



Corporate Social Responsibility Report

2021

ADB 
SAFEGATE

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About this report

This is the 2021 report on Corporate Social Responsibility of the ADB SAFEGATE Group

The scope of this report

This report covers operations and activities of the ADB SAFEGATE Group, which is present in 37 locations covering all continents. The group has seven main operational offices that include all processes from product management, research and development, sales, supply chain, production, project management, services, marketing, finance, IT, quality, environment and health & safety management. The following report provides a coverage of the full ADB SAFEGATE Group.

Reporting framework and assurances

ADB SAFEGATE is committed to expanding transparency and coverage in our corporate social responsibility report. This helps to ensure compatibility with other organizations, where reporting is prepared in accordance with a subset of the Global Reporting Initiative (GRI) Standards, also considering the requirements of the European Directive on non-financial and diversity disclosure. While we continue to refine our reporting methodology, we are still in the early stages of aligning our reporting to globally recognized GRI standards. We understand that this will be a longer journey until we can claim to be fully compliant to the GRI.

Availability of this report

This report was published on July 30, 2021 and is available in a digital and printable format. It can be accessed online at www.adbsafegate.com/sustainability where the previous report, published in 2019, can also be accessed. Sustainability and corporate responsibility topics are also discussed in our official local reports where applicable. The Board Review of 2020 Annual Accounts includes non-financial information as required by the Belgian law implementing the EU Directive on disclosure of non-financial and diversity information.

1.0 ADB SAFEGATE today

Our industry

For the last seven decades, air traffic has grown steadily, with the aviation industry weathering every storm. Aviation growth, fueled by economic development, rising incomes, technological change, market liberalization, and low-cost carriers, came to a sudden halt in 2020 with the COVID-19 pandemic. With vaccination programs underway, and measures like vaccination certificates and social distancing norms being introduced to enable safe travel, there is a ray of hope and the aviation industry is recovering smoothly, though travel figures are not expected to reach pre-pandemic levels before 2023.

With aviation changing, today's airports are driven by the quest for next-level efficiency and outcomes, growing automation, digitalization and commoditization of hardware. The emergence of Chinese technology and the rise of Asia as an important market is obvious now, more than ever.

COVID-19 has precipitated the speed of change, and the expectations of our airport customers are changing as well. They're looking for competitive pricing, value for money, a high quality, low-cost portfolio, service and installation expertise, as well as a partner with quick response time to any requirement who can support on-time delivery.

Several other trends are driving airport technology investments:

- **Safety** will always be top priority. Evolving regulations and safety requirements are placing more and more demands on airport technology to be compliant with the existing standards and regulations required for airport certification.
- **Increased efficiency** to optimize airport operations and tackle unpredictability and fluctuating demand in a COVID-impacted world. We will see design innovation as one size cannot fit all. Airports face different challenges that require different solutions.
- **Reduced environmental impact** continues to be on the agenda as governments and regulatory bodies push for decarbonization of the economy. The European Union has set itself an ambitious target to become carbon neutral by 2050. This places demand on airports, and aviation as a whole, to accelerate their sustainability strategy. Airports seek products and solutions that can reduce their carbon footprint in multiple ways – lower energy consumption, increased life expectancy of equipment, reduction of aircraft fuel burn by improving the turnaround time - runway/taxiway/gate and so on.
- **Regulatory compliance** on quality, health and safety and environmental management systems is a must.

- **Automation** to manage constant fluctuations in traffic with a stable level of resources, and improve efficiency, safety and sustainability of their operations.
- **Non-discretionary and recurrent maintenance spending** to maintain operational levels at a controlled cost.
- **Integration of fragmented systems** to streamline operations.
- **Preference for local and regional solutions** as airports reconsider established models, and look more cautiously at CAPEX, OPEX and price points. This is also accelerating the rollout of new technologies.

In its most challenging hour, our industry has the opportunity to reimagine a future with safer, reliable and sustainable travel. Because history has shown - aviation's recovery from crises is not a matter of if, but when.



Our portfolio

As a leader in integrated airport solutions, ADB SAFEGATE's purpose is to enable new levels of safety, efficiency and sustainability in airside operations. Building on our technological leadership in products and solutions for the airfield and gate, we are expanding our core to deliver more value to our customers. Our portfolio continues to evolve to meet the evolving demands of our customers - from systems and solutions for the tower and terminal, and a wide range of airside aftermarket services, our portfolio boosts airport performance, safety and sustainability from approach to departure.

Market analysis

ADB SAFEGATE has customers around the world. The Americas and Europe comprise 60% of the total market, with Asia catching up.

REGION	TIER 1	TIER 2	TIER 3 ²	TOTAL		TIER DEFINITION
Europe	80 / 7	215 / 55	75 / 750	370	812	
Americas	110 / 14	245 / 58	75 / 1,420	430	1,492	Tier 1 airports >50
Africa	0 / 0	20 / 6	15 / 393	35	399	Tier 2 airports 10-50
Asia Pacific	80 / 13	115 / 31	45 / 1,116	235	1,160	
Middle East	30 / 2	65 / 12	15 / 114	110	128	Tier 3 airports <10
China	40 / 6	115 / 31	25 / 207	180	244	
Total	340 / 42	775 / 193	250 / 4,000	1370	4,235	

1. Workload unit: number of passengers + 100 kg of cargo
2. Includes only airports with commercial services

Market size €m  # of airports

The airfield market is driven by mature regions, with Europe, North America and Middle East driving ~65% of the total market size. The gate market on the other hand is quite fragmented, with Latin America and Africa lagging slightly due to slower adoption rates.

The tower market is driven by Europe and Asia Pacific (excluding China) making up around 50% of the total market. While North America remains the largest market for airport information systems, Asia Pacific is emerging as the fastest growing region.

How we fare

- A world leader in Airfield Ground Lighting (AGL), ADB SAFEGATE pioneered the use of energy-efficient LED lighting on the airfield. Today, with **two million-plus** of its AGL installed at airports worldwide, **2 of 3 LED AGL** are from ADB SAFEGATE.
- Safedock is the most widely installed visual docking guidance system with **more than 11,000 installations**; every **2 seconds an aircraft is docked safely** with our Safedock system.
- Currently, 280-plus tower solutions are deployed at airports around the world. Our tower systems support about 8,000 aircraft movements per day at an airport.
- **55% of the 4 billion air travelers** per year do so through airports that rely on software solutions developed by ADB SAFEGATE Airport Systems. **By digitalizing the airport**, our solutions automate airport processes. Reduced risk of human error raises safety, improved asset utilization boosts efficiency and on-time performance and fewer delays improve sustainability.

- We have more than **120** SLA & maintenance agreements, **250-plus** design projects and **160-plus** references for turnkey projects worldwide.
- Our Training Academy, active **since 1995**, has **upskilled nearly 12,000** technicians, installers, engineers and maintenance personnel over the years.

Customers

ADB SAFEGATE focuses on serving airports with at least 10 million passengers per year (large and very large hubs), but we also serve many medium-sized and small airports, often through our partner network of more than 100 agents and distributors. This results in the following customer distribution by airport size. (Table 1). Our portfolio is also targeted at airlines looking for faster turnaround times, and best-in-class visual guidance. We work with both low-cost and full-service carriers, regional and international airlines around the globe.

Table 1

Category	From pax/ year	To pax/ year	Market coverage
Very large	> 25 million		92%
Large	10 million	25 million	75%
Medium	1 million	10 million	51%
Small		< 1 million	17%

ADB SAFEGATE: At a glance



100+ years of cumulative experience



Partner to the world's **top 50** airports



Serves over **2,500** airports



Projects delivered in more than **175** countries **1,200+** employees, **50** nationalities



Production footprint serving global markets






100+ business partners worldwide












Strategic presence in **37+** cities









1.1 Our performance on key ESG (environment, social and governance) indicators

Material ESG Issues	Key performance indicator	Aspirations	Results (2020)	Status	Impact	Explanation
 Compliance	No. of legal and regulatory fines and settlements associated with incidents of: <ul style="list-style-type: none"> - environmental non-compliance - corruption or bribery - labor law violations 	Zero	Zero	On track	Environmental impact Reputation damage Brand integrity Cost savings	No issues reported during FY20
 Energy management	<ul style="list-style-type: none"> - Total energy consumed - % from renewable sources 	Improve	FY20 (electricity & gas) = 3312mWh of which 68% is renewable assimilated in this case to renewable source	On track	Environmental impact Cost savings	Data tracked year-on-year - FY20 used less energy (vs. previous years) though production volume grew substantially. This decrease is partly due to investments made to modernize our offices and production plant, and also the pandemic
 Waste management	Waste from operations <ul style="list-style-type: none"> - % hazardous - % recycled 	<2% hazardous waste, 100% recycled. Non-hazardous waste (wood, metal & cardboard /paper) 100% recycled	(a) 3.8 tons hazardous waste produced. 99% recycled (b) Non-hazardous waste: 149 tons generated-down by 90 tons vs. 2019, 90% recycled	On track	Environmental impact Cost savings	Epoxy resins, paints and solvents will remain a key element of production needed in the lights








Material ESG Issues

	 Key performance indicator	 Aspirations	 Results (2020)	 Status	 Impact	 Explanation
 Packaging	% of packaging that is recyclable	65%	65%	Ongoing	Environmental impact Cost savings	Wood from certified sources and recycled cardboard are used as packaging materials
	% packaging made from recycled materials	50% for AGL Products	50%	Ongoing		
 Worker safety	Occupational accident frequency rate with lost time a) FTEs b) contract employees	Zero	3 accidents recorded in 2020 at 2 sites - contract employees not included	Ongoing	Improved employee engagement, healthy workforce focus, reduced insurance costs, brand integrity	ADB SAFEGATE maintains a safe workplace policy and training system. In 2020, under the stewardship of the Vice President of Global Quality, Sustainability, Risk, Environment and Health and Safety, a global QHSE and sustainability framework was established. This structure will be implemented in 2021
	No. of major accidents: a) FTEs b) contract employees	Zero	0 OSHA recordable incidents - contract employees not included	Ongoing		
 Labor & working conditions	Employee turnover (a) voluntary and (b) involuntary	Employee turnover target is 6%	a) 14% b) 16%	To be improved	Improved employee engagement, healthy workforce focus, reduced insurance costs, brand integrity	FY20 had an above-average turnover related to the changes in the group strategy and structure








Material ESG Issues

	 Key performance indicator	 Aspirations	 Results (2020)	 Status	 Impact	 Explanation
 Staff training	% of executives (L1 & L2) that have received training in anti-bribery and corruption	100%	100%	On track	Improved employee engagement, healthy workforce focus, reduced insurance costs, brand integrity	Anti-bribery & anti-corruption courses are part of the executive onboarding process, and refresher training is conducted regularly
 Supply Chain/Quality Management	Number of key suppliers subject to EHSS audit	33/year	17 audits were performed on a global level	Behind	Increased transparency, brand integrity	Suppliers and subcontractors are required to comply with a number of ESG requirements defined in the Business Code of Conduct. The Group has contracts with 500 suppliers, of which the top 10 provides 27% of the purchase volume. A Quality team, with knowledge of the full implications of quality & business ethics audits, performs about 33 audits of key suppliers annually. Targets have not been met in 2020 due to the pandemic

Material ESG Issues

	 Key performance indicator	 Aspirations	 Results (2020)	 Status	 Impact	 Explanation
 Product sustainability	<ol style="list-style-type: none"> Examples of new products or services that have been introduced that incorporate environmental attributes % of sales (or CAGR of sales) attributed to these products 	<ol style="list-style-type: none"> To design innovative products and solutions to deliver environmental, operational, and safety benefits to customers To deliver quantifiable energy and emissions savings that meet the needs of airports and airlines who are committed to reducing their environmental impact while maintaining growth & efficiency 	<p>a) Airfield lighting represents up to 2% of an airport's energy consumption. All ADB SAFEGATE airport solutions include LED technology, which reduces energy consumption compared to traditional halogen installations by 70% in some cases up to 95% (parallel powered systems). Our main power supply sources are based on Low Harmonic Technology, with an efficiency of up to 99% allowing drastic savings in terms of energy</p> <p>b) "Intelligent lighting systems" which enable "Follow-the-Green" technology. This allows planes to be guided from landing to passengers exiting the aircraft, through the most efficient route possible at a given point in time (independent from marshalls' availability or weather), which reduces taxi time and fuel consumption</p> <p>c) The GATE portfolio was enhanced in the last two years, mainly by increasing the level of integration, leading to a more holistic knowledge of the apron</p>	On track	<p>a) LED Lighting: The figures changed slightly in 2019 and drastically in 2020: halogen represents <20% of all lights sold in 2019 and <12% in 2020: more and more airports are switching to LEDs as they refurbish their sites or build new airports</p> <p>b) Intelligent lights accounted for 19% of all LED lighting sales (global, including Americas) or 37% for EMEA/APAC mainly because the other regions are more focused on introducing new solutions for which intelligent lights are needed. See examples on page 23</p> <p>c) A-VGDS systems: Designed to reduce turnaround times. For e.g. the installation of a docking guidance system at Miami airport reduced average taxi time by 3 mins 45 seconds; fuel saving corresponding to 8 million kg CO₂ per year which results in total costs savings of approx. \$10.4 million per year; project payback of 4 months</p>	<p>The aviation sector has made commitments regarding energy efficiency and CO₂ emissions, notably to halving CO₂ emissions by 2050 (vs. 2005) and carbon neutral growth after 2020</p> <p>As such, aviation stakeholders (i.e. airlines and airports) show a growing interest in products and solutions that increase energy efficiency while maintaining or improving safety levels. All players in the industry will take part in meeting these commitments: airlines, aircraft manufacturers, airports and equipment providers</p> <p>Stakeholders have agreed to a four-pillar strategy including improved technology, more efficient infrastructure, and better operations. ADB SAFEGATE has integrated the reduction of carbon footprint in its product line management procedure. At a higher level, circular economy pillars are integrated in all our procedures: from design till commissioning, at every single step: purchasing, production, waste management, packing, transport, etc. The focus of our portfolio across the airfield, apron, tower and airport systems lies in reducing the number of movements that airplanes need to make to get from landing to the gate and back</p>

Material ESG Issues

	 Key performance indicator	 Aspirations	 Results (2020)	 Status	 Impact	 Explanation
 Product sustainability	<ol style="list-style-type: none"> Examples of new products or services that have been introduced that incorporate environmental attributes % of sales (or CAGR of sales) attributed to these products 	<ol style="list-style-type: none"> To design innovative products and solutions to deliver environmental, operational, and safety benefits to customers To deliver quantifiable energy and emissions savings that meet the needs of airports and airlines who are committed to reducing their environmental impact while maintaining growth & efficiency 	<p>This increased situational awareness supports smart and collaborative decision making based on the status of other gates, ground equipment, or the status/position of the aircraft itself</p> <p>This reduces aircraft engine runtime, thus fuel burn, even further. In the last two years, more than 1500 gates (aircraft parking positions) globally have received extended functionality as described, including upgrades of existing gates and greenfield gates. The development efforts in 2020 focused on a new product version, with improved MTBF for a longer use of the system while reducing down time</p> <p>d) The development of regional centers for aftermarket service improves response times towards customers and drastically reduces the frequency and duration of our service engineers, travel and lowers their carbon footprint</p>	On track	<p>Other products: Tower solutions can substantially improve efficiency as they directly affect aircraft movement on the tarmac once a plan has landed</p> <p>This energy savings impact is currently still "under construction"</p>	<p>Every minute saved can be expressed in money saved and thus also fuel</p> <p>The aim is to be the preferred choice for sustainable solutions in the industry, contributing to safer, more efficient and environment-friendly aircraft ground movements at airports</p>

2.0 Our policy and approach

As a socially responsible corporation, ADB SAFEGATE engages closely with its stakeholders - employees, customers, suppliers and the communities it operates in, to work on initiatives that have a positive social and environmental impact. Our core values and Corporate Social Responsibility Charter reflect our commitment and guide us in our efforts to improve safety and

sustainability, support the community and achieve compliance.

Our policy and approach start from our vision, our mission, and our values, which are our highest-level corporate guiding principles for our work and our conduct. Following these principles, we engage in our annual corporate strategy review and adjust our business plan as needed,

taking into consideration new market developments. We recognize the need to include corporate social responsibility concerns into our strategic considerations, and believe that we can make a positive impact on the environment through our products, our policies and through our actions, and also on society through our people-oriented policies and giving back to the community.

Vision

Our Corporate Vision includes a clear commitment to enable airports around the world to operate more safely, efficiently and sustainably.

Mission

We have thus made it part of our mission to provide our customers with the most environmentally friendly products, thereby enabling them to continuously improve the ecological footprint of the air transport industry.

Values



Passion: Our passion empowers us to succeed. Passion creates the environment for the 'extra mile'. Our company is based on the passion of our people and this is reflected in the excellent results we achieve.



Quality: Quality flows through everything we do. Quality is a differentiator and everyone's responsibility. We build quality into every aspect of our solutions.



Leadership: We set the vision and then we deliver on it. Leadership in execution: we know how to get things done. We involve our people and strive to get the best out of them.



Care: We take care of our customers, our people and our partners. Customer satisfaction is our priority. We listen and do what is needed, when it is needed.

Care underlines our approach to system safety, which for us, is all about the safety of end users i.e. Air Traffic Controllers (ATCOs), pilots, and ultimately, the safety of the millions of passengers who fly. We care about our customers and their customers, and are committed to building trusting and long-lasting relationships.

Care also reflects in our policies and practices to reduce the environmental impact of our production and logistics chain, as evidenced by our ISO14001 certification. We work with only those subsuppliers who commit to our Code of Conduct, which requires them to comply with our core values. Our respect for international human rights reflects in a strict commitment to never use child labor or forced labor in our business or in our supply chain.

Care also means that we value and respect our own. As a global company with operations in 175 countries and multicultural team spanning 50 nationalities, we value diversity in every aspect throughout our operations, including gender diversity, religious tolerance, and prohibition of discrimination on the grounds of age, race, gender, religion and sexual orientation.

We are also deeply committed to the communities we serve through volunteer programs and community outreach. It goes without saying that, at all levels, we work against all kinds of corruption, and that we respect and follow international law, as well as local standards and laws.

Our vision, mission and values form the basis of various policies such as our code of business conduct, our suppliers' code of conduct, and our policies on managing the environment, occupational health and safety, and diversity and inclusion. We monitor them with appropriate management systems such as ISO 9001 for overall quality, ISO 14001 for environmental management and ISO 45001 for occupational health and safety management, according to which our sites of Belgium and Sweden have been certified. The documents on our Quality, Health & Safety and Environment policy (QHSE) are published on our website. While there is no standard or certification for system safety as such, at this point we have implemented system safety processes within the company. Our offices in Graz and Manchester are already ISO 27001 compliant, and we are working towards complying with this IT security standard across our offices. The certification covers the confidentiality, integrity, and availability of our IT





systems, and enables business continuity. The goal is to be able to support customer safety assurance processes for our products and systems, and to verify customer safety requirements. Every year, we work with a strict schedule to maintain our certifications. This includes a management review of our approach to address risks, non-conformities and improvement areas identified in audits and other reviews.

In 2017, we commenced a major review of our ESG approach as part of our due diligence for our new majority shareholder, the Carlyle Group. We engaged PricewaterhouseCoopers (PwC), who gave us extensive insights into the various areas and subsequently engaged an external consultant for recommendations on our ESG approach. Since 2018, we have established a more rigorous framework which is still ongoing. In addition, we have established a CSR/ESG committee comprising representatives of all main branches of our business, which reports regularly to our Executive Committee.

Safe travels in the time of social distancing

The key to boosting passenger confidence in air travel is demonstrating how they can make their journey safely, with as little contact with others as possible. Social distancing norms are a sign of the current times.

ADB SAFEGATE Airport Systems' AS-RMSX Resource Management System and AS-TRAK Baggage Management solution facilitate social distancing, a key requisite for safe travel. While AS-RMSX can help airports plan their passenger flow around the airport to successfully implement social distancing, AS-TRAK saves passengers from the hassles of standing in a queue or crowding around baggage carousels while they wait to collect their checked-in baggage. A simple QR code scan on their smartphone as they enter the area lets them know when their bags are ready for collection! Both of these solutions from Airport Systems are cloud-based, which means they are quick and easy to deploy. Many airports have already implemented our resource management and baggage management solutions.



2.1 Letter from the CEO

As the aviation industry tackles one of its most challenging times in modern history, the silver lining in the cloud is the opportunity to rethink everything, and thus the opportunity to push for a green, sustainable recovery.

The European Union is showing serious intent to drive the sustainability agenda and has announced plans to become the world's first carbon-neutral bloc by 2050. More recently, Airports Council International (ACI) Europe announced that 91 European airports are now set to achieve net zero by 2030, and 235 airports in the region have committed to net zero by 2050. This is part of a larger initiative by ACI World and the five ACI regions that commits to member airports reaching net zero carbon emissions by 2050. Improved technologies, operations and sustainable practices will be at the front and center of both these initiatives.

The importance of sustainability is only growing, as the world tackles a pressing issue: climate change. Stakeholders are increasingly conscious and curious about how committed a business is to sustainability, and what it is doing to achieve it. How sustainable are the products and services that are designed and delivered? Are its operations streamlined to minimize environmental impact? Is the business working towards a circular economy – eliminating waste and promoting continual use of resources? Beyond the environment, the sustainability conversation extends to people – customers, partners, employees, peers, industry, government and society – and practices around corporate governance that ensure accountability and business integrity.

ADB SAFEGATE's commitment to sustainability runs deep – we measure ourselves on key environmental, social and corporate governance metrics. We are taking bold steps to improve our performance and support our customers in this key transition period by adopting the circular economy concept in our business. Our efforts to steer a new course continue to be around these four areas: Protecting the environment, respecting our people, integrity in business and collaboration for social impact.

This report highlights our progress, and showcases the impact of our solutions, processes, practices and initiatives in 2020, as we step up to move towards a more sustainable future.

Warm regards,
Laurent Dubois
Chief Executive Officer, ADB SAFEGATE

3.0 Our company

3.1 General statements and disclosures

3.1.1 Name of the organization

ADB SAFEGATE is the name of our group of companies since ADB Group and Safegate merged in 2016. Offices all around the world guarantee a presence close to our customers and facilitate direct interaction. In areas where we do not have our own office, our sales and marketing team is supported by 100-plus distributors and agents representing our level of expertise. More than 500 people around the world represent ADB SAFEGATE on a daily basis, and that figure includes just our sales and marketing workforce, not counting the rest of our customer-centric organization.



3.1.2 Organizational profile

3.1.2.1 Location of headquarters

ADB SAFEGATE BV
Leuvensesteenweg 585
1930 Zaventem, Belgium
Phone: +32 2 722 17 11
Fax: +32 2 722 17 64
www.adbsafegate.com



3.1.2.2 Location of operations

ADB SAFEGATE is present in 37 locations covering all major continents. We have seven main operational offices that include all processes: product management, systems engineering, development and technical laboratories, sales, supply chain, production, project management, after sales services, marketing, finances, IT, quality, environment and health & safety management.

These seven locations are:

- ADB SAFEGATE BV in Zaventem, Belgium
- ADB SAFEGATE Americas LLC in Columbus, USA
- ADB SAFEGATE Germany GmbH in Mannheim, Germany
- ADB SAFEGATE Airfield Technology Ltd in Tianjin, China
- ADB SAFEGATE Austria GmbH in Graz, Austria
- ADB SAFEGATE Sweden AB in Malmö, Sweden
- ADB Safegate Airport Systems UK Ltd in Manchester, United Kingdom

The other locations comprise our sales offices (legal entities and branches) that include staff for project management and after sales support and project branches where the extensive project management process is applied.

Light Center of Excellence (LCE)

ADB SAFEGATE BV in Zaventem, Belgium is home to our biggest Light Center of Excellence (LCE) with production lines for the complete light portfolio, housing its own testing facilities. The infrastructure also includes photometric, mechanical and electrical laboratories for design, development and all related quality aspects.

The LCE in its current form is a relatively new addition to our facilities and was set up to bring the production of all our lighting products under one roof and emphasize our commitment to maintaining our leadership in the AGL market. It is a great example of the opportunities and synergies available at ADB SAFEGATE.

Production sites

Three other production sites are located in Columbus, Ohio (USA), Mannheim (Germany), and Tianjin (China).

Columbus, Ohio, USA: An 11,300m² space comprising production and office space. The facility manufactures, assembles and tests the following products per current FAA certifications: Elevated Lights, Inset Light, Guidance Signs, and Constant Current Regulators.

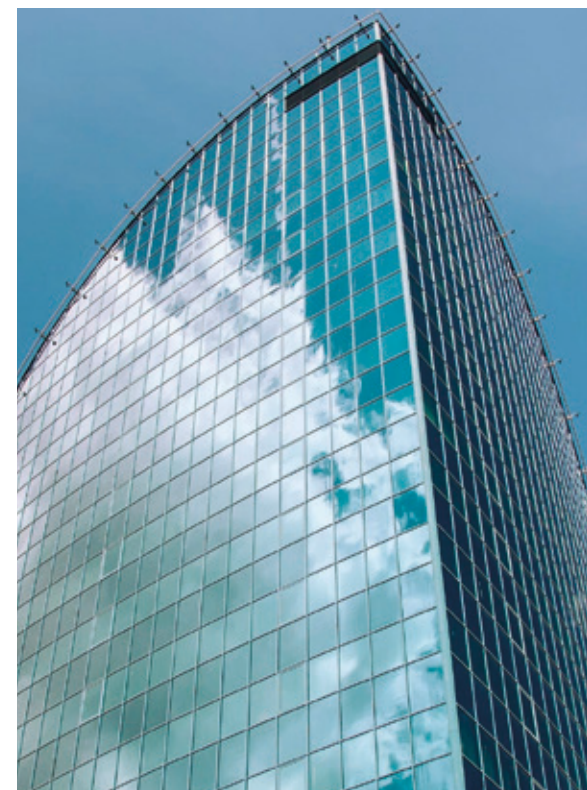
While the above products comprise the bulk of production, this site also manufactures additional products, including: Airfield Lighting Control and Monitoring Systems (ALCMS), Runway Status Lights (RWSL), Runway Entrance Lights (REL) and Takeoff Hold Lights (THL), Runway End Indicator Lights (REIL) – including LED variants, Runway Guard Lights (RGL) – including elevated and inset LED variants, and Precision Approach Path Indicators (PAPI) – including development for LED PAPI. The manufacturing facility can scale as needed to support production capacity for all products.

Mannheim, Germany: A 600 m² space that manufactures airfield products and regulators especially for the German market, customized control cabinets and cabinets for the flashing system.

Tianjin, China: A 2450m² space that manufactures airfield products per current CAAC certifications. The facility currently produces elevated and inset light products and regulators for the Chinese and Asian markets.

Outsourcing

As a part of the overall manufacturing strategy, some products are made outside the sites noted above by a third-party contractor supervised by ADB SAFEGATE.



3.1.3 Ownership and legal form

ADB SAFEGATE is a privately held company. As of October 2017, following global regulatory approval and the completion of all formal administrative procedures, ADB SAFEGATE is owned by the Carlyle Group, one of the world's largest global investment firms. The change in ownership was an exciting step forward, reflecting further evidence of our potential as a high-growth company and solutions provider to the aviation sector.

3.1.4 Composition of the highest governance committees

The ADB SAFEGATE Group has a functional structure where all the main processes are applied globally, across locations. The highest level of management is called the Executive Committee and is constituted by the global managers.

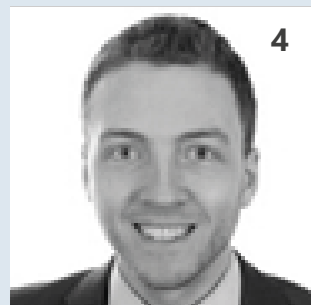
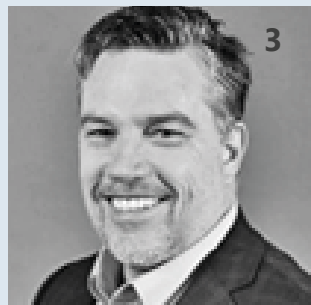
The main tasks expected of the top management are the definition of a solid strategy and

delivering the business plan targets. This includes good financial performance, perfect project execution, excellent customer experience, growing market share, and sustaining a solid brand that not only meets customer's expectations but is also seen as a front runner when it comes to Environment, Social and Governance (ESG) requirements.

To guarantee a solid adherence to our own CSR Policy, a CSR Committee has been set up with company-wide representation. This committee



1. Laurent Dubois, CEO
2. Erik van Ockenburg, CFO
3. Joe Pokoj, COO
4. Wendy Broekhoff, VP of HR



1. Peter Vandevenne, CIO
2. Elisabetta Bianchi, Group -Controlling Director
3. Scot Cannell, VP Global Market Development
4. Dominic Côté-Vaillancourt, VP Transformation



consists of the key people in the organization involved in HR, Legal & Compliance, Corporate Communications, Purchasing and ISO Quality, Environment. It meets at least twice a year to review the CSR status, to discuss potential corrective actions, and discuss all initiatives that can lead to a better knowledge and a proof of our CSR (ESG) focus. The CSR Committee reports to the Executive Committee.

3.2 Business model, markets served

We work with our airport, airline and ANSP (air navigation service provider) customers to identify performance bottlenecks and jointly solve them through integrated solutions that improve airport and airline performance. These solutions address every aspect from approach to departure – airport traffic handling and guidance, airfield lighting, tower-based traffic control systems, airport systems, intelligent gate

and docking automation, and a wide range of aftermarket services and support. We employ more than 1,200 people across 50 nationalities in 26 countries, and operate in more than 175 countries, serving more than 2,500 airports globally, from the busiest and largest like Atlanta, Beijing, Dubai, Heathrow, Charles De Gaulle, Amsterdam, Frankfurt, Istanbul, New Delhi and Changi, to fast-growing airports across Asia and Africa. ADB SAFEGATE is a partner to the top 50 global airports.



AIRFIELD

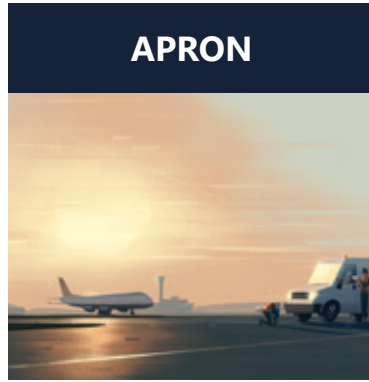
Airfield: Safe, efficient & sustainable

2500-plus installed base.

All-LED airfields that are fully compliant, well-designed and greener.

Widest range of intelligent LED lighting, power management, follow the greens and addressable guidance signs.

Smoother integration with related systems.



APRON

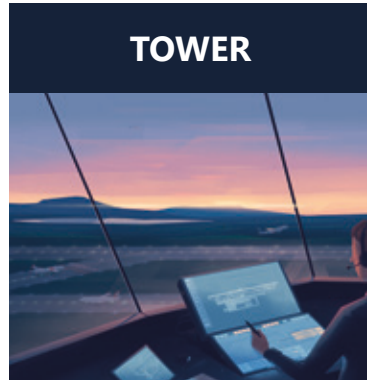
Apron: Automated & efficient gate operations

More than 11,000 installations at over 300 airports.

Shorter turnaround times, safer and more efficient gate operations, and more comprehensive apron management.

ICAO-compliant, automated platforms for safe and efficient docking, Apron Management System, LED apron floodlighting.

Enhanced integration and data sharing capabilities.



TOWER

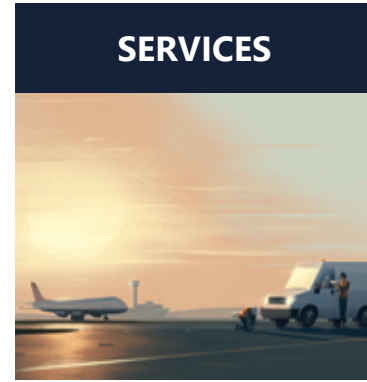
Tower: Intelligent routing & guidance

280-plus towers.

Future-proof for traffic management, finding the most efficient way from touchdown to gate.

ATC solutions enabling full control over aircraft and vehicle movement from approach to departure.

Seamless integration with other related systems at the airport.



SERVICES

Services: Greater availability, safety and performance

More than 20 years in maintenance services.

120 SLA agreements, we serve leading airports.

Multi-level, multi-channel technical support and services including maintenance & training.

From AGL Design to Audit & survey, project management and full maintenance portfolio.



AIRPORT SYSTEMS

Airport management systems: Leverage data for actionable insights on operational performance

Analyzing the massive amounts of data across all systems to optimize operational efficiency, throughput and costs.

Airport systems addressing a spectrum of processes - data management, flight information display, billing and baggage management to resource optimization, system integration and operational improvement – to enhance operational performance, to make collaborative decision making a reality.

Moreover, we integrate systems across these domains to improve airport performance. By enabling all parts of the airport to work together, from approach to departure, we help increase aircraft movements in a safe, efficient and sustainable way.

We use an operational and customer-first, consultative approach with market and situational analysis, to arrive at the best, most cost-effective and future-proof solution.

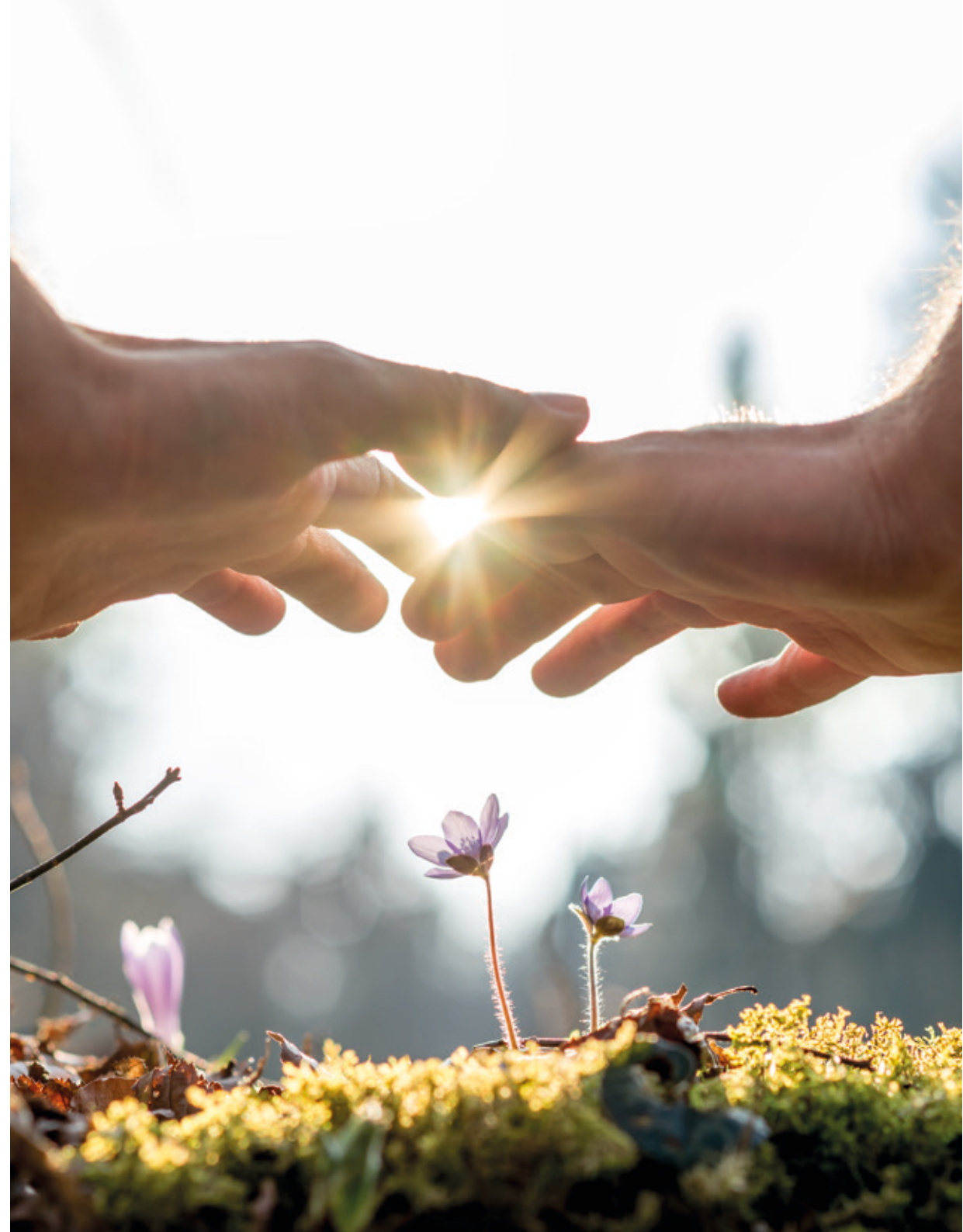
4.0 Protecting the environment

We believe sustainability is imperative for the aviation industry. Our commitment to sustainability spans various initiatives – from an energy-efficient product portfolio which enables customers to reduce their environmental impact, to our environmentally friendly internal policies and processes which promote sustainability, not just in our business operations but also by spreading the message of ‘green operations’ among our employees and suppliers.

Helping airports reduce carbon footprint

Since the start of the new century we have been developing products and solutions that directly contribute to lower energy consumption and lower CO₂ emissions. Our mission to improve airport performance focuses on optimizing airport operations by delivering solutions that support sustainable operational concepts such as SESAR’s Follow the Greens (FTG) which aim to improve environmental performance. Results are impressive – FTG can reduce fuel burn and carbon emissions by as much as 40%. Moreover, our latest generation products use components that are as individually-recyclable as possible.

ADB SAFEGATE pioneered the use of smart LED technology for airfield applications and has invested heavily in energy-efficient power systems. Moreover, the majority of components in our new generation products can be recycled and no harmful substances are used in their production. Our intelligent Individual Lighting Control and Monitoring Systems (ILCMS) help save up to three minutes of additional taxi time per movement, reducing fuel consumption and emissions.



More than two million LED lights supplied by ADB SAFEGATE currently illuminate over 750 airports around the world, delivering not only substantial energy savings – up to 80% - and also reduced maintenance costs. Our low current solution increases energy efficiency by a further 33%.

Decarbonizing aviation with airside technology at Munich Airport

Operational since April 2021, the 21-stand apron at Germany's second busiest airport is a standout example of how ADB SAFEGATE develops and delivers cutting-edge technologies that boost sustainable airport operations, and contribute to initiatives like *Destination 2050: A route to net zero European aviation*, a decarbonization map for European aviation.

With 850 new LED light fixtures, LED apron lighting, and supporting electrical and IT infrastructure, this is a complete package. LED technology enables special color-coded triple-line taxiways to support parallel taxiing of narrow-body aircraft on the same taxiway; 21 Safedock Advanced Visual Docking Guidance Systems (A-VDGS) support safe and precise aircraft docking to reduce turnaround times, and lower wasteful fuel burn.

How LED AGL is more energy efficient

Compared to halogen, each LED light saves approximately 30 watts of power at 100% intensity. Considering all lights are on with 100% intensity they would save 25 kW of power. If we estimate the lights are operational an average of 6 hours per day, this translates to an annual energy savings of 55.850 kWh, just for the 21-stand apron.

Our automated SafeControl Apron Management and Safedock X A-VDGS are designed to shorten the time from touchdown to gate. Eliminating flight delays and enabling shorter turns, the time spent waiting for gates is reduced thereby resulting in a significant reduction in wasteful fuel burn. Our solutions enforce the use of ground power units and track their status; this lowers the use of auxiliary power unit (APU) and fuel burn. Coupled with ADB SAFEGATE intelligent routing and guidance systems, our solutions lead the way to greener airports. Our tower solutions support controllers with optimized routing from touchdown to takeoff, cutting down fuel burn and in turn, reduce carbon emissions.

Our integrated portfolio includes a full range of aftermarket services that keep your airfield and gate systems running smoothly. These include support and maintenance, tackling key aspects of airport operations and maintenance, traffic handling and guidance. By using ADB SAFEGATE solutions, airports can expand efficiency instead of infrastructure and reduce environmental impact, power consumption, fuel consumption and overall, carbon emissions.

Solutions such as ALIS Airside Maintenance take account of every aspect of maintenance critical to the safe functioning of all visual guidance on an airfield. This advanced preventive maintenance solution improves overall safety, limits airfield activity and reduces airfield down-time simultaneously, helping airports reduce environmental impact.

Airport systems steer Zurich Airport towards Collaborative Decision Making

Zurich is one of 30 airports across Europe to implement Airport Collaborative Decision Making (A-CDM), a Eurocontrol initiative to improve operational efficiency and resilience by encouraging airport partners to share relevant information accurately and on time. To achieve this, the airport relies on ADB SAFEGATE Airport Systems solutions such as the Airport Operational Database (AODB) and Flight Information Display System (FIDS), the common A-CDM platform to consolidate and distribute flight data across other systems. Together with AS-VISION, our responsive web app, these systems provide situational awareness and help airport partners know “what’s going on around them” to improve safety. We also provide Zurich Airport with baggage management/ check-in, and some aspects of resource management. In 2020, the AODB was updated with our Integration Broker to simplify airport system integration.

Results have shown: Significant savings in cost, taxi time and fuel burn. By reducing 190,000 minutes of taxi time, and delay by 20,500 minutes, the airport has been able to cut fuel burn by 2,300 tonnes. Emissions of CO₂, CO and NO_x have been reduced by 7,300 tonnes, 78.9 tonnes and 8.8 tonnes respectively. Apart from minimizing environmental impact, the airport has also been able to enjoy cost savings of €1.8 million in fuel and €1.9 million by cutting delays.

4.0.1 Management approach

We are an ISO 9001, and 14001 certified company, and our headquarters in Belgium and plant in Sweden are ISO 45001 certified. Our company’s quality and environmental policies, processes and systems frameworks are in accordance with these globally recognized standards. We have well-defined goals and systems and KPIs, to effectively measure and improve quality and environmental impact. These range from replacement of various energy-intensive systems to use of more efficient power sources, and improvement of waste management, among other aspects. This strongly reflects our sustainability philosophy, the primary goal of which is to reduce our carbon footprint.

Checks and audits

Every five years ADB SAFEGATE’s heating installations are fully checked to make sure they comply to all the latest environmental requirements. We also organize an emissions audit (focus on heating) every four years. This audit leads to an understanding of the evolution and the potential losses in production and of our overall heating consumption in general. These audits result in actions that lead to extra investment or activities that reduce energy loss and emissions.

4.1 Green thinking and biodiversity

ADB SAFEGATE’s ongoing awareness campaigns across office locations help employees learn how they can reduce their individual carbon footprint by consuming energy mindfully, more environment-friendly choices. At Belgium, we offer all employees a three-year bicycle leasing program since 2018, as part of an initiative to promote sustainable mobility.

Green supply chain

ADB SAFEGATE promotes responsible procurement throughout its supply chain. Most of our suppliers guarantee that no hazardous materials are used in the products they deliver and that their processes minimize material waste and environmental impact.

The **Environmental Protection** section in our **Supplier Code of Conduct** sets clear guidelines to

- Act in accordance with the applicable statutory and international standards regarding environmental protection;
- Minimize environmental pollution and make continuous improvements in environmental protection;
- Use best effort to implement an environmental management system in accordance with ISO 14001 or equivalent.



4.2 Product sustainability and circular economy

Eco-friendly product packaging

Our focus extends to the waste produced by our product packaging. As part of our ISO 14001 goals, we are switching to packaging that is partially or completely made of recycled materials. We are working closely with our key suppliers to find ways to achieve this.

More than half of the packaging ADB SAFEGATE uses for its lighting and power solutions is currently made of recycled paper. The goal is to further increase this level and limit any use of other packaging materials other than paper or cardboard. Other than packaging for its products, ADB SAFEGATE uses euro pallets to transport products and materials. These pallets are made from wood and can therefore be used for a long period and recycled at end of life.

Green return policy

Customers in Europe can return products to ADB SAFEGATE at Zaventem, Belgium and in cooperation with local main sites or offices. We partner with our recyclers to ensure these products are recycled responsibly.



4.3 Energy efficiency and carbon emissions

Clean power at Zaventem HQ

ADB SAFEGATE has successfully transitioned to renewable sources of energy to power its operations at the corporate headquarters. Since 2015, the electricity consumption at our offices in Zaventem, Belgium is completely carbon neutral-100% of the electricity is generated through renewable sources

Energy and emissions reporting

The first step towards sustainability is awareness of consumption. Every month, ADB SAFEGATE tracks its energy consumption both in terms of electricity and natural gas. The Environmental Management Systems committee (comprising representatives from across our operations) set up in line with the ISO 14001 specifications, reviews these reports to understand how consumption can be further decreased. We report this information to our shareholder and owner – The Carlyle Group.

Products designed to enable energy savings

Every new product is designed to substantially decrease energy consumption - this is one of the targets we consciously set forward. By enabling airports and other customers, from around the world, come closer to their sustainability goals, we're driving a far greater impact than our own actions.

Safer guidance from intelligent, energy-friendly lighting

ADB SAFEGATE's RELIANCE Red/Green taxiway light uses LED technology, and is based on our RELIANCE modular approach and our unique IQ intelligent lighting platform. An industry-first, the light output switches between red and green, and serves the dual function of a taxi-way centerline light and a stop bar, to support safer routing and guidance. While stop bars are still needed at runways or crossing taxi-ways, airports can use fewer stop bars on the airfield when they install this light to control aircraft ground movement and to stop planes mid roll. For large-scale deployments, this can be significant.

4.4 Waste and water management

We do not undertake any work that involves the use of hazardous substances such as acids, solvents, or heavy metals. We focus on responsible use and waste minimization, and ensure material waste following production is recycled as per industry best practices. Our commitment is reflected in ambitious goals such as requiring that 90% of waste at our key sites be recycled. Progress on these indicators is tracked and reported annually.

ADB SAFEGATE's active recycling policy encourages recycling of all materials - wood, metal, packaging and chemical waste – used during the production of its products. Materials are managed by specialized and accredited companies that recycle all components in accordance with Belgian and other local governmental rules, and are aligned with the ISO 14001 process.



5.0 Respect for people, diversity and human rights

As a global company, we are more than 1,200 employees from 50 nationalities across 37 offices worldwide. We view this diversity as our strength and are committed to inclusive practices that ensure fair and equal treatment of our employees.

We encourage our employees, irrespective of their roles, to participate in our company's innovation process through initiatives such as an Ideas Portal, and we continue to engage with our employees to create a work culture that values human talent. With our new organizational structure introduced in 2020, there is an even greater emphasis on innovation. Our airfield business line has divided R&D into two separate groups, with a dedicated team pursuing AGL innovation. Recently, ADB SAFEGATE Austria was recognized as a top employer for 2020/2021 by Great Jobs Employer Screening.

ADB SAFEGATE Austria makes it to Great Jobs' Top Employer 2020/2021 honor roll

ADB SAFEGATE Austria was one of only 10% of 6,300 companies that participated in the employer screening conducted by Great-Jobs.org to identify the best employers in Austria. The organization performs a 360-degree analysis that examines employees' perception across three areas –

- (1) How well are the application processes structured?
- (2) How is the company rated by employees?
- (3) How transparent is the company for potential applicants?

After a rigorous screening process, we were selected as a top employer for 2020/2021.

5.1 Labor and working conditions

We strive to provide a work environment where our employees feel free to engage in collective bargaining agreements. We are currently reviewing the data on how many employees are covered by such agreements throughout the many locations and jurisdictions in which we operate.

5.2 Health and safety

Our extensive health and safety policy and management systems promote occupational safety and accident prevention to ensure a safe and healthy working environment.

Safety and health in our company are a vital part of every operation. Without question, safety and health of all employees, contractors, vendors and the environment, is every employee's responsibility. This responsibility is shared across all levels of the organization.



We maintain safety and health programs conforming to the best practices of our industry. To be successful, such programs must embody the proper attitudes toward injury and illness prevention on the part of department heads, managers, supervisors and employees. It also requires cooperation in all safety and health matters, not only between management and employees, but also between employees and their co-workers. Only through such a cooperative effort can an effective safety and health program be established and preserved.

The safety and health of every employee is the highest priority. Our management accepts responsibility for providing a safe working environment and employees are expected to take responsibility for performing work in accordance with our safe standards and practices. Safety and health will only be achieved through teamwork.

Everyone must come together in promoting safety and health and taking every reasonable measure to assure safe working conditions within the company and to the environment. We do believe that ZERO accidents, injuries, and spills/environmental releases are attainable.

Safety is our first priority! While cost and quality service to the customer are part of our core business values, we will not compromise safety for their sake. Our core safety values are: bodily injury prevention, protection of others through self-awareness and environmental cleanliness.

We support these values with the following principles:

- All accidents are preventable and all hazards controllable,

- Working safely is a condition of employment,
- Safety is everyone's responsibility,
- People will be trained to perform their jobs safely prior to being assigned the task,
- Each location will have an active Safety Management Plan that is equivalent to those for production and quality
- Audits are essential for maintaining safety performance.

People first: Duty of Care amid the pandemic

Ensuring employee safety and wellbeing has taken a whole new meaning with COVID-19. Throughout our offices, ADB SAFEGATE ensured it met its Duty of Care towards employees.

Safety and support for staff on the move

While travel restrictions and lockdowns meant work from home for most of our staff, some service engineers from our aftermarket team did need to travel to customer locations across the world to aid installation and commissioning of our products, and deliver support and maintenance services to keep airports operational. In every case, care was taken to protect employees and mitigate the risk of COVID infections. The employees traveling on work received adequate COVID safety/awareness training to help them comply with regulations regarding quarantine, and were equipped with the necessary personal protective equipment (PPE) for their onsite visits. In Zaventem, our colleague, Mehmet Besparmak, took charge of preparing safety packs for our services colleagues all over Europe including gloves and other materials.

Helping employees to achieve total wellbeing

International studies show that one in four employees suffers from issues related to meeting the demands of work and personal life on a regular basis. The lines between work and home blurring amid lockdowns only exacerbated the problem. Ensuring employees weigh on their work/life balance helps mitigate the risk of sickness or mental health issues. ADB SAFEGATE introduced an Employee Assistance Program globally, in partnership with a specialist provider, to connect employees with high trained professionals and experts in managing stress caused by physical, emotional or practical issues.

This comprehensive program provides unlimited access 24/7 including consultation counseling, information, resources and referrals to services in employee locations, support in areas such as wellbeing, family matters, relationships, debt management, workplace issues, consumer rights and more.



Personal

- Emotional wellbeing
- Managing stress
- Anxiety and depression
- Disability and illness
- Substance & alcohol misuse
- Addictions & compulsive behaviors
- Personal development

Family & relationships

- Child care
- Education
- Elder care
- Juggling work and family life
- Caring for others
- Domestic violence or abuse

Life events

- Pregnancy and new baby
- Adoption
- Marriage and cohabitation
- Separation and divorce
- Moving home
- Bereavement and loss
- Retirement

Work

- Work-life balance
- Bullying and harassment
- Workplace pressure
- Managing change
- Workplace relationships
- Careers

Daily living

- Consumer rights
- Health and wellness
- Debt and money management
- Community resources

5.3 Diversity and equal opportunity

We maintain a strict non-discrimination policy and guarantee fair and equal treatment of all employees no matter their race, gender, nationality, religion or sexual orientation. We focus on building relationships based on trust, people who can communicate well with others, confide in others and who can manage important shared interests. Overall, our workforce spans 50 nationalities and the average employee age is 42 years.

While the multicultural environment is a plus, we are concerned that our gender distribution shows only 19% females in the workforce to 81% male employees. Heavy duty jobs in assembly, technical support and service make up less than 30% of our workforce, while jobs in non-physical activities such as HR, IT, Finance and Administration, R&D, System Engineering, Project Management and Sales & Marketing make up almost 70% of the workforce. As a global organization, we are committed to ensuring equal opportunity and diversity, and improving our workplace to promote employee engagement and wellbeing. Apart from ongoing initiatives to promote cultural sensitivity, exchange programs allow our employees from around the world to learn more about each other and collaborate even better. Quarterly updates and regular CEO communication with our employees ensure we reach out to our global teams.

Gender diversity at the top

Closing the gender gap in the aviation sector is one of the industry's biggest challenges, as is the absence in women in leadership roles. As per reports, only 6.5% of Fortune 500 CEOs are women, the number is much lower for aviation at 3%. ADB SAFEGATE recognizes the need to improve gender representation in the industry. Starting at the top, the company's new executive committee now includes **Wendy Broekhoff, VP – Human Resources** and **Elisabetta Bianchi, Group Controlling Director** – women in leadership roles.



It's very nice to work in an environment with colleagues from a diverse mix of countries and cultures!

Multinational environments typically give you a broader experience working with people from different racial and ethnic backgrounds. It is a great place to work as it is a diverse organization with talented and collaborative people. If you're looking for a challenging role and positive international working environment, ADB SAFEGATE is the right place. There is always an open opportunity to further your education or to change career paths. Working for ADB SAFEGATE has influenced my own career development. I have been encouraged to develop the skills and access the support I need to take on a number of challenging roles and projects. I am given the autonomy that I need to develop and I always feel my opinions are valued. Another best part about working for ADB SAFEGATE is its people and the values-based culture."

Valerie Van Laethem, Sales & Project Operations Manager, Zaventem, Belgium

6.0 Responsibility and integrity in business conduct

Highlights

ISO 9001 & 14001 certified company, our Belgium and Sweden headquarters are ISO 45001 certified; Graz and Manchester offices are ISO 27001 certified	Compliance with the laws and regulations of every country in which we operate	Executives attend at least one ethics training session bi-annually	Compliance Review Committee	Anti-corruption policy	Export control policy
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6.1 Compliance and code of conduct for employees

ADB SAFEGATE takes compliance very seriously and respects applicable local and international laws ranging from anti-corruption, anti-trust and anti-discrimination, to laws on financial ethics and responsibility, environmental protection, labor, human rights and privacy, as well as fair business conduct. We aim to comply with the regulations of every country in which we operate.

Our Compliance Review Committee meets periodically to review and update compliance and business conduct guidelines signed by all

employees and business partners. These guidelines determine our way of working with customers, partners and vendors and guarantee that compliance and business ethics are adhered to in all our business dealings and form the basis of every sale or project.

6.2 Supply chain management

ADB SAFEGATE has created a supplier code of conduct (refer appendix) which outlines the requirements our key vendors must comply with, and these are closely linked to ADB SAFEGATE's overall business conduct guidelines.

We also conduct regular surveys with our suppliers and request updates on their environmental practices annually. The results of these surveys are considered while deciding whether to support or continue with the supplier.

ADB SAFEGATE typically performs a full extended audit at the supplier's premises, 30 audits a year, on average which focus on all aspects of the supplier conduct guidelines and thus in large part on the environmental aspects.

6.3 Regulatory environment

In addition to the above, ADB SAFEGATE complies with all key technical local and global standards wherever applicable. Technically, ADB SAFEGATE is committed to follow an extensive set of international standards due to activities at airports with Gate, Airfield and Tower applications. The six aspects of the value proposition have their own regulatory environment.

Airfield

- International Civil Aviation Organization (I.C.A.O.) with its Design Manuals and Annex 14-Aerodromes
- European Aviation Safety Agency (EASA) with its Specifications and Guidance Material for Aerodromes Design
- International Electrotechnical Commission (I.E.C.) IECxxxx standards in application for airfield lighting
- Federal Aviation Administration (F.A.A.) with its Advisory Circulars and Engineering Briefs
- European Committee for Electrotechnical Standardization (C.E.N.E.L.E.C.) with AGL Part 1&2

Beside these international standards, many national standards exist which are partially based on ICAO and FAA requirements with some local requirements:

- National Civil Aviation Standards: STAC/France, CAP 168/UK, MOS 132/Australia, TP312/Canada and other

Military Standards

- NATO - STANAG
- MIL/USA

Gate

- International Civil Aviation Organisation (I.C.A.O.) with its Design Manuals & Annex 14 Aerodromes
- European Aviation Safety Agency (EASA) with its Specifications & Guidance Material for Aerodromes Design

Tower

- EuroCae standards ED (ED-85, ED-87, ED-128, ED-117, ED-109A)
- Eurocontrol Specification for A-SMGCS & Asterix Data format specifications
- International Civil Aviation Organisation (I.C.A.O.) A-SMGCS Manual (Doc 9830) & Doc 4444
- European Telecommunications Standards Institute (ETSI): Community Specifications EN 303 213 all Parts and Sub-parts
- European Commission Regulation EC 552/2004 and amendments
- Single European Sky ATM Research (SESAR) and Pilot Common Project (PCP): European Commission EC 716/2014

Airport Systems

- European Commission Regulation EC 552/2004 and amendments: "The interoperability regulation"

Services

- In the Airfield, the main regulations in application are from ICAO once more, the Annex 14 Aerodromes and the Design Manual Part 9 Airport Maintenance Practices

Management Systems

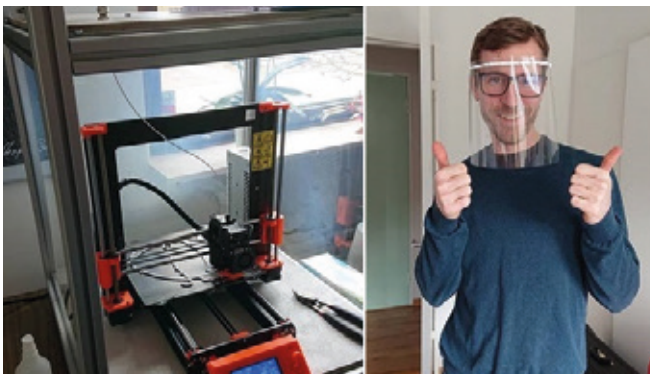
- ISO 9001:2015 standard for quality management
- ISO 14001 standard for environmental management system
- For IT security, ADB SAFEGATE is working towards an ISO 27001 certification. This has already been implemented in Graz, Austria
- ISO 45001 standard for occupational health and safety management

7.0 Cooperation with other stakeholders

ADB SAFEGATE collaborates with institutions and communities where we are present, and where our employees live. Our goal is to contribute in a meaningful way, and make a difference in the lives of the people we engage through our initiatives. This year, we continued to work with communities, though restrictions on social contact resulted in fewer events and opportunities to connect.

ADB SAFEGATE Sweden steps up to combat COVID

In Malmö, when a message went out that hospitals were running short of protective gears, Joakim Arnsby from our R&D team volunteered to set up ADB SAFEGATE's 3D printer at home. Using a simple, crowdsourced design (approved as medical equipment) that allows people with access to 3D printers to create protective visors, Joakim printed close to 150 visors for the local medical community last year.



ADB SAFEGATE Americas spreads Christmas cheer

Our Columbus team participated in the Adopt-a-family program organized by the Salvation Army for the 2020 Christmas season, giving employees the opportunity to help families who would otherwise have received very little or nothing during the holiday season. Together, we provided close to 150 gifts that were split between the four families we adopted last year.





Long-standing academic collaboration goes 'hybrid' amid pandemic

'Doing business with emerging markets' is a specialist course co-developed by ADB SAFEGATE and EPHEC University College in Brussels, Belgium, has been offered to third-year students of the college's bachelor program in international business studies since 2013.

The program went online this year after the initial kickoff at the EPHEC campus. ADB SAFEGATE assigns projects that requires groups of students to assess a specific country's market potential and risks to develop reports and a business plan. A team of ADB SAFEGATE experts mentors the participants throughout the program. This year's team - Alexander Herring, Alex Robles and Asfa Butt - hosted an online Q&A session to address students' queries. The course culminates in a negotiations role-play and an exam which was held at our Zaventem office, with the necessary COVID safety protocols and social distancing followed.

Since its inception, up to 400 students have gained real-world business experience from the program. Participants can also intern with ADB SAFEGATE, and gain valuable experience from industry engagement. Till date, four students have gone on to join the company.

7.1 Membership in associations

ADB SAFEGATE is committed to cooperation and collaboration with industry bodies to protect and promote the interests of the aviation sector. We are members of several reputed organizations including ACI, CANSO and EUROCAE.

We engage with industry bodies such as SESAR, and work with our peers and partners to enable our customers, and resolve issues. ADB SAFEGATE is an active participant in SESAR workshops that facilitate open discussions between airport solutions providers and airports/ANSPs on how all the stakeholders can cooperate to realistically achieve the PCP deadlines.

8.0 Key data and reporting principles

8.1 Claims of reporting according to GRI Standards

ADB SAFEGATE has just begun looking into the implications of orienting ourselves on the GRI standards. Therefore, we make no claim to be in accordance to these standards as yet.

9.0 External assurance

We have not sought external assurance on this report, as we consider this still “work in progress” while we embark on our journey to more closely conform to globally accepted standards. We expect to be using an external assurance service in the future, and continue to engage with independent consultants as and when needed to finetune our business priorities, strategy and mitigate risks.



Code of business conduct for business partners

This Code of Business Conduct sets the fundamentals of business behavior required by ADB SAFEGATE for its Business Partners, such as agents, distributors, suppliers, joint venture partners, consortium partners, subcontractors, etc. This Code provides the ethical and legal framework in which we want to maintain successful activities around the world.

It contains the basic principles and rules for our conduct in relation to our external partners and the general public. This document incorporates new legal requirements and international treaties on human rights, anti-corruption, anti-trust and sustainability intended to strengthen awareness of the law and moral standards as an integral part of our entrepreneurial actions.

They set out how we meet our ethical and legal responsibility as a company and give expression to our corporate values of being “responsible – excellent – innovative.” The key message is that ADB SAFEGATE conducts only clean business.

Compliance function

The ADB SAFEGATE Group Compliance Officer (GCO) is nominated by and reports directly to the CFO of the ADB SAFEGATE Group. To ensure the compliance function in all countries where ADB SAFEGATE operates, the GCO together with the CFO of the ADB SAFEGATE Group, nominates Regional Compliance Officers (RCOs).

The GCO is the contact person for all compliance related matter and support for Business Partners.

The Compliance Officers ensure the application of the company’s compliance policy.

A. Basic behavioral requirements

A.1. Behavior which complies with law

All Business Partners must obey the laws and regulations of the legal systems where they are operating. Violations of the law must be avoided under all circumstances. Regardless of the sanctions that could be imposed by

law, ADB SAFEGATE reserves the right to terminate the agreement in the event of unlawful behavior of the Business Partner.

A.2. Mutual respect, honesty and integrity

We always respect the personal dignity, privacy, and personal rights of every individual from various ethnic backgrounds, cultures, religions, ages, disabilities, races, sexual identity, world view, gender and consistent with the employment laws of numerous countries in which we work. We do not tolerate discrimination against anyone on the basis of any of these characteristics or harassment or offensive behavior, whether sexual or otherwise personal.

Our suppliers do not employ workers under the age of 15, or, in countries subject to the developing country exception of the ILO Convention 138, under the age of 14. We disallow forced labor, modern slavery and human trafficking.

A.3. Responsibility for the reputation of ADB SAFEGATE

The reputation of ADB SAFEGATE is determined by our actions and by the way each and every one of us presents and conducts himself/herself. Illegal or inappropriate behavior on the part of a single Business Partner can cause the group considerable damage.

Every Business Partner should be concerned with maintaining and promoting the good reputation of ADB SAFEGATE in the respective country.

A.4. Management, responsibility and supervision in the organization of the Business Partner

The culture of integrity, ethical conduct, compliance in every organization starts at the top. All managers must fulfill their duties of organization and supervision to comply with internal policies and applicable law within their area of responsibility that proper supervision could have prevented. They still remain responsible, even if they delegate particular tasks.

All managers bear responsibility for all employees entrusted to them. All managers must earn respect by exemplary personal behavior, performance, openness, and social competence on a daily basis. Each manager must also set clear, ambitious and

realistic goals and lead by example. Managers make it clear that compliance is required under all circumstances, at all times by all means. Managers shall also be accessible in case employees wish to raise compliance concerns, ask questions or discuss a professional or personal problem. These responsibilities of managers do not relieve employees of their own responsibilities.

B. Treatment of other business partners and third parties

B.1. Fair competition and anti-trust laws

Fair competition permits markets to develop freely. Accordingly, the principle of fairness also applies to competition for market share. Every Business Partner is obliged to abide by the rules of fair competition.

Anti-trust evaluation can be difficult, particularly because the rules can differ from country to country and from case to case. In many places special anti-trust law requirements apply to large companies as for example:

- talk to competitors about prices, output, capacities, sales, bids, profits, profit margins, costs, methods of distribution or any other

parameter that determines or influences the group's competitive behavior with the aim to solicit parallel behavior from the competitor

- enter into an agreement with a competitor not to compete, to restrict dealings with suppliers, to submit bogus offers for bidding or to divide up customers, markets, territories or production programs, or
- have any influence on the resale prices charged by our purchasers, or attempt to make them restrict the export or import of goods supplied.

Moreover, Business Partners may not obtain competitive intelligence by using industrial espionage, bribery, theft or electronic eavesdropping, or communicate knowingly false information about a competitor or its products or services.

B.2. Anti-corruption: offering and granting advantages

We compete fairly for orders with the quality and the price of our innovative products and services, not by offering improper benefits to others. No Business Partner may directly or indirectly offer, promise, grant or authorize the giving of money or anything else of value to a government official¹ to influence official action or obtain an improper

¹ The term "government official" is defined broadly to include officials or employees of any government or other public body, agency or legal entity, at any level, including officers or employees of state-owned enterprises and public international organizations. It also includes candidates for political office, political party officials and employees, as well as political parties.

advantage. The same applies to a private commercial counterparty. Any offer, promise, grant or gift must comply with applicable laws and ADB SAFEGATE policies, and must not raise an appearance of bad faith or unsuitability. This means that no such offer, promise, grant or gift may be made if it could reasonably be understood as an effort to improperly influence a government official or as a bribe to a commercial counterparty to grant ADB SAFEGATE a business advantage.

In addition, Business Partners may not give money or anything of value indirectly (for example, to a consultant, agent, intermediary, or other third party), if the circumstances indicate that all or part of may be directly or indirectly passed on to a government official to influence official action or to a private commercial counterparty in consideration for an unfair advantage in a business transaction. For that reason, employees of ADB SAFEGATE, responsible for hiring consultants, agents, partners in joint ventures or other business partners must ensure that those third parties understand and will abide by ADB SAFEGATE's anti-corruption policies.

B.3. Anti-corruption: demanding and accepting advantages

Business Partners are not permitted to use their assignment to solicit, demand, accept, obtain or be promised advantages. This does not apply to the acceptance of occasional gifts of purely symbolic value. Meals and entertainment may be accepted if reasonable in value and consistent with local customs and practices. Any other gifts, meals or entertainment must be refused.

B.4. Political contributions, charitable donations and sponsoring

ADB SAFEGATE does not make political contributions (donations to politicians, political parties or political organizations). Donation and sponsoring will be decided at ADB SAFEGATE group level with prior review and approval on purpose and content from the Group Compliance Officer.

B.5. Government procurement

ADB SAFEGATE competes for contracts from government entities and government-owned businesses around the world. In all of ADB SAFEGATE's dealings and interactions with governments, we act in a manner that is transparent, honest and accurate, complying with

all applicable laws and regulations related to government procurements, including laws prohibiting efforts to improperly influence government officials.

B.6. Anti-money laundering

It is ADB SAFEGATE's objective to conduct business with reputable customers, consultants and business partners who are involved in lawful business activities and whose funds are derived from legitimate sources. We do not facilitate money laundering. All Business Partners must abide by applicable anti-money laundering laws and ADB SAFEGATE's internal procedures. To avoid problems in this area, Business Partners must be attentive to and report suspicious behavior by their employees, customers, consultants and other third parties, directly to the Group Compliance Officer.

B.7. Trade controls

ADB SAFEGATE complies with applicable export controls² and customs laws and regulations in the countries where it does business. Violations of these laws and regulations may lead to serious penalties, including fines and governmental withdrawal of simplified import and export procedures (interruption of supply chain).

² Export controls generally apply to the transfer of goods, services, hardware, software or technology across certain national borders, including by email.

Business Partners involved in the import and export of goods, services, hardware, software or technology as described above must follow applicable economic sanctions, export control and import laws and regulations and any related policies and procedures established by the business in which they work.

C. Avoiding conflicts of interest

It is the duty of ADB SAFEGATE's Business Partners to make business decisions in the best interest of ADB SAFEGATE. Conflicts of interest arise when Business Partners engage in activities at the expense of ADB SAFEGATE's interests.

Business Partners must inform ADB SAFEGATE of any conflict of interest they could possibly have in connection with the execution of their assignment.

D. Handling of information

D.1. Records and financial Integrity

Open and effective communication requires accurate and truthful reporting. This applies equally to relationships with investors, employees, customers and business partners, as well as with

the public and all governmental offices.

The Business Partner acknowledges that ADB SAFEGATE is required to maintain sound processes and controls so that transactions are executed according to management's authorization. ADB SAFEGATE must also prevent and detect unauthorized use of ADB SAFEGATE assets.

Therefore, all ADB SAFEGATE employees are required to make sure that the ADB SAFEGATE books and records they create or are otherwise responsible for are:

- complete
- accurate
- honestly reflect each transaction or expenditure and
- are timely and in accordance with applicable accounting rules and standards,

whether or not the information will be included in a public filing or provided to a government agency. Such books and records include all data, certifications and other written materials provided for financial reporting and disclosure purposes as well as materials collected for other purposes.

D.2 . Confidentiality

Confidentiality must be maintained with regard to

ADB SAFEGATE's internal confidential or proprietary information that has not been made known to the public. Non-public information from or concerning suppliers, customers, employees, agents, consultants and other third parties must also be protected in accordance with legal and contractual requirements.

Confidential or proprietary information may include, in particular:

- details concerning a company's organization and equipment, prices, sales,
- profits, markets, customers and other matters of business,
- information on manufacturing or research and development, and

The obligation to maintain confidentiality extends beyond the termination of the relevant relationship, since the disclosure of confidential information could cause harm to ADB SAFEGATE's business, clients or customers no matter when it is disclosed.

D.3. Data protection and data security

Access to the Intranet and Internet, worldwide electronic information exchange and dialogue, and electronic business dealings are all crucial to the

effectiveness of each and every one of us, and for the success of the business as a whole. However, the advantages of electronic communication are tied to risks in terms of personal privacy protection and data security.

Effective foresight with regard to these risks is an important component of information technology management, the leadership function, and also the behavior of each individual. Personal data may only be collected, processed, or used insofar as it is necessary for pre-determined, clear, and legitimate purposes. In addition, personal data must be maintained in a secure manner and appropriate precautions should be taken when transmitting it. High standards must be ensured with regard to data quality and technical protection against unauthorized access.

The use of the data must be transparent for those concerned and the rights of those concerned must be safeguarded with regard to use and correction of information and, if applicable, to objections pertaining to blocking, and deletion of information. In some jurisdictions (such as the European Union) there are strict laws and regulations pertaining to the collection and use of

personal data, including data on others, such as customers or business partners. All Business Partners must abide by such laws, to the extent they are applicable, to protect the privacy of others.

D.4. Insider trading rules

People who have inside information³ with regard to ADB SAFEGATE or another company, such as a customer, supplier or joint venture partner whose securities are admitted to trading on a stock exchange or an organized securities market, are not allowed to trade in these companies' securities or in financial instruments the prices of which depend directly or indirectly on these companies' securities (insider securities).

E. Environment and technical safety

Protecting the environment and conserving natural resources are high priorities for our group. Through management leadership and employee commitment, ADB SAFEGATE strives to conduct its operations in a manner that is safe for the environment and continually improves environmental performance.

Beginning at the product development stage, environmentally compatible design, technical safety and health protection are fixed as targets. All Business Partners should contribute to these goals through their own behavior. ADB SAFEGATE has implemented an environmental management system according to ISO 14001 standards.

E.1. Health and safety

Protecting the health and safety of employees in the workplace is a high priority for ADB SAFEGATE.

It is the responsibility of everyone to foster ADB SAFEGATE's efforts to conduct its operations in a safe manner. ADB SAFEGATE's corporate headquarters in Belgium has implemented a health & safety management system according to OHSAS 18001 standards.

F. Complaints and comments

Circumstances which point to a violation of the Business Conduct Guidelines are to be reported to the Group Compliance Officer or to the Group CEO/CFO.

All complaints can be submitted confidentially, and all complaints will be investigated. Corrective

³ Inside information is any specific information which is not public knowledge relating to ADB SAFEGATE or such other issuer of insider securities, which, if it became publicly known, would likely have a significant effect on the price of the insider security.

measures will be implemented if necessary. All documentation will be kept confidential to the extent permitted by law. No reprisal of any kind against complainants will be tolerated.

Further information and contacts

These guidelines define what “integrity” means for our business. Please refer further questions to the Group Compliance Officer
nancy.vancampenhout@adbsafegate.com.

Appendix 1

Conventions and recommendations of international organizations

In addition to the laws and regulations of individual countries, there are a number of conventions and recommendations from international organizations which are noteworthy. Although these documents are primarily addressed to member states and not directly to companies, they nevertheless function as important guidelines for the conduct of multinational companies and their employees. ADB SAFEGATE supports the requirements of these conventions and recommendations.

ADB SAFEGATE is also committed to embracing, supporting and enacting, within its further sphere of influence, the set of core values in the areas of human rights, labor standards, the environment, and anti-corruption included therein as an integral part of its business strategy and operations.

ADB SAFEGATE expects from its employees, suppliers and Business Partners around the globe to recognize and apply particularly the standards of the:

- Universal Declaration of Human Rights (1948) and European Convention for the Protection of Human Rights and Fundamental Freedoms (1950)
- ILO (International Labor Organization) Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (1977)
- ILO Declaration on Fundamental Principles and Rights at work (1998) (specially with the following issues: elimination of child labor, abolition of forced labor, prohibition of discrimination, freedom of association and right to collective bargaining)

- OECD Guidelines for Multinational Enterprises (2000)
- “Agenda 21” on Sustainable Development (final document of the basic UN-conference on environment and development, Rio de Janeiro (1992)
- UN Convention against Corruption (2005)
- US Foreign Corrupt Practices Act
- UK Bribery Act