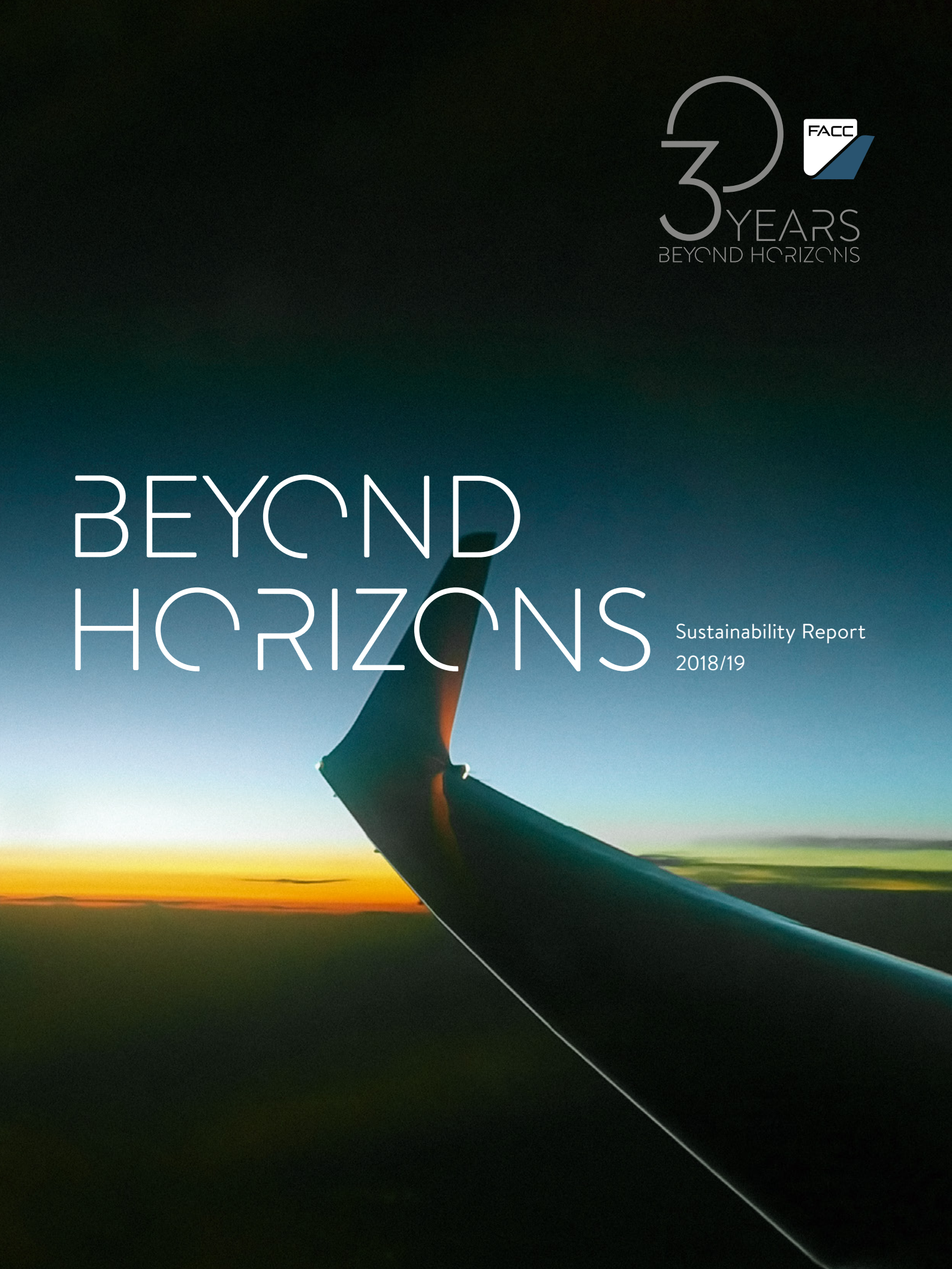
30 YEARS
BEYOND HORIZONS
FACC
BEYOND
HORIZONS
Sustainability Report
2018/19

CONTENTS

GRI
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About this report

This (consolidated) non-financial report serves to fulfill the reporting obligations of the FACC Group with regard to the Sustainability and Diversity Improvement Act pursuant to § 267a of the Austrian Commercial Code (UGB) in addition to its concern for transparent and proactive communication in the matter of sustainability.

The report was prepared in line with the 2016 standards of the Global Reporting Initiative (GRI), "Core" option. It includes a GRI Index (page 55) and covers the period from 1 March 2018 to 28 February 2019.

This Sustainability Report has not been assessed externally.

Looking ahead. Thinking ahead.

GRI 102-14

FACC - short for Fischer Advanced Composite Components - emerged from the research department of Fischer Ski in 1989 and has been producing high-tech components for all the world's major aircraft manufacturers for 30 years. The company thus makes a significant contribution to climate protection and resource conservation. Our high-quality composite components generate considerable weight savings for aircraft, thereby significantly reducing fuel consumption, noise and emissions.

Sustainability is thus an integral part of our business activities and, as such, is already implemented in practice. But our commitment in this area extends much further. As a high-tech company with a claim to leadership, FACC not only has to master technical challenges better than other market players, but also has to provide answers to the question of social responsibility and the contributions it can make to the quality of life of future generations. We are fully committed to this goal. This Sustainability Report presents a variety of examples to illustrate just how deeply sustainable thinking and acting are anchored in the DNA of our company.

Over the past three decades, FACC has developed from a simple parts supplier to a valued technology partner to its customers. Today, we are actively involved in the design and development of new parts as well as complete systems and solutions. This was only made possible by consistently thinking ahead and engaging in constant innovation. Many of our new developments have become part of the industry standard - this is a confirmation of our great innovative strength and of our corporate self-perception.

This ambition does not just apply to the present: Our central mission is to shape the mobility of the future with the materials of tomorrow. We address this issue in research and technology in a variety of ways. The topics we are currently working on range from the development of bionic structures derived from nature and life cycle monitoring (self-monitoring primary structures) through to integral construction methods to reduce the diversity of parts, e-mobility - particularly "urban air mobility" and "air taxis" - and self-adapting surface structures ("morphing surfaces"). In order to keep abreast of the latest findings, we actively collaborate with various renowned universities and research institutions.

All this shows that we are not standing still, but are continuing to move forward in line with the wishes and requirements of our stakeholders. Because we wish to continue to break down supposed boundaries and explore new ground - both in terms of technology and as a company. All in keeping with our claim: **Beyond Horizons.**

Yours,
Robert Machtlinger

COMPANY

FACC at a glance

GRI
102-1, 102-5, 102-6, 102-7, 102-45

FACC is a globally operating group with headquarters in Ried im Innkreis, Upper Austria. The company specializes in the development, production and maintenance of lightweight components for the aircraft industry.

Clear structure, high efficiency

As of 28 February 2019, AVIC Cabin System Co., Limited, directly or indirectly held a 55.5 percent stake in FACC AG and thus in the entire FACC Group. As of the balance sheet date 28 February 2019, no other shareholders were known to hold more than 10 percent of the share capital. The free float of FACC shares thus amounted to 44.5 percent as of 28 February 2019.

The share capital of the company, which is listed on the Vienna Stock Exchange, amounts to EUR 45,790,000.00 and is fully paid up. It is divided into 45,790,000 no-par value shares of EUR 1.00 each.

The FACC Group comprises the subsidiaries listed in the table, which are located in Austria, Canada, the USA, Slovakia, China and India.

Company	Headquarters	Issued and fully paid nominal capital	Amount FACC AG	Primary activities
FACC Operations GmbH	Ried im Innkreis, Austria	127,000,000 EUR	100%	Development and production of aircraft components
FACC Solutions (Canada) Inc.	Montreal, Canada	10,000 CAD	100%	Customer service
FACC Solutions Inc.	Wichita, Kansas, USA	10,000 USD	100%	Customer service
FACC Solutions s.r.o.	Bratislava, Slovakia	6,639 EUR	100%	Design and engineering
FACC (Shanghai) Co., Ltd	Shanghai, China	2,000,000 RMB	100%	Design and engineering
FACC Solutions Private Limited	Pune, India	20,193,002 INR	100%	Design and engineering
CoLT Prüf und Test GmbH	St. Martin, Austria	35,000 EUR	91%	Design and engineering

FACC in numbers

In the 2018/19 financial year, the FACC Group generated sales of EUR 781.6 million, which represents an increase of EUR 34.0 million or 4.5 percent compared to the previous year.

Earnings before interest and taxes (EBIT) amounted to EUR 43.6 million in the past financial year (previous year: EUR 60.1 million).

Business development of the divisions

In the 2018/19 financial year the Group signed important new contracts in all divisions, which represent a total value of approximately USD 6.5 billion. Sales resulting from these contracts will contribute to further growth in all divisions from the 2018/19 financial year onwards.

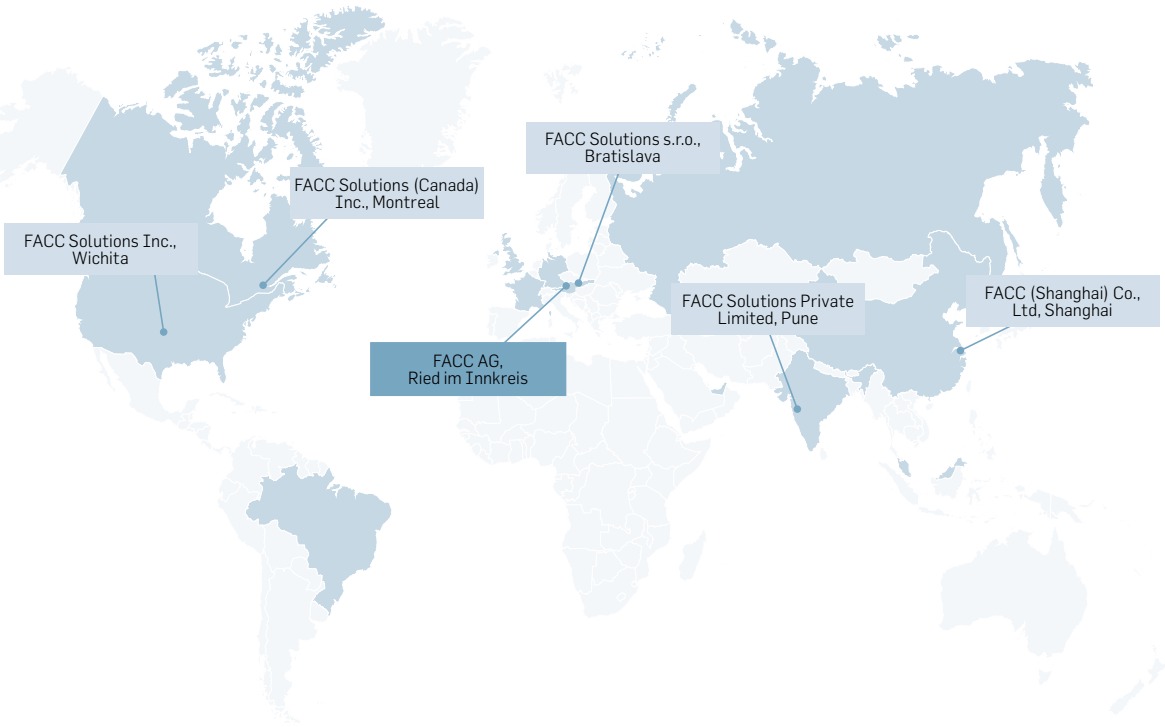
Note: Further comprehensive information on key financial figures can be found in the Annual Report 2018/19 of FACC AG.

The three largest sales markets of FACC according to geographical area (Contribution to Group sales > 10%; in EUR million)

Sales markets	2017/18	2018/19
EU incl. UK	437.8	461.6
USA	180.6	155.6
Canada	81.0	95.9
Rest of the world	48.2	68.5
Total turnover	747.6	781.6

Global presence

FACC is represented by subsidiaries in more than 13 countries: from Austria to China, from India to the USA and Canada. More than 3,400 highly qualified employees from 40 nations are at the service of FACC customers at locations all over the world – always close to their customers' plants.



Production plants

More than 70,000 square meters of production area in Austria

Plant 1: Ried im Innkreis
Core competencies: Aerostructures, Engines & Nacelles
Plant 2: Ort im Innkreis
Core competencies: Cabin Interiors
Plant 3: Ort im Innkreis
Core competencies: Aerostructures
Plant 4: Reichersberg
Core competencies: Engines & Nacelles

Research and technology

Technology Center and Test Center CoLT (Plant 5, St. Martin)

Engineering centers

Austria: FACC Competence Center Design/Analysis, Vienna
Slovakia: FACC Solutions s.r.o., Bratislava
China: FACC (Shanghai) Co., Ltd, Shanghai
India: FACC Solutions Private Limited, Pune

On-site offices

Customer support, engineering, final assembly

Canada: FACC Solutions (Canada) Inc., Montreal
Brazil: São Paulo
Germany: Hamburg
France: Toulouse
Great Britain: Filton
USA: Seattle, Wichita

FACC maintenance service

USA: FACC Solutions Inc., Wichita
Austria: all plants in Upper Austria

Further production plants and partnerships

China, India, Russia, United Arab Emirates and Malaysia

Comprehensive product range

Aerostructures

Development, manufacture, distribution and repair of structural components

Structural components form the basis for stability and combine the physical construction and locomotor system of a modern aircraft. They enable and support new design ideas and an increasingly efficient construction of the entire machine. FACC supplies high tech from winglets to wing-to-body fairings and landing flaps through to control surfaces that determine the flight direction.

Engines & Nacelles

Development, manufacture, distribution and repair of engine components

Modern engines are designed for maximum performance and efficiency. However, they must also undergo a critical examination with regard to their "acoustic fitness". FACC's fan cowls not only give jets appropriately designed outfits, but have long since become an integral part of their environmental compatibility. They improve added value in flight operations whilst also reducing aircraft noise.

Cabin Interiors

Development, manufacture, distribution and repair of cabin interiors

The flight experience crucially depends on the ambience that surrounds the passengers during their time on board. The (living) quality of the cabin contributes to this ambience, as does the perfect functionality of overhead stowage compartments and other equipment. Cabin interiors must therefore not only be practical, but also appeal positively to people's senses - because quality can be "felt".

Aftermarket Services

Aftermarket services, design services, business solutions

FACC provides not only ready-to-install components, but also a wide range of services. Approved as a Design Organization under EASA Part 21J and certified by EASA, FAA, and TCCA, FACC is a valuable partner to OEMs, airlines, CAMOs and MRO stations for repair design services, refurbishment, retrofits, modifications as well as certification and recertification of components and systems. In addition, the company offers individual services in the areas of engineering, manufacturing know-how and quality assurance, from product developments and component manufacturing through to complete turnkey solutions.

Know-how and expertise

Research and technology

Research and technology has been a key business area of FACC since the very beginning of the company's history. The mobility of the future is based on new technologies, which often rely on completely new materials. FACC is working on this on a daily basis in close cooperation with its customers and experts from all over the world. An international network of industry partners, universities of applied sciences, universities and research institutions strengthens the R&D competence of FACC.

Making aircraft safer, more efficient, lighter, quieter, more environmentally friendly and more cost-effective: All research activities at FACC are geared towards reaching this key objective.

More than 500 employees of the company work in the field of research and technology. FACC has a research quota of around 4 percent and holds more than 300 patents. Specialists are active in each of the following core competences and fields are continuously refining design concepts:

- Additive manufacturing of metal components
- Fiber-reinforced thermoplastic composites for structural components
- Integral hollow structures
- Prototype development
- Process simulation

Engineering

The primary task of engineering at FACC is to develop the best turnkey solutions for wide-body aircraft construction that provide an optimal combination of innovative and proven solutions. Safety and air-worthiness are our top priorities.

The full range of services includes design and feasibility studies, tool and material development and integrated logistics concepts (just-in-time and just-in-sequence).

Manufacturing

Choice of materials: Most FACC products are manufactured on the basis of so-called "prepregs", which are selected according to the strictest quality criteria. Prepregs are semi-finished fiber matrix products pre-impregnated with reaction resins, which are cured at high temperatures and under high pressure for the production of components.

Cutting: High-precision cutting of the respective material on CNC-controlled cutters in the cleanroom under ideal temperature and humidity conditions.

Positioning: The layers are positioned using state-of-the-art laser technology, automatic tape-laying (ATL) and manual precision work.

Liquid resin infusion: RTM (Resin Transfer Molding) and RIFT (Resin Infusion under Flexible Tooling) ensure the cost-effective and time-saving production of complex integrated composite components.

Curing in autoclaves: The components are cured in the autoclave for an average of three to five hours at high pressure and at high temperatures.

Curing in presses: Compact components are cured in special presses.

CNC machining: Operations such as drilling or milling are performed using cutting-edge CNC-controlled machinery.

Assembly: The individual parts of a component are assembled by special teams trained on customer-specific products.

Finishing: FACC offers customization geared to individual preferences: Products can also be painted and decorated according to specific customer designs.

Completing: Completion of components in a ready-to-install format for easy assembly at the customer's site.

Quality testing: Concurrent quality inspections are conducted after each manufacturing step. All finished products are subject to comprehensive final testing and inspection (ultrasonic, X-ray, immersion leak testing).

Supply chain

GRI
102-9, 102-10

Selecting and maintaining close contact with the world's best suppliers contributes to effective quality assurance at FACC and thus represents key elements of its success strategy – from the assessment of needs to competence checks and negotiations through to payment. Procurement at FACC is a secure, SAP-supported and interactive process that benefits all stakeholders. The focus is on a joint effort to find and implement ever better and more economical solutions and thus to sustainably increase customer value.

As a successful and globally operating high-tech company, FACC offers many advantages for suppliers:

- Fast growth
- Long-term partnership
- Innovative strength and new technologies
- Access to the global aerospace market

Therefore, it pays off for the suppliers to meet the high requirements of FACC, to maintain close contact and to show clear commitment: Suppliers must deliver above-average quality right from the start, react quickly, be flexible, work with speed, display initiative and demonstrate their ability to think and act "outside the box".

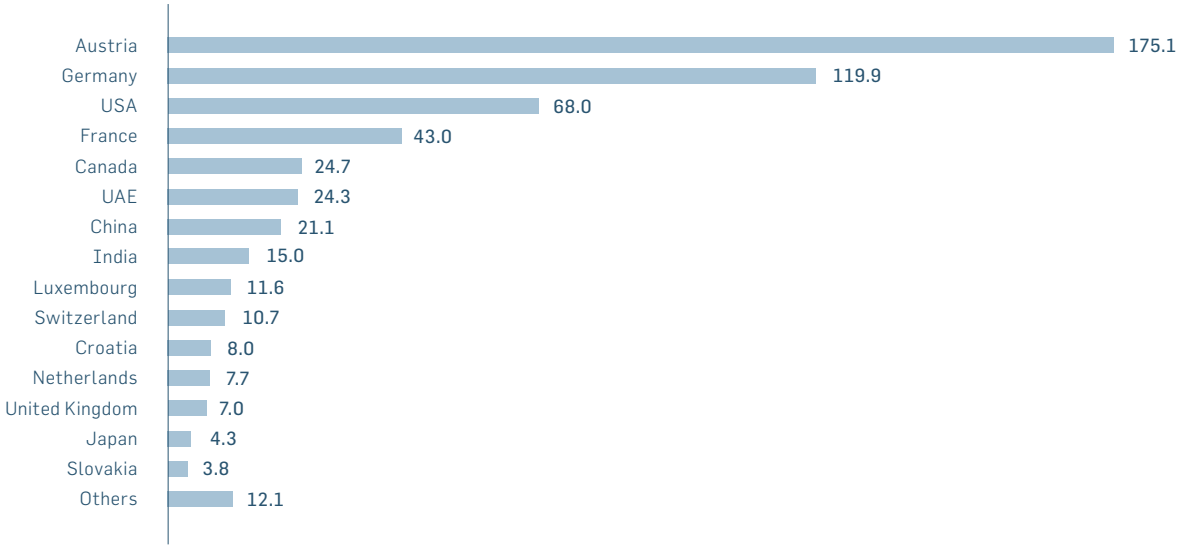
Most importantly, suppliers must make their very own contribution to fulfilling FACC's procurement vision:

"Our vision of procurement is to consistently and continuously exploit all market potentials in order to secure competitive advantages for FACC in the short, medium and long term, thereby supporting the company's goals."

Suppliers: Countries of origin and purchasing volumes

Values in million euros

Total purchasing volume:
EUR 556.4 million



FACC recorded a purchasing volume of EUR 556.4 million in the 2018/19 financial year. Around 60 percent of the materials and semi-finished products were purchased from Germany, the USA and Austria. In total, FACC collaborated with more than 1,600 suppliers in the 2018/19 financial year, including both large and small suppliers.

There were no significant changes in the organization of procurement and the supply chain of FACC.

The FACC benefit promise

FACC has thoroughly addressed the strengths of the company and the needs of its stakeholders. As a result, it has expanded its existing customer benefit promise "Pilot. Passion. Partnership." for the benefit of employees, investors and the general public.

For customers ...

Pilot.
We lead our clients and find the best solution for them. Where others might stop, we go further.

Passion.
Passion is what drives us and what motivates us to go beyond existing horizons for our clients, on a daily basis.

Partnership.
For decades we have been a reliable partner for so many. We keep developing steadily, and that is part of our DNA.

For employees ...

Fascination.
We are working in an exciting industry of the future and are always offering new and interesting areas of work in a global environment.

Perspective.
In our company we take care of each other and develop together in every respect.

Purpose.
We want to offer more than just a workplace. We have established a common mission that we can only reach together.

For investors ...

Security.
We hold a strong market position in a highly attractive industry, with full capacity utilization secured for many years to come.

Performance.
We are a highly efficient company and secure our market position by constantly developing new technologies.

Outlook.
We are firmly anchored in an industry of the future and have access to interesting growth markets.

For the general public ...

Lighter.
We develop sustainable lightweight components that require less resources and reduce our ecological footprint.

More efficient.
We make aircraft more efficient for their owners and offer advantages to their customers – through cheaper tickets or new mobility solutions.

Added comfort.
Our goal is to make aircraft more comfortable and quiter as well as to facilitate and create new possible uses.

Values provide clarity

FACC has very clear ideas (values) concerning the way the company and members of the organization should act in order to be attractive for the best employees and customers worldwide. Human and entrepreneurial values show us the way:

- We wish to be the best partner to our customers.
- Our employees should value FACC as an attractive employer.
- We approach the environment as a conscientious consumer of valuable resources.

Human

Respect and team spirit

Appreciation of our customers and colleagues as well as of our work and tasks forms the basis on which we act. Furthermore, we consider team spirit to be a central element of our corporate culture. To this end, we are developing together in every respect. Working at FACC means working in a fascinating industry of the future, which provides you with a sense of purpose and opens up new prospects.

Corporate

Performance and output

Customers of the aviation industry must be able to rely on the quality of our products and services 100 percent. We are committed to performance and success – there can be no success without high performance, and no company without success. We are driven by our passion for our work and the tasks ahead of us. As a team, we place our joint success above the success of individuals.

Know-how

Knowledge and energy awareness

At FACC, the responsible use of resources is not just wishful thinking; it is based on scientific sources, on proven facts and on high technology. State-of-the-art processes and standards reduce energy consumption and pollutants. The decisive factor, however, is the awareness of each individual that he/she can "produce" energy by using it efficiently.

Creative drive

Light weight and drive

Aircraft which have been made lighter and aerodynamically enhanced by FACC components are also well received by the environment. Those who make a contribution to even greater efficiency through their work in the company and actively increase the sustainable value creation of FACC are working towards the common good: for themselves, for improving internal processes and for future generations.

STAKEHOLDER MANAGEMENT, MAIN ISSUES & REPORTING

FACC's stakeholder strategy

GRI
102-40, 102-42, 102-43, 102-44

Ambitious visions and goals, which should be sustainable even under difficult conditions, require the commitment of all stakeholders. Open dialogue, debates and cooperation offer (growth) potential in qualitative and quantitative terms. Consistent stakeholder management not only lays a solid foundation for the development and implementation of joint ideas and strategies, but also forms the basis for long-term and prosperous development. FACC therefore plans to expand and maintain professional stakeholder management in addition to existing platforms and mechanisms with the following objectives:

- Increasing the understanding of stakeholder management throughout the company
- Updating the "stakeholder map" on an ongoing basis
- Detailed analysis of mutual stakeholder expectations through regular surveys within the framework of EN 9100 certification

The insights thus gained are intended to advance ideas and projects and facilitate necessary decisions. Similarly, the increase in confidence among stakeholders is expected to strengthen the entire company.

Overall, the following key stakeholder groups were identified (in alphabetical order):

Airlines, authorities, aviation authorities, certification and testing institutes, customers, employees, investors, local residents, logistics partners and freight forwarders, media, municipalities, owners, research and educational institutions, service providers, suppliers as well as works councils.

Whereas investors attach great importance to the topics of "fuel efficiency of aircraft", "staff training and further education" and "good governance" the stakeholder group "customers" primarily focuses on the topics "occupational safety and health protection of employees", "flight safety" and "fuel efficiency for aircraft". For employees, the topics "secure and equitable workplaces" and "occupational safety and health protection of employees", as well as "staff traing and further education" are of prime importance.

Suppliers and service providers are interested in "flight safety", "secure and equitable workplaces" and "social impacts within the supply chain". The topics "flight safety" and "fuel efficiency of aircraft", as well as "waste and water consumption" are particularly relevant to local residents and communities. "Occupational safety and health protection of employees" and "employee training and further education" are the top priorities of research and educational institutions. As no definite answers could be obtained from authorities and other parties, the topics of relevance were summarized as follows: "flight safety", "secure and equitable workplaces" and "occupational safety and health protection of employees", as well as "good governance" are considered to be of particular importance in this respect.

From the sustainability strategy to the sustainability report

GRI
102-46, 102-47

Like many other companies, FACC has taken advantage of the introduction of the Austrian Sustainability and Diversity Improvement Act (NaDiVeG) to deal with sustainability issues that are of relevance to its business model and its stakeholders even more comprehensively and in greater detail than before.

In two workshops held in July 2017, all FACC department heads concerned analyzed the company's value chain and examined its effects and potential risks for the environment, the economy and society with a special focus on the issues required by NaDiVeG.

In addition, the completeness and relevance of the topics covered were ensured on the basis of an examination of relevant standards and reports by suitable peer groups. The main issues were delimited by analyzing their impact within and/or outside the organization. FACC's potential to shape the respective topics was also taken into account.

Priorities were defined for the resulting list of topics following the two workshops: Firstly, the significance of the environmental, economic and social impacts of FACC's corporate activities was assessed by internal experts ("impact"). In addition, around 600 internal and external stakeholders expressed their priorities in an online survey ("relevance to stakeholders").

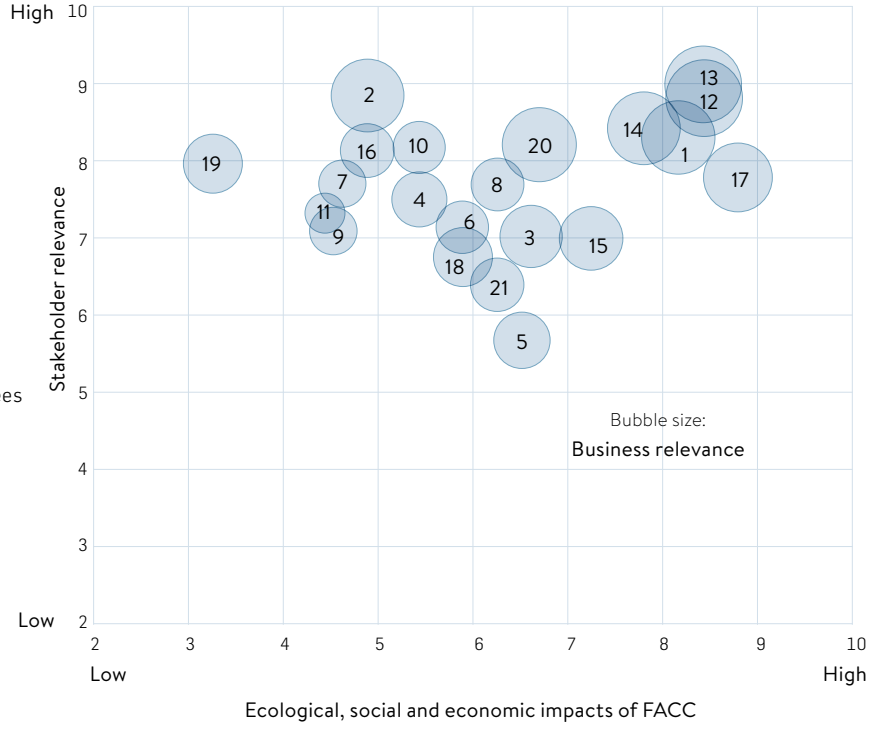
In the course of the evaluation of topics by internal experts, non-financial topics were also considered as a third dimension in terms of their business relevance for FACC in order to arrive at an all-embracing view within the scope of materiality analysis.

The materiality matrix of FACC

The outcome of the process described is a materiality matrix that summarizes the impacts (abscissa), stakeholder relevance (ordinate) and business relevance (bubble size) of the various topics.

Topics

1 Fuel efficiency of aircraft
2 Flight safety
3 Reduction of aircraft noise emissions
4 Recyclability and durability of products
5 Mobility increase
6 Materials and chemicals used
7 Environmental impacts within the supply chain
8 Energy consumption and emissions in production
9 Emissions in transport and logistics
10 Waste
11 Water consumption
12 Secure and equitable workplaces
13 Occupational safety and health protection of employees
14 Employee training and further education
15 Employee diversity and anti-discrimination
16 Social impacts within the supply chain
17 Economic responsibility and effects in the region
18 Economic impact within the supply chain
19 Corruption and anti-competitive behavior
20 Good governance
21 Local residents and communities



In order to demarcate the main topics, priorities were set across all topics with regard to stakeholder interests, while the impacts were prioritized within each topic group (environment, employees and social concerns). In this way, due consideration was given to all issues of concern.

The following list of topics resulting from this process has been included in this report and is described in more detail on the following pages:

Environment	1	Fuel efficiency of aircraft	Significance of FACC products with regard to fuel consumption and aircraft emissions
	6	Materials and chemicals used	Volume and components of materials used for production and packaging, incl. chemicals
	8	Energy consumption and emissions in production	Consumption and emissions through in-house production (excl. supply chain), incl. CO_2-free energy generation
	10	Waste	Hazardous and non-hazardous waste from in-house production, waste avoidance and sorting
Employees	12	Secure and equitable workplaces	Fluctuations in staffing levels (fluctuation, shortage of skilled workers), fulfillment of collective agreements, allocation of working hours, fair remuneration schemes
	13	Occupational safety and health protection of employees	Accidents, sick leaves, mental and physical stress at the workplace (incl. hazardous vapors and substances in production)
	14	Employee training and further education	Employee qualification and promotion (FACC Academy)
Society	2	Flight safety	Prevention of use for military/terrorist purposes (export controls) and product quality (incl. product documentation and traceability)
	3	Reduction of aircraft noise emissions	Products which dampen and prevent noise
	5	Mobility increase	Contributing to increased mobility and globalization, making air travel affordable for everyone by increasing efficiency
Economy	17	Economic responsibility and effects in the region	Jobs, appeal of the region, taxes, investments, spatial development, cooperating with training centers
	20	Good governance	Transparency, external and internal communication, crisis management, active learning and further development of the organization

Impacts and risks

GRI
103-1, 103-2, 103-3, 301-1, 302-5, 405-2

With regard to environmental concerns, production is significantly affected by waste and energy consumption and the resulting emissions. The most relevant risks result from the use of chemicals and hazardous substances, but are minimised by giving consistent consideration to the REACH regulation. FACC products are used in aviation, an industry which is inherently affected by the generation of emissions. FACC lightweight components, however, improve fuel efficiency and noise emissions and thus make a positive contribution to environmental protection.

With regard to employee matters, the main focus is on the health and safety of employees (this primarily applies to our own employees). As in most industrial companies, occupational accidents and damages to the health of employees can occur at FACC as potentially hazardous equipment, materials and substances are used within the company. Psychological pressure caused by stress and occasional overtime also figures among the risks employees are exposed to. Aiming to reduce these risks, FACC has embraced a number of preventive measures such as the "Zero Accident Gate" and "Healthy and Happy" initiatives (see page 33).

A further risk that is actively countered within the company is the potential use of conflict minerals and the associated potential effects on local communities. FACC thus categorically refuses to purchase conflict minerals either directly or indirectly from certain crisis regions such as the Democratic Republic of the Congo.

The positive contribution of FACC products to reducing aircraft noise and increasing the mobility of broad sections of society (closely linked to increased fuel efficiency) also deserves recognition. In addition, FACC plays an important role for the regional economy through the creation and preservation of jobs, investments and spatial development and the improvement of infrastructure.

The steering mechanisms and results with regard to the other impacts and risks mentioned above are presented below (see GRI Index as of page 55 for page references).

SUSTAINABILITY MANAGEMENT

FACC attaches great strategic importance and economic significance to its commitment to sustainability, which enjoys a high level of recognition. After all, sustainability within the company also stands for progress and the future.

GRI 102-11

FACC's achievements with respect to sustainability are often neither groundbreaking nor self-explanatory – many times, they are only recognized for what they are at second glance. This is an important task, not least for corporate communication.

Measurability is just as important as communicating the importance of what has been achieved for employees, for the FACC Group, for the company's stakeholders and for the whole world.

After all, sustainability is not a matter of course, but must be actively promoted and professionally managed. Implementing sustainability requires a clear set of values, measurable goals, realistic deadlines, clearly defined areas of responsibility and agreed criteria for success.

An innovative spirit and inquiring mind are just as important as the personal commitment of each individual within the company. Furthermore, advanced technology is usually indispensable for achieving the specified goals.

Improving sustainability in a high-tech company like FACC is not just something for ecological dreamers, but represents a constant challenge to the willingness to learn, the desire to experiment and the teamwork of the best minds.

FACC's stakeholder strategy

FACC thinks and acts in financial, but also in a number of non-financial categories. The Group, for instance, is very much aware of the company's intangible energy balance. This is linked, on the one hand, to the question of what has to be "financed" with how much energy and, on the other hand, to the continuous pursuit of ever increasing degrees of efficiency.

Energy can be saved and even recovered when working in harmony with nature and in agreement with employees, stakeholders and partners.

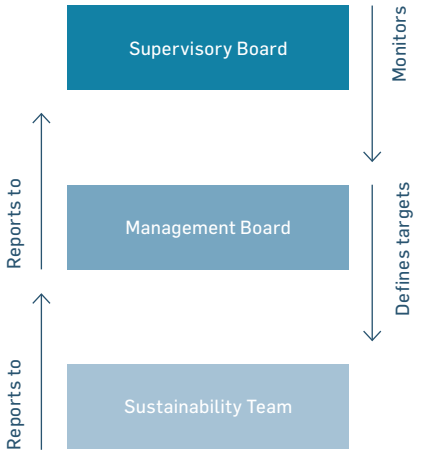
Airlines appreciate all efforts to render their operations more efficient, and to make their aircraft quieter, safer, greener and more comfortable for passengers.

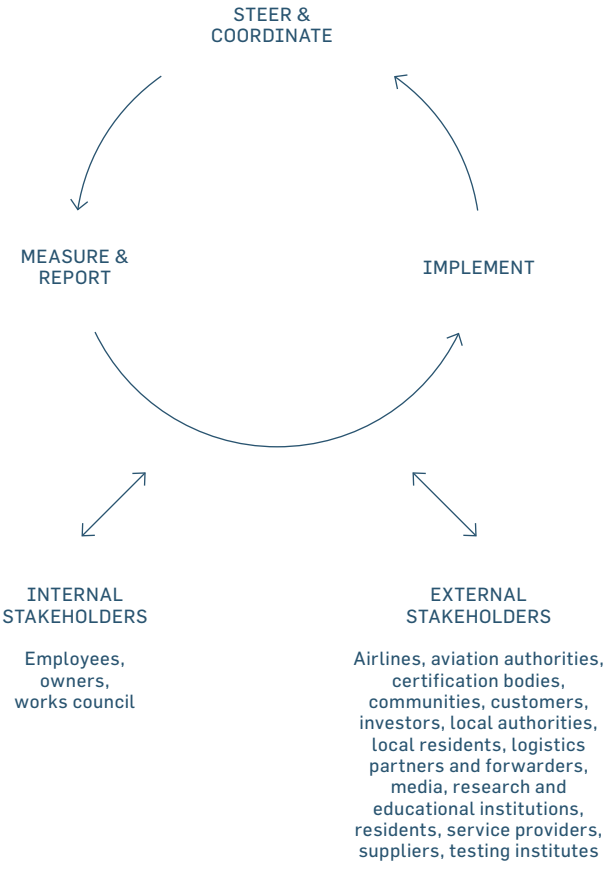
Focusing on these customer requirements, in conjunction with extensive expertise, the targeted application of bionics and a great deal of experience, "automatically" paves the way to more sustainable solutions. Systematic customer focus is therefore a powerful driver of innovation, which ultimately also promotes sustainable action.

The FACC Group's sustainability management is deeply rooted in its corporate strategy and reports directly to the Management Board. The aim of sustainability management is to take due consideration of the environmental and societal impacts of each business process, and to reconcile the company's economic imperatives with socio-ecological considerations. Sustainability management and the operating units cooperate closely with each other.

Sustainability management at FACC: organizational structure

GRI
102-18





ENVIRONMENT

Our environmental, health and safety policy

GRI
103-1, 103-2, 103-3

The composite components produced by FACC replicate the nature of lightweight construction with the aim of guaranteeing optimized material properties according to defined requirements. Optimizing weight while maintaining or improving the performance of the aircraft enables the operating airlines to significantly reduce fuel consumption, emissions and immissions.

Production at FACC takes place under eco-friendly, ergonomic and safe conditions.

With FACC's environmental, health and safety policy, every effort is made to protect the environment and the lives and health of our visitors, staff, external companies working for us and, above all, the users of our products - the passengers.

FACC fulfills these obligations in a comprehensive manner, with managers acting as role models in accordance with FACC's set of values and helping to create awareness of the environment, health and safety among all employees within the company. Obligatory compliance with and the continuous improvement of our internal processes and procedures is based on relevant laws, international norms and standards as well as customary codes of conduct as used in practice.

Stress and risk potentials are analyzed and assessed in the course of workplace evaluations. Identified risks arising in connection with work processes are sustainably reduced with the participation of employees through continuous technical or organizational changes and personal protective measures.

When selecting materials, FACC attaches great importance to health considerations, the careful handling of raw materials and the prudent use of operating resources, from electricity through to water and heat. A sophisticated materials management system with the aim of optimizing material cycles to increase recycling rates also makes its contribution to ensuring compliance with all legal obligations.

Environmental, health and safety targets are set by the Management Board, reviewed on a regular basis and are an integral part of FACC's corporate culture.

Fuel efficiency

GRI
103-1, 103-2, 103-3, 103-5

The continuous further development of FACC products in terms of weight reduction and aerodynamic properties also ensures FACC's future fitness.

FACC takes responsibility for these fields of competence in the areas of development and production. Requirements either come from our customers or are defined and implemented in the course of our own development or optimization projects.

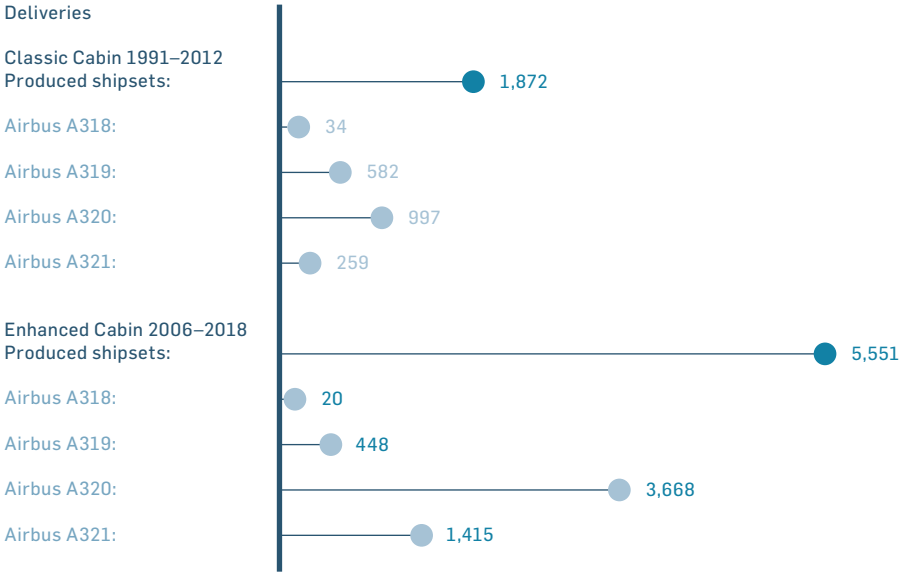
Fuel reduction is a strategic asset

Lower manufacturing tolerances with regard to the surface area result in higher efficiency and lower fuel consumption. The same applies to the weight of the components. Efficient and lightweight components not only reduce fuel consumption and average costs per revenue passenger kilometer, but also make a significant contribution to reducing CO_2 emissions in air traffic.

Fuel savings in the Cabin Interiors division

Weight and kerosene savings through the further development of the Classic Cabin (CC) to the Enhanced Cabin (EC) overhead stowage compartments for Airbus.

The further developments within the Cabin Interiors division clearly show that FACC product innovations not only increase comfort and safety for air passengers; they also make a significant contribution to reducing weight and thus fuel consumption.



Small calculation – big effect

- An amount of kerosene equal to 4.3% of the mass of an aircraft is needed for one hour of flight
- An Airbus A320 weighs around 73.5t (MTOW)
- Its operation therefore requires 3.2t of fuel per hour
- The average duration of flight is 1.875 hours
- Flight hours per year: 2,920
- Standard fuel density: 0.796kg/l
- 1 kg of kerosene equals 3.15kg CO_2

Weight savings per aircraft
Classic Cabin compared to Enhanced Cabin

Weight shipset	CC	EC	Weight savings
A319	466.0kg	421.2kg	9.61%
A320	562.7kg	491.0kg	12.74%
A321	715.4kg	641.0kg	10.40%

Weight/volume ratio
An increasingly lightweight and efficient design also improves the weight/volume ratio

Classic Cabin	0.069
Enhanced Cabin	0.053

Kerosene savings per aircraft
Kerosene consumption per year and aircraft; Classic Cabin equipment compared to Enhanced Cabin equipment

	CC	EC
A319	58,756.0kg	53,101.5kg
A320	70,943.4kg	61,900.0kg
A321	90,190.4kg	80,819.8kg

Kerosene savings per year and aircraft with Enhanced Cabin

A319	5,654.5kg (5.6t) or 7,103.6l
A320	9,043.3kg (9.0t) or 11,361.0l
A321	9,370.5kg (9.3t) or 11,772.0l

Savings through the development of the Enhanced Cabin and production for all shipsets delivered (from 2006 to the end of 2018; A319/A320/A321)

Kerosene	48,964t
Kerosene	61,512,147l
CO_2	154,236t

Materials and chemicals used

GRI
103-1, 103-2, 103-3, 301-1

Increased product and production safety

Safe and conscientious handling of materials and chemicals within the company is essential to ensure the long-term protection and health of FACC employees. Occupational safety experts, a REACH coordinator and environmental officers make a significant contribution in this regard through evaluations, instructions and advice, and are happy to address any queries you may have.

REACH is a chemicals regulation of the European Union and stands for "Registration, Evaluation, Authorization and Restriction of Chemicals". Compliance with REACH ensures that the use of hazardous materials and chemicals is reduced or even completely avoided. Companies producing or importing substances in quantities exceeding one ton per year are obliged to gather information on their properties and use.

In all discussions with its suppliers, FACC addresses the EU regulation REACH and expressly points out that the consumption of substances which may no longer be used (e.g. strontium chromate from 2019 onwards) is to be reduced or completely avoided. The goal: compliance with official regulations and customer requirements

FACC selects materials in the fields of engineering and design. A safety expert and the responsible REACH coordinator check that each material complies with occupational safety regulations and REACH before being included in the material master plant.

When new materials are introduced, a classification is carried out (e.g. with regard to the question whether or not it is a carcinogenic substance). In addition, there is a safety sheet which must be approved by the safety expert, the REACH coordinator and the waste officer.

Proactively thinking of alternatives

In the past financial year, tests were continued in which semi-finished textile fiber matrix products were pre-impregnated with resins inspired by nature (biopregs).

The evaluation

- When new materials are introduced, the safety data sheets are checked for REACH conformity.
- Continuous updating/review of the Hazardous Substance Database in view of the REACH regulation
- Legal conformity is checked in the course of internal environmental audits.
- In the case of inquiries: evaluation within the scope of day-to-day business
- The topic is dealt with annually within the framework of Management Reviews.

Reporting to the FACC medical officers in the event of medical complaints ensures a swift and expert response.

Energy consumption and emissions in production

GRI
103-1, 103-2, 103-3, 302-1

Since FACC was founded in 1989, the company has been shaped by continuous growth. However, thanks to a variety of measures to increase efficiency, energy consumption grew in a significantly flatter curve than the company's operating performance. In concrete terms, FACC's specific energy consumption has halved to 49.44 percent of its level at that time over the period from 2011 to date.

This development has been made possible by a whole range of measures, including the use of heat recovery, the systematic optimization of plant utilization and the reduction of operating temperatures at the supply level.

In recent years, FACC has converted 40 percent of its production to LED lighting, and by 2022 the entire lighting should have been successfully converted to LED technology. In addition, the heating or cooling of the plants has been rendered more efficient. Energy has also been saved in the production process itself by reducing process heat from 295 degrees Celsius to 240 degrees.

In addition, FACC continuously implements improvements through measures such as energy monitoring, the use of control technology, the central monitoring of building technology and the continuous further optimization of plant utilization.

FACC's energy consumption in the financial year 2018/19 illustrates the effectiveness of all these measures. Despite the launch of new production areas and the start-up of new plants, the specific energy consumption has barely increased since the previous year. In total, energy consumption has even been reduced by more than 10 percent over the last two financial years.

Conservation of resources and waste avoidance

GRI
103-1, 103-2, 103-3, 302-1, 305-2, 306-2

FACC has set itself ambitious (environmental) targets:

- FACC aims to make the best possible use of the energy required to operate the company.
- FACC wishes to avoid any kind of wastefulness.
- FACC wishes to reduce emissions.
- FACC wishes to convert waste into recyclable materials.
- FACC aims to continue to refrain from using water in production.

What this means in concrete terms: general improvement of energy efficiency through a more efficient use of existing possibilities and the development of new potentials.

- Avoiding emissions in production
- Avoiding waste where possible
- Converting waste into recyclable materials

FACC relies on an ISO 14001 certified environmental management system as well as on processes and procedures as specified in the new ISO 45001 standard for health and safety management systems at all Upper Austrian locations.

A separate legal management system has been established in order to oversee, interpret and demonstrably fulfill the requirements of both systems: more than 80 binding laws and regulations must be observed and fulfilled.

For this purpose, manuals and follow-up procedural instructions were prepared in order to communicate the daily processes resulting from the requirements to the entire organization and to ensure legal compliance.

The main requirements relate to the Energy Efficiency Act, the Immission Protection Act and the Waste Management Act.

For this purpose, concepts were developed to describe the current and future strategy of the company. They also contain concrete action plans defining, for example, the immediate measures to be taken in the case of environmentally relevant events.

Keeping problem substances to a minimum

FACC relies on solvents for its manufacturing processes. Up to 80 percent of these solvents are now recycled as a result of appropriate measures. The remainder is disposed of by qualified specialist companies in an environmentally friendly way.

Waste avoidance

FACC has successfully implemented a wide range of measures to avoid general waste. Where this is not possible, the company relies on extensive recycling or professional waste disposal services provided by qualified companies.

Turning waste into recyclable materials

Through various measures, FACC has succeeded in increasing the proportion of waste converted into recyclable materials to more than 50 percent. As a consequence, these materials do not have to be disposed of at great expense, but can be used for other useful purposes.

The most recent example is blasting sand: Originally classified as "hazardous waste" (and therefore expensive to dispose of), extensive research and analyses have now shown that it is actually harmless. As a result, this material can now be classified as construction waste and sold as such.

According to ISO 14001, the environmental manager or environmental coordinator is responsible for the relevant measures and initiatives.

Complaints concerning energy, emissions and waste can be addressed directly to FACC's environmental manager through the FACC corporate website, via email to umwelt@facc.com, by phone or in person. No complaints were raised in 2018/19.

Professional evaluations are of key importance

The measures described above are evaluated on an ongoing basis and formally discussed with the Management Board once a year as part of the Management Reviews.

The entire environmental management system of FACC is subject to internal audits, which take place at least once a year. Moreover, an external audit is conducted annually in accordance with ISO 14001 at all production sites of the Group.

Separate meetings are held, if and when required, to review and assess compliance with all legal requirements for the legal management system.

Full compliance from both an internal and external perspective was established during the most recent evaluation in 2018. No necessary adjustments were reported, but further potential for continuous improvement was identified and is now being implemented.

EMPLOYEES

Highly competent and motivated

GRI
102-8, 102-41

Advanced technology and intense human-to-human interaction – this "megatrend" described by futurologist John Naisbitt perfectly illustrates FACC's Human Relations strategy. Reliability, creative potential and productivity can only develop to the fullest when personal closeness and mutual trust accompany and strengthen cooperation. This is when the spirit which shapes FACC and makes it future-proof emerges.

All employees at the Austrian FACC sites, which account for around 93 percent of the Group's total workforce, are subject to collective bargaining agreements. The corresponding collective agreement was concluded between the Association of the Austrian Wood Industries and the Union of Building and Wood Workers of the Austrian Trade Union Federation. Austrian regulations do not apply to all the subsidiaries in other countries.

Diversity of strengths and competencies

As of 28 February 2019, the FACC Group employed 3,465 full-time equivalents (FTE; previous year: 3,402 FTE). Of these, 3,124 were employed at FACC Operations GmbH, 295 at other subsidiaries and 46 at FACC AG. The majority of FACC employees work in Austria, with around 240 working abroad.

28 February 2019 (in FTE)	Blue-collar workers	White-collar workers	Total
Central Services	135	481	616
Aerostructures	728	243	971
Engines & Nacelles	436	139	575
Cabin Interiors	793	169	962
Subsidiaries	68	227	295
FACC AG	–	46	46
Total	**2,160**	**1,305**	**3,465**

		28 February 2018[1)]	28 February 2019
Number of leased employees	FTE	75	68
Share of the total workforce	%	2.20	1.96

International diversity within the company and worldwide success

FACC employs staff from 40 nations. More than 75 percent are from Austria and Germany, and 4 percent from Turkey, Romania and Hungary each.

As of 28 February 2019, the FACC sites in Austria (FACC Operations GmbH, FACC AG and CoLT Prüf und Test GmbH), counted

- 231 part-time employees (54 of whom are men)
- 74.8% men, 25.2% women
- 39 apprentices (38 at FACC Operations GmbH, 1 at CoLT Prüf und Test GmbH)

[1)] Deviation from the previous year is based on the inclusion of the foreign subsidiaries.

Secure and equitable workplaces

GRI
103-1, 103-2, 103-3, 401-1, 404-1

Finding the right employees, bringing them on board, empowering, motivating and supporting them to attain the company's goals and fostering their diversity: FACC's Human Resources management not only fulfills important administrative tasks, but also plays a decisive role in shaping the company's corporate culture. Coaching processes encourage personal, long-lasting and mutually beneficial relationships between employees and FACC.

The Human Resources department is responsible for:

- Personnel administration and accounting
- Consulting and coaching to help managers fulfill their managerial tasks
- Recruiting and personnel marketing
- Hiring holiday trainees and students preparing their diploma thesis
- Providing structures and conditions which support personnel development
- Designing communication with existing and future employees
- Contributing to the development of the company

Positioning in recruiting

Competing for talented employees, FACC positions itself as the best address for the best people. Human Resources management at FACC works closely with schools, universities and universities of applied sciences, both in the region and throughout Austria as well as in neighboring EU countries.

Due to the large number of specialist departments with varying requirements, FACC personnel must possess a wide range of knowledge and skills. In addition, highly qualified personnel are essential to meet the high quality demands of the aviation industry at all levels.

The fact that FACC currently employs staff from 40 different countries constitutes impressive evidence that legal requirements and the anti-discrimination law are being fulfilled. The FACC Group's Code of Conduct also contains specific guidelines for dealing with diversity. Intercultural training contributes to learning to deal with different ways of thinking and working in a delicate and appreciative manner. This creates the dynamism that ensures the internal growth of FACC.

Jobs with big potential

Employees build careers within the company
Most job vacancies at FACC are also advertised on the internal job market. Current employees can develop further and move up the career ladder to management positions. FACC also takes care to offer applicants other vacant positions in the event that they do not meet the requirements for the initially advertised position or if it has already been filled.

A representative of the respective department is always present during job interviews. Applicants are provided with in-depth, practical and up-to-date information on FACC and the area of responsibility in question.

In addition, a standardized personality test (profiling values) is conducted when assigning management positions.

Employee training and further education
Continuous investment in human capital is a key factor contributing to the corporate success of FACC. The Group is committed to lifelong learning and, for this purpose, offers its employees a wide range of extra-occupational education and further training opportunities.

The FACC Academy, which serves as the central hub for all training activities, organized 427 internal training sessions with a total of 5,505 participants in the 2018/19 financial year alone. The average duration of internal training measures was 9.3 hours per employee (previous year: 530 internal training sessions for 7,158 employees; on average 12.9 training hours per employee). The high figure for the previous year was due to the recruitment of many new employees and the launch of several projects.

In addition, 146 external training sessions attended by 959 employees were held in the past financial year. The main focus was on communication, role clarity and burnout prevention (leadership trainings) as well as conflict management, time management and communication behavior in production-related areas. Language courses were also offered to all employees. The average duration of external training measures was 4.3 hours per employee (previous year: 108 internal trainings for 787 employees; on average 4.8 training hours per employee).

Special attention was also paid to leadership training in the past financial year. The main topics covered were equal treatment of employees, burnout prevention and situational management. The topic of women in management positions was also addressed. This special focus is also reflected in the increasing number of female participants.

In total, 63 employees completed a leadership training in the 2018/19 financial year, of whom 17 percent were women (financial year 2017/18: 10 percent).

There are also plans to incorporate intercultural training into standard training courses in the future. This will provide foremen in production, for instance, with the appropriate tools for dealing with this topic.

Personnel development at FACC is part of the Human Resources department in the Training & Development sector, and is regulated by means of a qualification system. The process description includes internal and external training measures as well as e-learning offers.

Evaluation of the management approach

The KPIs defined for Human Resources are reviewed every six months at FACC and discussed in teams. In the course of a Management Review, which takes place twice a year, HR issues are also discussed and brought to the attention of the Management Board.

Occupational safety and health protection

GRI
103-1, 103-2, 103-3, 403-2

As part of the extensive range of measures to reduce absences due to accidents and occupational diseases, the Lost Time Injury Frequency Rate (LTIFR 1,000,000h) was used instead of the previous Lost Time Case Rate (LTCR 200,000h) starting in the 2018/19 financial year. We wish to point out that, in our company, only the number of blue-collar employees is used to calculate the absence rate. Including white-collar employees in the calculation would automatically result in a considerably lower absence rate.

FACC has managed to significantly reduce the LTIFR, from financial year 2013/14 to financial year 2018/19, from 63.3 to 20.3.

Measures to reduce absences due to accidents and occupational diseases

- Zero Accident Gate meetings (ZAG)
- Consistent processing of safety-relevant topics
- Joint safety walks in the production areas by managers and preventive staff
- Sensitizing and informing the teams about compliance with guidelines
- Managers acting as role models on a daily basis
- Proactively introducing and implementing ideas brought forward by employees/supervisors to improve occupational safety

We are proud to announce that two Austrian sites have already surpassed our medium-term LTIFR target with a value of less than 15. However, our long-term goal is to achieve "zero accidents".

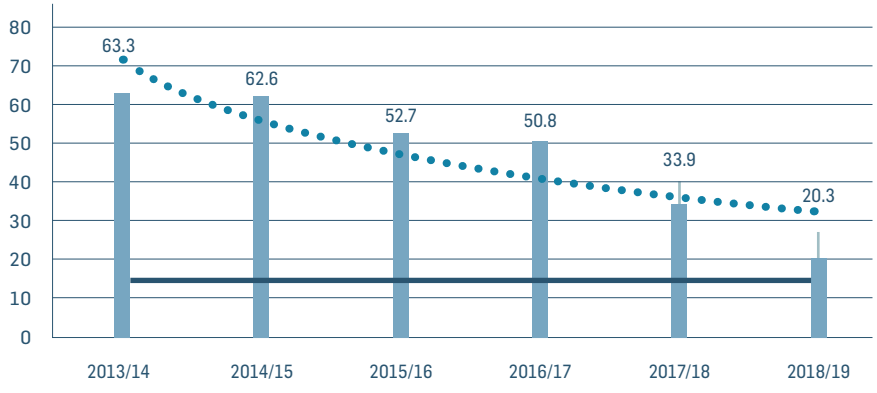
By involving employees and superiors in all improvement processes relevant to occupational safety and health, a sustained sensitization and heightened awareness of the need to comply with all guidelines and safety standards can be achieved

Selected measures to improve the health and safety of our employees

- Daily safety walks (by managers, preventive staff and employees)
- ZAG meetings (department heads, occupational medicine etc.)
- Special safety training sessions incl. skin protection training (occupational medicine) for all affected persons
- Ongoing evaluation of mental stress and stress relief at all workplaces (occupational medicine, occupational psychology)
- Focus on ergonomic topics
- Programs to quit smoking and vaccination campaigns

Developoment of the Lost Time Injury Frequency Rate

From 2013/14 to 2018/19 the LTIFR at FACC was reduced from 63.3 to 20.3.



SOCIETY

Flight safety

GRI
103-1, 103-2, 103-3, 416-2, 417-1

In order to fulfill the stringent aviation regulations, but above all in the interests of its customers and millions of air travelers, FACC is consistently geared towards the goal of 100 percent reliability.

FACC holds official approvals for the production and maintenance of aircraft components. Moreover, FACC is a certified development organization which is authorized to develop and also approve repairs and modifications independently.

International aviation authorities not only initially guided FACC through a demanding approval process. They also verify on an ongoing basis whether the agreed standards are being complied with in full. In order to maintain these approvals, FACC is externally audited eight times a year to obtain the coveted certificates. This means that FACC customers can rely on proven premium quality.

Reduction of aircraft noise emissions

GRI
103-1, 103-2, 103-3

The permissible level of aircraft noise emissions as specified by official regulations and customer requirements must be fully observed or, ideally, even undershot. Many airports have already banned older-generation aircraft from taking off and landing if they do not comply with current noise limits. Aircraft noise emissions are a major concern, especially at large airports such as Frankfurt/Main or airports close to the city such as Salzburg Airport.

Ongoing research projects in which new structures, materials and processes are being developed in order to further improve the properties of components are also contributing to this goal.

One of the most effective improvements is the application of special surfaces, e.g. perforated surfaces, onto FACC engine components and fan cowls to dampen the engine noise.

Products of the Engines & Nacelles division, in particular, have properties that can actively contribute to noise reduction.

Moreover, passive noise reduction is of particular importance. Compared to previous applications, all lightweight components developed by FACC and produced in series make a positive contribution to reducing noise emissions. This is because less weight also requires less engine power.

The effectiveness of official regulations and customer requirements regarding aircraft noise reduction as well as the compliance with these specifications are continuously monitored: The fulfillment of quality criteria is verified

- when a new product has been approved and
- during quality control before delivery of the product.

Increasing dynamism within mobility

GRI
103-1, 103-2, 103-3

Affordable air tickets have not only made worldwide air traffic more “democratic”, but have also created a new dimension of human interaction and communication.

FACC components make aircraft lighter, quieter and more efficient. Airlines can pass on generated savings to their passengers and thus win new customers. With its innovations and the continuous further development of its products and their (environmental) quality, FACC makes an important contribution to ensuring that the world continues to become "smaller" in the future whilst contributing to the mitigation of the negative environmental impact of this development.

The global aviation industry once again revised its medium-term growth forecasts upwards in 2018. This growth trend presents FACC with great opportunities as the Group is strongly positioned in all major markets.

According to forecasts made on the basis of current data, approximately 37,400 new commercial aircraft with more than 100 seats and 8,000 new business jets will be required by 2037 and over the next ten years, respectively, to cope with the growing number of passengers worldwide.

Today, FACC lightweight technologies are on board almost every modern jet. Figuratively speaking, an aircraft with FACC components takes off or lands somewhere on this planet every second.

Growth in mobility

The growth trend in the industry is being driven by steadily increasing passenger volumes, measured in so-called passenger kilometers. Experts expect an annual global increase of approximately 5.0 percent up to 2036. Growth markets are predicted to record an above-average increase of passenger volumes of 5.8 percent per year, while growth of 3.2 percent per year is projected in highly developed countries.

This also means that a larger number of aircraft will be required: While the global fleet of commercial aircraft stood at a total of 20,500 in 2017, this figure is expected to increase to some 48,000 by 2037. By then, 10,850 existing aircraft will have reached the end of their service life and been replaced by new aircraft.

Some 37,400 new aircraft will be needed over the next 20 years.

The high accuracy of previous market analyses allows us to conclude that future projections are also highly reliable. When comparing previous market forecasts with the actual outcomes, the plan data deviate by only 2 percent on average. In addition, the market has even developed slightly better than expected:

In its 1997 market forecast, Airbus predicted that the global fleet would grow from 9,677 to 17,920 aircraft in the following 20 years to cope with the increase in air traffic. In 2017, the number of aircraft in service was only slightly higher, thus verifying the forecast Airbus had made 20 years before.

Growth of the aircraft industry is currently at a historical high.

This development was triggered, amongst other things, by socio-economic factors, in particular the rising standard of living in growth markets. In conjunction with increasing globalization, this creates an ideal market environment for the entire aviation industry.

Infrastructure is currently also recording considerable growth alongside the dynamic development of passenger volumes and fleet sizes. By 2021 alone, almost USD 1 trillion will be invested worldwide in the construction of new airports and the expansion of existing ones, around 40 percent of which will be spent in the Asia-Pacific region.

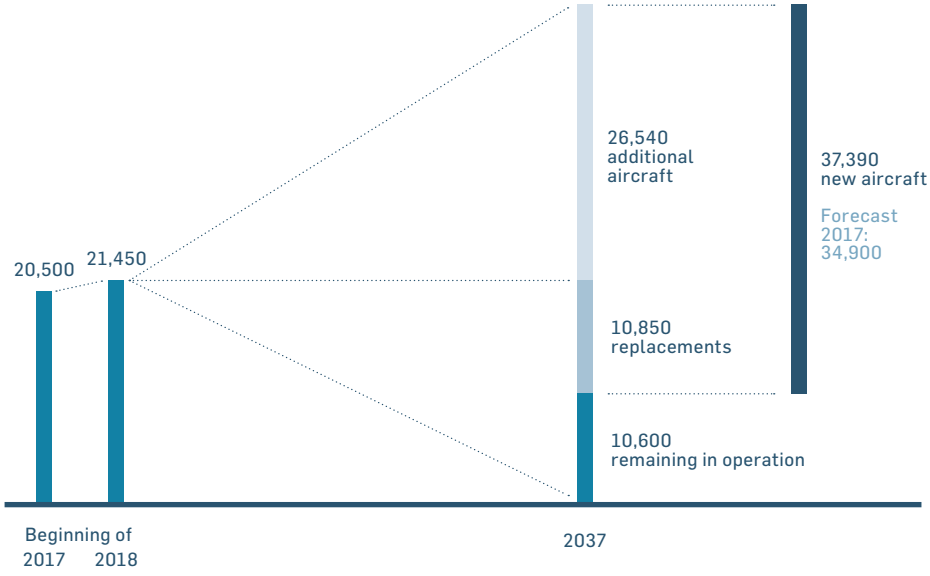
Thanks to its ownership structure, FACC is well positioned to profit from the strong momentum in the Chinese-Asian market in particular.

Demand for around 37,400 new aircraft

Aircraft in operation:
Development from 2018 to 2037
Source: Airbus

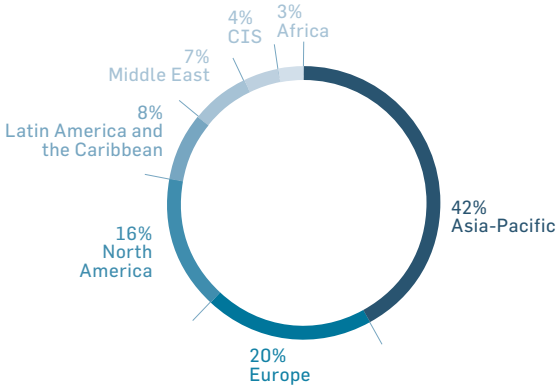
+2,490 aircraft[1)]

[1)] Increase of the long-term market forecast compared to 2017



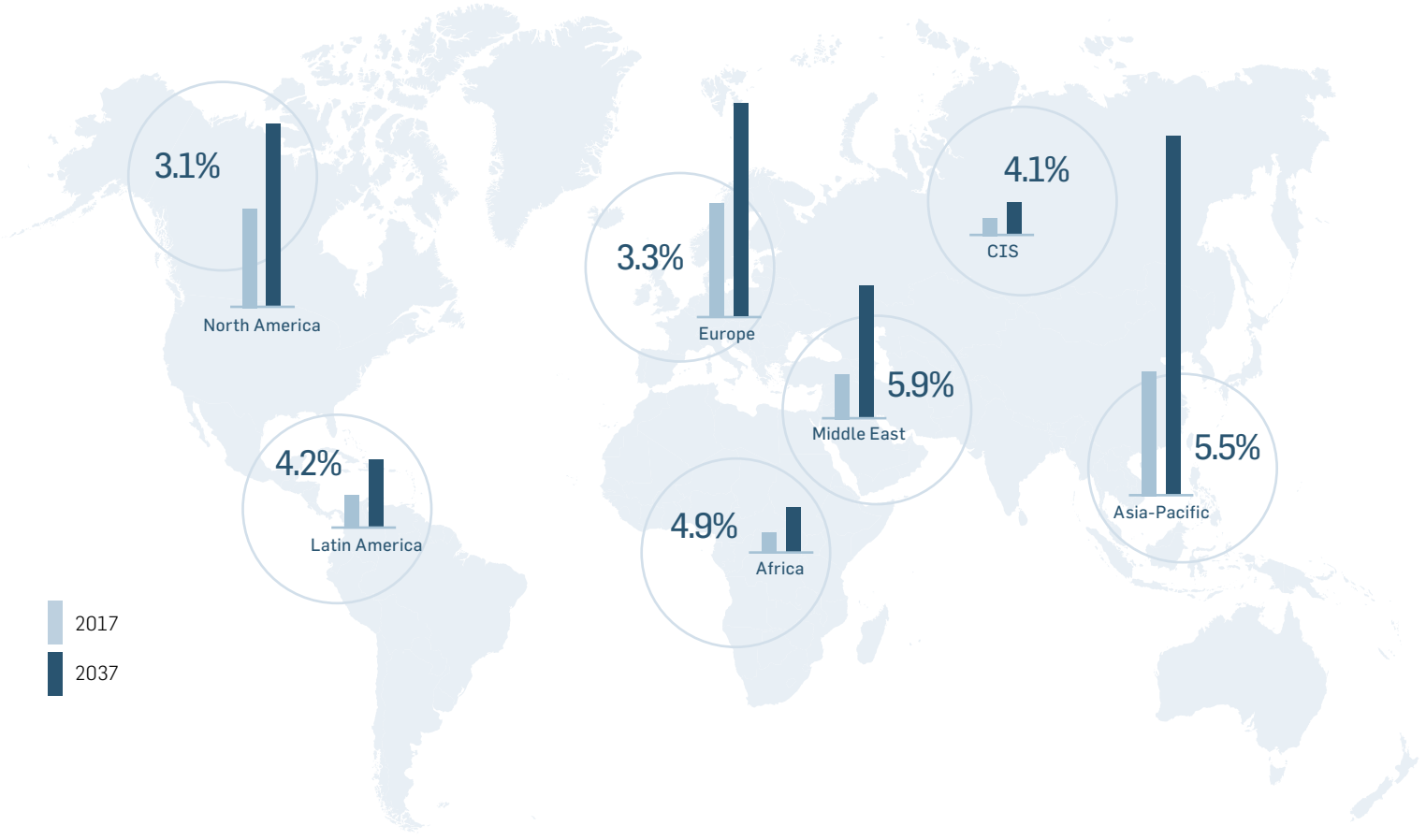
More than 40 percent of all new aircraft are delivered to the Asia-Pacific region

Demand for passenger aircraft:
Forecast 2018 to 2037 by region
Source: Airbus



Growth markets contribute more than proportionately to the increase in air traffic

Passenger kilometers:
Expected average growth
in % per year



Cooperations and memberships

GRI 102-15

Increasingly complex tasks require solutions which can only be developed and implemented in a joint effort. This is why, over the years, FACC has developed into an international and very active cooperation platform.

After all, it is an illusion to believe that all questions can be solved in-house and with one's own means. Qualified and specialized expertise can be found amongst the leading know-how and knowledge workers all over the world.

Progressive digitization allows FACC to concentrate on the core services of the company.

Partnerships with universities and research-related institutions

- University of Applied Sciences Graz (FH Joanneum Graz): degree program Aviation
- University of Applied Sciences Rapperswil: Institute for Materials Technology and Plastics Processing
- University of Applied Sciences Wels: Research Group Non-Destructive Testing
- University of Applied Sciences Wels: Materials and Production Engineering
- Montan Universität Leoben: Founding member of the Polymer Competence Center Leoben PCCL
- Johannes Kepler University Linz: Institute of Structural Lightweight Design
- Johannes Kepler University Linz: Linz Institute of Technology
- Montan Universität Leoben: Chair of Processing of Composites
- Montan Universität Leoben: Chair of Design Plastics and Composite Materials
- Montan Universität Leoben: Chair of Materials Science and Testing of Polymers
- TU Wien: Institute of Lightweight Design and Structural Biomechanics
- TU Wien: Chair of Cyber-Physical Systems & Industry 4.0
- TU Wien: Institute of Production Engineering
- Technical University of Munich: Chair of Carbon Composites
- Christian-Doppler Laboratories in Leoben and Linz: Processing of Composites (Leoben) and Structural Health Monitoring (Linz)
- Various project-related partnerships: Polytechnico Milano, London Imperial College, TU Dortmund, ETH Zurich, etc.

Memberships of professional associations (among others)

- AAI – Austrian Aeronautics Industries Group: Chairmanship
- Carbon Composites Austria: Management Board mandate
- Civil Aviation Business Unit of ASD (AeroSpace and Defense Industry Association of Europe): permanent representative
- University of Applied Sciences Wels: member of the Strategy Advisory Board
- Hot Spot! Innviertel: member
- Assosciation of higher technical college (HTL): executive chairmanship
- Federation of Austrian Industries: member of the Federal Board
- Federation of Upper Austrian Industries: member of the Regional Executive Board
- Lightweight platform A2LT: platform spokesperson
- European Aerospace Quality Group (EAQG): permanent representative
- International Aerospace Quality Group (IAQG): permanent representative
- Austrian Chinese Business Association (ACBA): representative
- Upper Austrian Economic Chambers: member of the Technology & Innovation Strategy Group

ECONOMY

Contributions to location quality

GRI
103-1, 103-2, 103-3, 201-1

FACC's clear commitment to its production sites in Upper Austria has generated diverse added value for the region. FACC thus pursues a clear goal: The company's appeal to skilled workers and high potentials and their families should enjoy further growth. Similarly, the region and its economies should also benefit from the upturn induced by FACC jobs, investments and purchasing activities. This will further improve the quality of life of the inhabitants and future generations living there.

The Upper Austrian town of Reichersberg is not only the location of FACC's Plant 4, but currently also the municipality with the highest creditworthiness in Austria.[1)] The municipality of St. Martin is also doing well economically – additional schools and kindergartens are being built, thereby creating an ideal environment for families. Thanks to FACC's stable and sustainable growth, the entire region is also continuously growing. Supply companies are flourishing parallel to the positive development of FACC. Services and products are created which are purchased nationwide and beyond the needs of FACC – a win-win situation for everyone.

FACC promotes location quality through:

- Cross-border job creation (FACC currently employs 800 members of staff from neighboring Bavaria)
- Strategic regional and thematic development ("Composite Valley" in Ried and the Innviertel region)
- Site investments: FACC has invested more than EUR 480 million in its Upper Austrian sites since 2010. This has led to the creation of 1,800 jobs. Continuous investments in the domestic plants are to be made in the coming years.
- Project-specific investments: the purchase of tools, amongst others, from regional manufacturers, who thus benefit from local added value.

Support for regional training opportunities

FACC also wants to motivate young people to take up a career in technology and give their interests a home to flourish. Until twelve years ago, Ried im Innkreis did not have a higher technical college (HTL); for seven years now there have been HTL graduates, of whom about 50 percent continue to study while the other 50 percent find a job in regional industry. FACC has supported the HTL Ried project from the very beginning and is still represented on the board of the association today.

Intensive cooperation with training institutions:

- Specialist cooperation with training institutions (e.g. HTL Ried) and universities (e.g. the University of Applied Sciences Wels and the Johannes Kepler University Linz)
- Support of endowment professorships
- Funding for research units (2018/19 financial year: EUR 763,000).

Decisions regarding cooperation with training institutions are taken by the Management Board together with the Human Resources manager.

[1)] Study by the magazine "public"; annual evaluation of the creditworthiness of all Austrian municipalities by the KDZ Center for Management Research (Zentrum für Verwaltungsforschung); in the last published study covering the years 2013 to 2017, Reichersberg was at the top of the ranking.

Good governance

GRI
102-16, 103-1, 103-2, 103-3, 205-1, 206-2

FACC commits all people and organizations who work for the company to adhere to certain values and principles of conduct. This is because FACC acknowledges its responsibility towards society and the environment in so far as it is within its sphere of decision-making and influence. An essential instrument for this is the FACC Code of Conduct.

In addition to the issues of corruption and bribery and human rights (fair working conditions), the Code of Conduct includes the following topics: general conduct, safety and health protection, company property, conflicts of interest, prohibition of cartels, insider information, export control, environmental protection and quality policy. The Code of Conduct is available to all employees on FACC's intranet in German and English.

In the year under review, a communication initiative was launched to raise awareness of the Code of Conduct and its regulations. As part of this initiative, the Code of Conduct was adapted and brought to the attention of all employees of the Group in a separate communication by the Management Board. Employees of the internal management team were instructed on the superordinate topics of compliance, anti-corruption, export control and data protection as part of a special training session.

At FACC, the ongoing work on good governance is an interdisciplinary field in which the department of Organizational Development and organizational units such as Communication, Legal, Compliance, Business Strategy, Internal Audits and in future also Digitization are involved. The Legal department is primarily responsible for the Code of Conduct.

As part of the revision of the Code of Conduct in 2017/18, a whistleblower system was also set up as a complaint mechanism to report complaints and offences. No reports were made in the past financial year.

The evaluation is carried out twice a year during the FACC Management Days, whose program also includes “continuous improvement”. If necessary, specific tasks to improve compliance are assigned here, and their completion is regularly monitored at divisional level. Furthermore, there are plans to establish an in-house compliance system with audits, evaluations and management reviews.

Other initiatives to be implemented in the coming years include mandatory self-disclosure by suppliers or a comparison of the purchasing volume per country with the corruption index. A further update of the Code of Conduct is also planned.

Excerpts from the FACC Code of Conduct

GRI 102-12

Dear employees,

customers choose us as a strong partner because they value our experience and innovative strength. We are able to convince our applicants by offering them an interesting range of tasks, numerous opportunities for personal development and a strong sense of solidarity between our co-workers, which is renowned beyond the borders of our company.

Each and every employee – whether male or female, worker or salaried employee, Austrian or foreign – makes a significant contribution to our company's success and justifies the trust that is placed in us in his or her respective field of work. In order to sustainably secure and strengthen this solid foundation, we have prepared the present Code of Conduct as a binding behavioral guideline for the entire Group.

This Code of Conduct reflects our corporate culture and lays down the rules and basic principles which govern the way we work together. In addition to offering us support in our day-to-day work, it also strives to make us aware that our actions directly reflect on our department, our division and our company.

Let us implement the values embodied in this Code of Conduct in our daily work so that FACC continues on its road to success.

Robert Machtlinger, CEO
Andreas Ockel, COO
Aleš Stárek, CFO
Yongsheng Wang, CCO

Guidelines

The following guidelines supplement and substantiate our values and guiding principles. They are intended to offer support to all employees and facilitate compliance with legal and corporate provisions and guidelines in their day-to-day work.

In many areas, they are supplemented with detailed regulations specific to certain topics or locations.

Fair working conditions

Labor law and all provisions deriving thereof must be complied with in full. No person is to be unfairly disadvantaged, favored, harassed or ostracized because of his or her race, ethnic origin, gender, religion or political views, handicaps, age or sexual identity. Bullying and sexual harassment of any kind are also strictly forbidden.

The regulations specified in the ILO Convention on child labor are not only to be observed by FACC, but also by its partner companies and suppliers. All employees have the right to be protected from discrimination and harassment.

Every employee who is either involved in, or witness to, a conflict must report this to a competent supervisor or the Human Resources department. This can be done informally, in person, via telephone, email or in writing.

Corruption

FACC has a zero tolerance policy towards corruption or business transactions involving prohibited gifts and benefits. With this in mind, any type of gift which could wrongfully influence the decisions or actions of involved persons, especially public officials, is to be refrained from.

Please bear in mind that any semblance of such behavior must be systematically avoided. Should you have any questions or doubts, please consult the Vice President Legal.

Export control

GRI
103-1, 103-2, 103-3

Due to its specific line of business, FACC is subject to international export control regulations. These ensure that we cooperate exclusively with permissible organizations and persons.

1. **Sanctions:** Business partners are screened on the basis of current global sanctions lists.

2. **Embargo check:** If there is any indication that a particular destination is located in a country under embargo, an automatically generated embargo block notice is sent, which is then checked manually.

3. **Dual-use goods:** If products are classified as dual-use goods under EU or US export law, i.e. they can be used for both civil and military purposes, blocking signals are also issued, which are specifically evaluated on a case-by-case basis.

4. **ITAR goods:** These are goods that are examined in great detail within the framework of export controls as they are subject to the International Traffic in Arms Regulations (ITAR), i.e. US regulations relating to military equipment.

   Due to the stringent controls and the associated high penalties imposed by the relevant US authorities, we are faced with export compliance risks. FACC therefore takes care to ensure that ITAR goods are generally no longer purchased (ITAR Free Compliance Plan).

   Furthermore, FACC pursues the strategy of not offering or handling military goods.

5. **Export licenses:** Export licenses are applied for from the competent authorities if required for the export of components or goods.

All these points are continuously monitored and optimally adapted to evolving international legislation.

FACC is both concerned with, and committed to, completely fulfilling contractual obligations, requirements, laws and regulations as well as customer specifications and standards at all times. Legal conformity and contract compliance are just as important as the long-term safety of the components manufactured and delivered to customers.

FACC components should never be responsible for aviation safety incidents or accidents. This ambitious goal has been achieved to date. Quality Management at FACC was, and still is, responsible for this achievement:

The Quality Manager is the first point of contact for authorities in all matters relating to aviation safety. The Quality Manager is also responsible for export control. His or her team consists of two experts, who have been specially trained for this purpose. Any complaints or queries are addressed to, and dealt with, by these three individuals.

Evaluation of the effectiveness of all adopted measures is an integral part of FACC's strategy to ensure flight safety and export control. In 120 internal audits covering all areas of the company (FACC Operations GmbH), Quality Management reviews the compliance with all applicable regulations and requirements at least once a year in order to establish conformity.

Two Quality Management reviews, in which the findings of the internal audits are presented to the Management Board, also address high-level export control, among other topics.

The evaluation for the past and current reporting year revealed comprehensive conformity in the sense of conformity with the requirements throughout the company. No necessary adjustments were reported in 2018/19, but there is potential for further improvements.

APPENDIX

KEY FIGURES

Products

KPI	Description	Unit	2017/18	2018/19	GRI
Flight safety					
Incidents in the health and safety area	Total number of violations of regulations and/or voluntary codes relating to the health and safety impacts of products and services during the reporting period	Number	0	0	416-2
… fines	Number of violations of regulations regarding the impact of products on the health and safety of customers resulting in a fine or sanction	Number	0	0	416-2
… fines – value	Violations of regulations regarding the impact of products on the health and safety of customers, including product labeling	EUR	0	0	416-2
… non-monetary sanctions	Number of violations of regulations regarding the impact of products on the health and safety of customers resulting in a warning notice	Number	0	0	416-2
Purchasing categories	Number of key purchasing categories	Number	24	24	417-1
Certified purchasing categories	Number of key purchasing categories with which a manufacturer's certificate/ indication of origin is attached	Number	17	17	417-1
Product categories	Number of key product categories	Number	3	3	417-1
… proven origin	Number of key product categories, to which a manufacturer`s certificate is attached	Number	3	3	417-1
… proven contents (e.g. chemicals from REACH)	Number of key product categories, to which a description of the contents is attached	Number	0	0	417-1
… required disposal	Number of key product categories, to which a description of the disposal is attached	Number	0	0	417-1
… export certificates	Number of key product categories, for which export certificates are (must be) created	Number	3	3	417-1

Environment

KPI	Description	Unit	2017/18	2018/19	GRI
Energy and emissions					
Total energy consumption		kWh	85,190,672	95,966,867	302-1
Non-renewable fuels (total)	Total fuel consumption from non-renewable sources	kWh	22,080,143	24,899,572	302-1
… natural gas, incl. LNG	Incl. fuel for company-owned vehicles	kWh	13,561,108	17,329,243	302-1
… gasoline, diesel	Consumption for vehicle fleet	kWh	646,135	362,329	302-1
… heat-transfer oil		kWh	7,872,900	7,208,000	302-2
… other non-renewable fuels		kWh	n.a.	n.a.	302-1
Renewable fuels (total)	Total fuel consumption from renewable sources	kWh	52,900,578	88,900,296	302-1
… biogas		kWh	n.a.	n.a.	302-1
… other renewable fuels		kWh	n.a.	n.a.	302-1
Electricity purchased for consumption (total)	Total electricity purchased for consumption (renewable and non-renewable); excluding self-generated electricity (for example from fuels) to avoid double counting with fuels	kWh	43,987,278	45,541,590	302-1
… renewable	Electricity from renewable resources (according to the information of the provider, e.g. by means of billing); this is a sub category of "electricity (total)"	kWh	305,820	298,980	302-1
Heating/cooling	Quantity purchased for consumption; including district heating/cooling	kWh	n.a.	32.797.018	302-1
Geothermal		kWh	8,607,480	10,262,708	302-1
Solar, wind, and hydropower	From own plants	kWh	n.a.	n.a.	302-1
Indirect GHG emissions (Scope 2)	GHG emissions in CO_2 equivalents of (purchased) electricity, heating and cooling	t	15,378	16,505	305-2
Intensity of GHG emissions	Emissions in relation to operating performance or production volume	kg/EUR	n.a.	n.a.	305-4
Operating performance	Operating performance in the reporting period	EUR	659,620,442	691,565,252	302-3 305-4

For reasons of materiality, the table contains only values from the production facilities.

Environment

KPI	Description	Unit	2017/18	2018/19	GRI
Waste (by type)					
Waste (total)		kg	5,157,496	4,541,226	306-2
Non-hazardous waste (total)	"Non-hazardous" according to legal definition	kg	4,034,469	3,981,589	306-2
… commercial waste	Stone dusts, polishing dusts, blasting agent residues with application-specific non-harmful admixtures, phenolic and melanin resin, other cured plastic waste, videocassettes, magnetic tapes, tapes, ribbons (carbon ribbons), toner cartridges without hazardous ingredients, municipal and similar commercial waste, residues from mechanical waste treatment	kg	1,346,423	1,240,015	306-2
… metals	Non-ferrous metal scrap, non-ferrous metal packaging, nickel and nickel-containing wastes, sopper, ferrous and steel waste (contaminated), aluminum, aluminum foil	kg	164,470	187,464	306-2
… paper and packaging materials	Waste paper, paper and paper board (coated and uncoated)	kg	669,964	552,045	306-2
… plastics	Plastic films, polyurethane	kg	283,610	244,920	306-2
… electrical waste	Electrical and electronic equipment and parts, excluding environmentally relevant quantities of hazardous waste or ingredients	kg	n.a.	n.a.	306-2
… other non-hazardous waste	Construction debris, tree and shrub pruning, street sweepings, paper/paper board/cardboard, wood, packaging materials, polyurethane, plastic, metal scrap (without environmentally relevant quantities of hazardous waste or ingredients)	kg	n.a.	1,157,923	306-2
Hazardous waste (total)	"Hazardous" according to legal definition	kg	1,123,027	559,637	306-2
… liquid hazardous waste	Solvents, acids, bases, oil-water mixtures, coolants and lubricants	kg	13,823	23,428	306-2
… solid/pasty hazardous waste	Used oil binder materials, solvent-containing sludge/ production materials, paint and paint sludge	kg	650,565	498,367	306-2
… containers with hazardous residual contents	Iron metal packaging, compressed gas packages	kg	10,460	12,691	306-2
… other contaminated materials	Laboratory waste, building rubble containing harmful contaminants, asbestos waste / soils, filter cloths	kg	n.a.	25,151	306-2
Waste (per GRI Index - by disposal method)					
Non-hazardous waste (total)	"Non-hazardous" and "hazardous" according to legal definition; total weight (ton wet mass) of non-hazardous waste (excluding non-hazardous wastewater), split into the following disposal methods where applicable	kg	4,034,469	3,981,589	306-2
… re-usage on site	Used for manufacturing other company products	kg	n.a.	n.a.	306-2
… recycling	Except re-usage	kg	157,690	658,330	306-2
… recovery	Incl. energy recovery (e.g. combustion with energy recovery)	kg	1,274,573	1,181,215	306-2
… landfill	Disposal of the waste in a landfill	kg	1,098,334	1,086,314	306-2
… others	Non-hazardous waste disposed of differently	kg	n.a.	1,055,730	306-2
Hazardous waste (total)	"Hazardous" according to legal definition	kg	1,123,027	559,637	306-2
… re-usage on site	Used for manufacturing other company products	kg	n.a.	n.a.	306-2
… recycling	Except re-usage	kg	n.a.	6,568	306-2
… recovery	Incl. energy recovery (e.g. combustion with energy recovery)	kg	394,091	29,050	306-2
… landfill	Disposal of the waste in a landfill	kg	n.a.	n.a.	306-2
… others	Hazardous waste that was disposed of differently	kg	6,713	524,019	306-2

For reasons of materiality, the table contains only values from the production facilities.

Materials

KPI	Description	Unit	2017/18	2018/19	Dangerous goods share	GRI
Use of material						
Non-renewable materials	Total quantity of non-renewable materials used by FACC	EUR	413,817,854	406,245,754	3%	301-1
Purchased part marking	Parts by marking - mainly out of metal or plastic	EUR	151,930,819	168,154,616	0%	301-1
Composite materials	Impregnated and dry tissues and honeycomb materials	EUR	93,367,494	86,607,027	0%	301-1
Precast	Precast	EUR	83,034,636	76,424,674	0%	301-1
Standard parts	Parts by specification, e.g. screws, rivets, bolts, etc.	EUR	22,260,522	18,526,788	0%	301-1
Catalogue parts	Parts by manufacturer definition	EUR	20,184,535	18,897,123	0%	301-1
Paints, adhesives	Paints, adhesives	EUR	17,963,818	14,002,249	27%	301-1
Sealing and fillers	Sealing and fillers	EUR	12,677,128	10,815,735	49%	301-1
Tools, indirect materials	Drills, cutters, masking tapes, gloves, etc.	EUR	6,816,463	8,190,406	1%	301-1
Miscellaneous	Decorative materials, raw materials, bagging materials	EUR	5,582,440	4,627,137	1%	301-1

For reasons of materiality, the table contains only values from the production facilities.

Economy, Compliance

KPI	Description	Unit	2017/18	2018/19	GRI
Economic responsibility and effects in the region					
Revenue	Direct economic value: net sales plus income from financial investments and the sale of assets	EUR'000	747,715	785,170	201-1
Operating expenses	Distributed economic value: cash payments to third parties for materials, product components, facilities and externally sourced services	EUR'000	452,485	461,815	201-1
Wages and company social benefits for employees	Distributed economic value: total payroll plus the total company benefits	EUR'000	184,426	203,274	201-1
Payments to lenders	Distributed economic value: dividends to all shareholders plus interest payments to lenders	EUR'000	10,069	15,880	201-1
Payments to the government	Distributed economic value: all taxes paid by the organization at the international, natianal and local level plus the associated fines	EUR'000	301	997	201-1
Investments in the community	Distributed economic value: actual expenses during the reporting period excluding requirements, including voluntary donations and investments in the broader community, such as: donations to charities, non-governmental organizations and research organizations (not related to the commercial R&D of the organization); funds to support community infrastructure (e.g. recreational facilities); direct costs for social programs (including cultural and educational events)	EUR'000	5	13	201-1
Anti-corruption and anticompetitive behavior					
Employees informed about anti-corruption	Number of company personnel who have been notified of company policies regarding anti-corruption (total), e.g. via the Code of Conduct (CoC)	Headcount	3,489	3,566	205-2
… informed board members	Number of board members who have been notified of company policies regarding anti-corruption, e.g. via the CoC	Headcount	4	4	205-2
… informed white-collar workers	Number of white-collar workers (incl. management) who have been informed of company policies regarding anti-corruption, e.g. via the CoC	Headcount	1,202	1,354	205-2
… informed blue-collar workers	Number of blue-collar workers who have been informed of company policies regarding anti-corruption, e.g. via the CoC	Headcount	2,283	2,208	205-2
Business partners informed about anti-corruption	Business partners (e.g. suppliers, cooperation partners) to which the company policies regarding anti-corruption were communicated to	Headcount	over 1,600	over 1,600	205-2
Employees trained in anti-corruption	Number of company personnel trained in anti-corruption (total)	Headcount	3,489	3,566	205-2
… trained board members	Number of board members trained in anti-corruption (total)	Headcount	4	4	205-2
… trained white-collar workers	Number of white-collar workers (incl. management) trained in anti-corruption (total)	Headcount	1,202	1,354	205-2
… trained blue-collar workers	Number of blue-collar workers (incl. management) trained in anti-corruption (total)	Headcount	2,283	2,208	205-2
Corruption cases	Total number of confirmed cases of corruption (including cases where employees have been dismissed or disciplined for corruption, and cases where contracts with business partners have been terminated/not extended due to corruption)	Number	0	0	205-2
Claims due to anticompetitive behavior	Number of pending or completed claims in the period under review for anticompetitive behavior or antitrust and monopoly violations in which the company was identified as a party	Number	0	0	206-1

Compliance

KPI	Description	Unit	2017/18	2018/19	GRI
Human rights					
Employees informed about human rights	Number of company personnel who have been notified of company policies regarding human rights (total), e.g. via the Code of Conduct (CoC)	Headcount	3.489	3.566	408-1 409-1
… informed board members	Number of board members who have been notified of company policies regarding human rights, e.g. via the CoC	Headcount	4	4	408-1 409-1
… informed white-collar workers	Number of white-collar workers (incl. management) who have been informed of company policies regarding human rights, e.g. via the CoC	Headcount	1.202	1.354	408-1 409-1
… informed blue-collar workers	Number of blue-collar workers who have been informed of company policies regarding human rights, e.g. via the CoC	Headcount	2.283	2.208	408-1 409-1
Sites with significant risk of incident for (a) child labor and/or (b) young employees who are exposed to dangerous work and/or (c) forced or compulsory labor	Sites with significant risk, e.g. due to operating mode (e.g. manufacturing) or country/region	Description	0	0	408-1 409-1
Countries of the top 5 suppliers	Country of manufacture of materials of the top 5 suppliers (based on purchase value)	Description	Germany, USA, Austria, UAE, France	Germany, USA, Austria, UAE, France	408-1 409-1
Suppliers with significant risk of incident for (a) Child labor and/or (b) young employees who are exposed to dangerous work and/or (c) forced or compulsory labor	Names of suppliers with significant risk, e.g. due to operating mode (e.g. manufacturing) or country/region	Description	0	0	408-1 409-1

Human Resources

KPI	Description	Unit	2017/18[1)]	2018/19	GRI
Employees and diversity					
Total employees – male	Number of male employees, incl. board members and management, excl. non-employees (employee leasing)	Headcount	2,661	2,695	102-8
Total employees – female	Number of female employees, incl. board members and management, excl. non-employees (employee leasing)	Headcount	828	871	102-8
Temporary employees – male	Number of male employees with fixed-term contracts	Headcount	325	350	102-8
Temporary employees – female	Number of female employees with fixed-term contracts	Headcount	113	160	102-8
Part-time employees – male	Number of male part-time employees as defined by national law	Headcount	50	54	102-8
Part-time employees – female	Number of female part-time employees as defined by national law	Headcount	155	180	102-8
Full-time employees – male	Number of male full-time employees	Headcount	2,611	2,641	102-8
Full-time employees – female	Number of female full-time employees	Headcount	673	691	102-8
Management – male	Number of male employees in management functions/ positions (incl. board members and department heads)	Headcount	208	232	404-1
Management – female	Number of female employees in management functions/ positions (incl. board members and department heads)	Headcount	24	34	404-1
Non-management – male	Number of male employees without management function	Headcount	2,453	2,463	404-1
Non-management – female	Number of female employees without management function	Headcount	804	837	404-1
White-collar workers – male	Number of male white-collar workers (incl. management and board members)	Headcount	897	1,024	404-1
White-collar workers – female	Number of female white-collar workers (incl. management and board members)	Headcount	309	334	404-1
Blue-collar workers – male	Number of male blue-collar workers	Headcount	1,764	1,671	404-1
Blue-collar workers – female	Number of female blue-collar workers	Headcount	519	537	404-1
Non-employees (employee leasing)	Blue-collar workers who are not in a direct contractual relationship with FACC but contracted through a third party (temporary workers)	Headcount	75	68	102-8
Employees under collective agreements	Number of employees, who are under collective agreements	Headcount	3,375	3,444	102-41
Employees < 30 – male	Number of male employees under 30 years of age	Headcount	782	708	401-1
Employees < 30 – female	Number of female employees under 30 years of age	Headcount	304	311	401-1
Employees 30 – 50 – male	Number of male employees 30-50 years of age	Headcount	1,581	1,631	401-1
Employees 30 – 50 – female	Number of female employees 30-50 years of age	Headcount	447	472	401-1
Employees > 50 – male	Number of male employees over 50 years of age	Headcount	298	356	401-1
Employees > 50 – female	Number of female employees over 50 years of age	Headcount	77	88	401-1
Employees leaving total – male	Number of male employees who have left the company (voluntarily), were laid off, retired or have died	Headcount	393	363	401-1
Employees leaving total – female	Number of female employees who have left the company (voluntarily), were laid off, retired or have died	Headcount	132	113	401-1
Employees leaving total – white-collar workers	Number of white-collar workers who have left the company (voluntarily), were laid off, retired or have died	Headcount	156	131	401-1
Employees leaving total – blue-collar workers	Number of blue-collar workers who have left the company (voluntarily), were laid off, retired or have died	Headcount	369	345	401-1
Employees leaving unplanned – male	Number of male employees who have left the company by mutual agreement or voluntarily	Headcount	256	203	401-1
Employees leaving unplanned – female	Number of female employees who have left the company by mutual agreement or voluntarily	Headcount	77	63	401-1
Employees leaving unplanned – white-collar	Number of white-collar employees who have left the company by mutual agreement or voluntarily	Headcount	113	87	401-1

[1)] The deviation from the previous year's report is based on the change of the reference period of the calendar year for the financial year and the inclusion of the foreign subsidiaries.

Human Resources

KPI	Description	Unit	2017/18[1)]	2018/19	GRI
Employees and diversity					
Employees leaving unplanned – blue-collar	Number of blue-collar employees who have left the company by mutual agreement or voluntarily	Headcount	220	179	401-1
New hires < 30 – male	Number of newly hired male employees, under 30 years of age	Headcount	205	181	401-1
New hires < 30 – female	Number of newly hired female employees, under 30 years of age	Headcount	76	94	401-1
New hires 30 – 50 – male	Number of newly hired male employees, 30-50 years of age	Headcount	170	174	401-1
New hires 30 – 50 – female	Number of newly hired female employees, 30-50 years of age	Headcount	67	71	401-1
New hires > 50 – male	Number of newly hired male employees, over 50 years of age	Headcount	26	35	401-1
New hires > 50 – female	Number of newly hired female employees, over 50 years of age	Headcount	6	5	401-1
New hires – white-collar workers	Number of newly hired white-collar workers	Headcount	198	224	401-1
New hires – blue-collar workers	Number of newly hired blue-collar workers	Headcount	352	336	401-1
Training and development					
Training hours	Total number of training hours for all employees, incl. internal and external training and development; personal training and e-learning	Hours	60,700.91	49,579.84	404-1
Training hours – management	Total number of training hours for all management functions (Management Board and directors)	Hours	9,014.34	5,837.64	404-1
Training hours – non–management	Total number of training hours for all non-management employees	Hours	51,366.57	43,379.20	404-1
Training hours – internal trainings[2)]	Average number per employee	Hours	12.88	9.31	404-1
Training hours – external trainings[2)]	Average number per employee	Hours	4.75	4.30	404-1
Health and safety					
Occupational injuries – male employees blue-collar	Reportable accidents at work per AUVA (General Accident Insurance Institution)(starting from a 3 days absence) blue-collar male	Number	85	61	403-2
Occupational injuries – female employees blue-collar	Reportable accidents at work per AUVA (General Accident Insurance Institution)(starting from a 3 days absence) blue-collar female	Number	31	12	403-2
Injury rate blue-collar	LTIFR (Lost time injury frequency rate): Number of reportable accidents at work (> 3 day) x 1.000.000)/number of productive hours effectively worked blue-collar.	Number	33.9	20.3	403-2
Occupational injuries blue-collar – types	Types of injuries occured most frequently	Description	Cutting damages	Falling down and cutting damages	403-2
Downtime due to such injuries – blue-collar male employees	Calendar days, from the first day of absence	Days	1.505	1.259	403-2
Downtime due to such injuries – blue-collar female employees	Calendar days, from the first day of absence	Days	352	337	403-2
Downtime due to such injuries – blue-collar male employees	Calendar days, from the third day of absence	Days	0	1,101	403-2
Downtime due to such injuries – blue-collar female employees	Calendar days, from the third day of absence	Days	0	303	403-2
Occupational injuries – blue-collar male non–employees	Number of injuries as defined by law for male non-employees (temporary workers)	Number	0	0	403-2
Occupational injuries – blue-collar female non–employees	Number of injuries as defined by law for female non-employees (temporary workers)	Number	0	0	403-2

[1)] The deviation from the previous year's report is based on the change of the reference period from calendar year to financial year and the inclusion of the foreign subsidiaries.

[2)] Only Austrian sites

Human Resources

KPI	Description	Unit	2017/18[1]	2018/19	GRI
Health and safety					
Occupational deaths blue-collar – male employees	Number of work-related deaths within 30 days of the accident, including road accidents for male employees	Number	0	0	403-2
Occupational deaths blue-collar – female employees	Number of work-related deaths within 30 days of the accident, including road accidents for female employees	Number	0	0	403-2
Occupational deaths blue-collar – male non-employees	Number of work-related deaths within 30 days of the accident, including road accidents for male non-employees	Number	0	0	403-2
Occupational deaths blue-collar – female non-employees	Number of work-related deaths within 30 days of the accident, including road accidents for female non-employees	Number	0	0	403-2
Hours worked – male employees	Total number of hours worked by all male employees[2]	Hours	4,410,721.83	4,497,214.02	403-2
Hours worked – female employees	Total number of hours worked by all female employees[2]	Hours	1,221,253.76	1,273,344.89	403-2
Hours worked – male non-employees	Total number of hours worked by all male non-employees[2]	Hours	80,300.76	90,349.29	403-2
Hours worked – female non-employees	Total number of hours worked by all female non-employees[2]	Hours	19,833.88	24,327.99	403-2
Absences – male employees	Number of absence hours regardless of the cause for male employees (including planned absences such as holidays, study leave, or parental leave, sick leave, occupational and non-occupational illness and injury)	Hours	910,143.37	953,370.10	403-2
Absences – female employees	Number of absence hours regardless of the cause for female employees (including planned absences such as holidays, study leave, or parental leave, sick leave, occupational and non-occupational illness and injury)	Hours	425,000.59	460,328.00	403-2

[1] The deviation from the previous year's report is based on the change from reference period to calendar year for the financial year and the inclusion of the foreign subsidiaries.

[2] Calculation: average FTE x normal working hours per week x 52, minus planned absences (e.g. holidays, study leave, parental leave) plus overtime actually incurred.

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GLOSSARY

ATL (Automated Tape Layer)	Device which uses computer-guided robotics to lay layers of material
Autoclave	A gas-tight sealable pressure chamber for the thermal treatment of substances in the overpressure range
Biopregs	Semi-finished fiber matrix products pre-impregnated with natural resins instead of chemical resins
Cleanroom	Space in which the concentration of airborne particles can be kept very low
CNC-controlled machines (Computerised Numerical Control)	Machine tools which, thanks to modern control technology, can produce workpieces automatically and with high precision, even for complex shapes
Composite	Composite material made up of two or more constituent materials with significantly different properties than its individual components
Conflict minerals	Mineral resources, raw materials and other natural resources extracted in conflict or high risk areas. These substances are produced or mined illegally and beyond state control. Extraction of these substances involves systematic violations of human rights and international law.
Dual-use goods	Components, machines, technical documents or software which can be used for both civil and military purposes
EASA Part 21J	EASA approval for design organizations, which are authorized to develop and modify aeronautical products, components or equipment
Embargo check	Selling sensitive goods (dual-use goods) to countries, organizations, companies or individuals against whom sanctions apply is prohibited by law. These sanctions are imposed by the state (embargoes), which prevent trade in goods with a particular state.
Export control	Cross-border trade and data exchange are subject to legal requirements – also known as export controls
ITAR goods	Goods that are examined in great detail within the framework of export controls as they are subject to the International Traffic in Arms Regulations (ITAR), i.e. US regulations relating to military equipment. Due to the stringent controls and the associated high penalties imposed by the relevant US authorities, we are faced with significant export compliance risks. FACC therefore takes care to ensure that ITAR goods are generally not purchased.
Manufacturing tolerance	Permissible level of deviation of a quantity from the standard state in production
MTOW	Maximum Take Off Weight
OEM (Original Equipment Manufacturer)	Companies that manufacture components, but do not sell them to end users
Prepreg	Material made of e.g. carbon or glass fibers and pre-impregnated with resin
Reaction resins	Liquid or liquefiable synthetic resins which cure in a relatively short amount of time through a chemical reaction
RIFT (Resin Infusion under Flexible Tooling)	Flexible tool for the efficient production of complex moulded parts
RTM (Resin Transfer Moulding)	Process for the efficient production of complex moulded parts
Semi-finished fiber matrix products	Semi-finished products made of reinforcing fibers impregnated with a plastic matrix (e.g. prepreg)
Shipset	Delivery unit, complete package per aircraft
Turnkey solutions	Tailor-made individual solutions that can be used immediately and integrated into aircraft or aircraft engines without any further preparatory work

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Note

This Sustainability Report was prepared and the data contained therein verified with the utmost care. However, rounding and typesetting errors as well as misprints cannot be entirely ruled out. Where rounded amounts and percentages are aggregated, rounding differences may occur due to the use of automated calculation aids. This Sustainability Report contains forward-looking assessments and statements, which were compiled on the basis of information available to the Group at the time the report was prepared. Such forward-looking statements are usually introduced with terms such as “expect”, “plan”, “anticipate”, “estimate” etc. We would draw your attention to the fact that various factors could cause actual conditions and results to deviate from the expectations outlined in this report. This report is also available in German. In cases of doubt, the German version shall prevail.

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