated to fostering an ongoing dialogue on sustainability across our entire value chain, engaging all relevant stakeholders at MTU. We are enhancing the transparency of our sustainability reporting for external stakeholders to ensure it aligns with our rating strategy and regulatory requirements.

Data excellence

We aim to create a comprehensive, integrated ESG data management system to enhance our sustainability efforts at all levels of the organization. This robust system will streamline the collection, analysis and reporting of data, ensuring that we have accurate, actionable insights on demand. By establishing a cohesive ESG data landscape, we aim to improve data quality and availability and thus to create transparency, drive accountability and support informed decision-making. This initiative will enable us to effectively monitor our progress and uphold our commitment to sustainable practices.

Awareness & knowledge management in procurement

We are committed to raising sustainability-awareness and improving knowledge management within our procurement teams to promote sustainability throughout our supply chain. By expanding training initiatives and fostering a culture of continuous learning, we will provide our teams with the necessary tools and insights to enable them to make informed and responsible decisions.

Foreign Trade**Enablement and awareness**

We are committed to enhancing employee awareness in foreign trade by providing regular, comprehensive training programs that align with the ICP (Internal Compliance Program) Commission Recommendation (EU) 2019/1318 and the AEO guidelines. By providing our teams with the knowledge and skills they need to navigate the complexities of international markets, we empower them to make informed decisions that align with our business goals.

Governance and processes

We are fully committed to strengthening and maintaining our foreign trade compliance management to ensure adherence to both national and international legislation. Our zero-tolerance approach to compliance is essential not only for mitigating risks but also for fostering trust with our stakeholders and partners. By continually enhancing our compliance frameworks, we will implement best practices and stay updated on evolving regulations. This proactive stance will empower our teams to navigate the complexities of global trade with confidence and integrity.



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