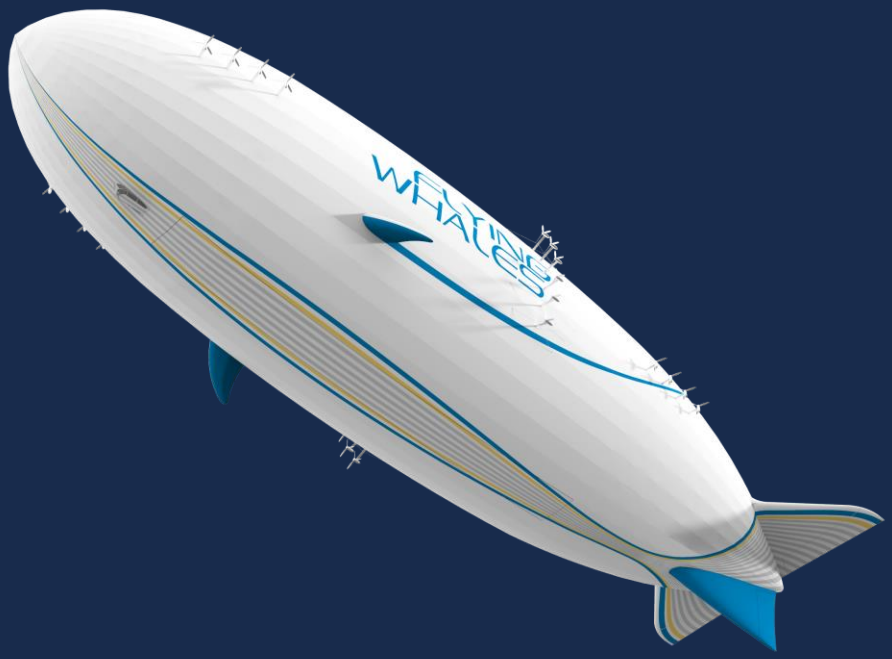


CORPORATE SOCIAL RESPONSIBILITY REPORT

2022

FLYING WHALES


FLYING WHALES

A WORD FROM THE FOUNDER

We are proud to present our second CSR report where we want to reflect our progress during the past year.

In 2022, FLYING WHALES took significant strides in expanding its Corporate Social Responsibility approach. We embarked on a journey that involved fostering meaningful dialogues with our stakeholders, encompassing the entire ecosystem surrounding FLYING WHALES. We actively engaged our employees, partners, future customers, French public authorities, investors, suppliers, and members of civil society. By incorporating the expectations and insights of our diverse stakeholders, we aimed to enhance and strengthen the relevance of our CSR approach.

The outcome of these collaborative efforts is a clear and ambitious roadmap that addresses all pertinent subjects, catering to the needs and concerns of every individual involved in our project. We firmly believe that by prioritizing the perspectives of our stakeholders, we can drive positive change and create a lasting impact.

Sébastien Bougon

SUMMARY

INTRODUCTION

Materiality Matrix

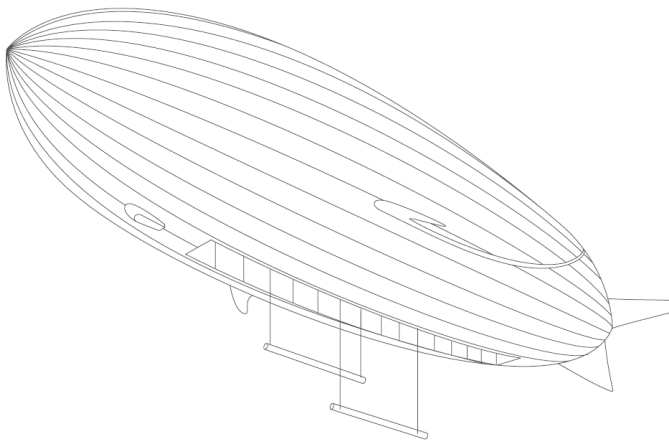
To deepen our understanding of societal and environmental priorities, we have implemented a tool borrowed from the world of finance: the materiality survey. Materiality "is a way of determining the relevance and scope of a stake for an organization and its stakeholders." A material topic is one that reflects our company most significant environmental, social, and societal impacts.

The objective is to identify and hierarchize the different FLYING WHALES's societal and environmental priorities thanks to the dialogue with our stakeholders. We collected and engaged a dialogue thanks to a questionary.

We collected 201 responses expressing different opinions but which, at the same time, show a growing interest for social and environmental stakes.

During the identification phase, we conducted research on trends in our industry and on what was important for FLYING WHALES. The stakes, represented by dots, appearing at the top right of the matrix are the priorities that defined what should guide the company's CSR strategy in the first place. Nevertheless, each stake must be treated with great care, since they reflect all the subjects that will enable the company to advance its social, societal, and environmental impact. The following report is structured in accordance with our stakeholders' expectations and validated by the management.

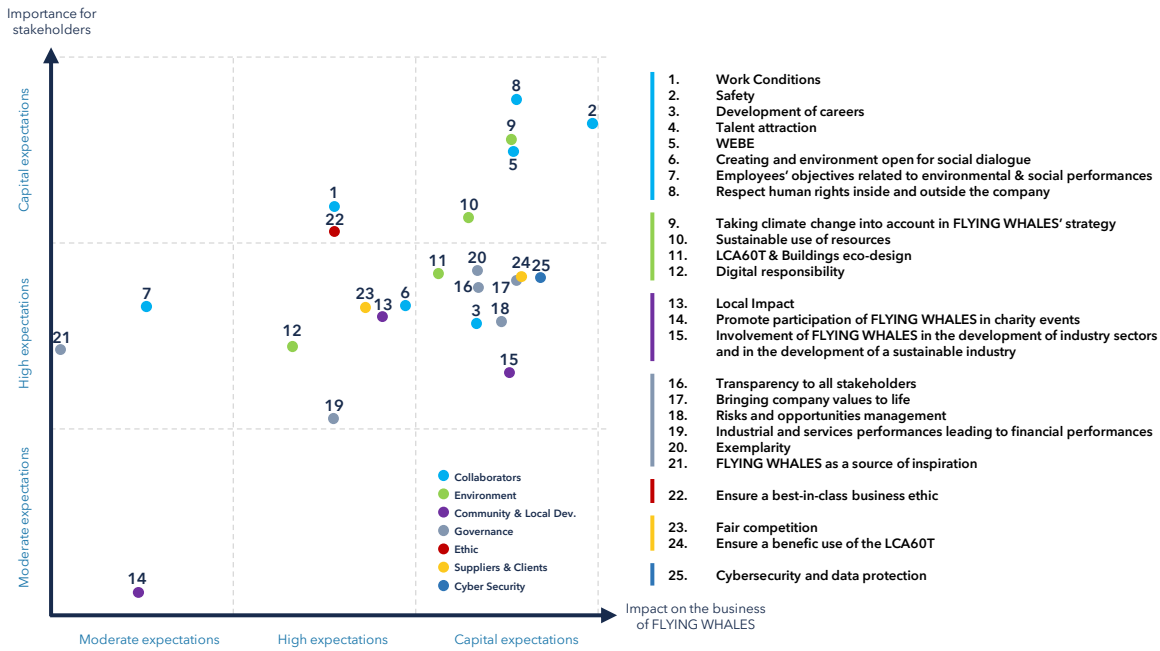
To all our stakeholders, we thank you for your contribution to the construction of our corporate social responsibility.



Our priorities :

- **Respect human rights inside and outside the company:** Ensure the respect of human throughout our chain value
- **Safety:** Ensure an environment and activities that do not place employees in situation of risk and danger to health
- **Considering climate change into FLYING WHALES' strategy:** Participate in global efforts to reduce GHG emissions and consider climate change in the business model and markets addressed by FLYING WHALES.
- **Work Environment Based on Equality (WEBE):** Ensure and facilitate a mutual respect, diversity, inclusion, parity and good labor relations at work;

Our Materiality Matrix :



Our contribution to sustainable development goals :

CORPORATE SOCIAL RESPONSIBLITY ROADMAP

Based on the prioritization provided by the materiality survey, we have created an ambitious CSR roadmap for three years.

Regarding our social responsibility, our continuous improvement of the **parity, safety and inclusivity in the company** will be described. The Work Environment Based on Equality (WEBE) and safety issues are a priority to every stakeholders. We must create a work environment which is pleasant and safe to everyone. It is a key axis to make sure FLYING WHALES is developing the right way.

Regarding our environmental responsibility, the development of FLYING WHALES LCA60T Solution takes into account any possible action to respond to **climate change emergency**. 2022 has been an opportunity to work on the principle of avoided emissions, and to progress towards our roadmap for CO2 reduction.

Our responsibility also includes **the future applications of the LCA60T Solution.** This is a prior concern for FLYING WHALES but also for our stakeholder. The compatibility between our CSR approach and our future LCA60T must be consistent. We will therefore dedicate the third part to the markets with a strong societal impact which have greatly evolved.

The last part of this report will present several other achievements of this year. We will end this report by presenting the next steps of our CSR approach for the year 2023.


FLYING
WHALES

01
REINFORCE PARITY & INCLUSIVITY

1.1 EQUALITY OF OPPORTUNITY AGREEMENT

Beyond the legal requirements regarding woman/men equality and work conditions for disabled workers, the company (represented by HR) has decided to set-up a broader company agreement with the CSE: the Equality of Opportunity Agreement. WEBE was consulted regularly on the content of the agreement and was essential in the elaboration of the associated action plan.

The agreement and the action plan work in tandem to ensure a continuing improvement of work conditions and job accessibility for current and future collaborators of FLYING WHALES. The agreement details the commitments of the company, the standards that it aims to reach. The action plan details the concrete actions to be deployed at company level in order to reach said standards. Both documents will be regularly reviewed and updated to ensure the targets are met and evolve with the needs of the company.

The current agreement focuses on the following topics:

- **hiring and professional insertion,**
- **quality of working conditions,**
- **career and salary evolution,**
- **balance between professional and personal life,**
- **adaptation of the workplace and workstation,**
- **administrative support,**
- **and societal impact.**

The general principal is to identify any gaps on those topics between co-workers, and to deploy the necessary solutions to mend them, but also to anticipate potential gaps to create an inclusive workplace, prone to diversity, discrimination free, and accessible to all.

In addition, FLYING WHALES worked with the CSE to draw up the Gender Equality Index. FLYING WHALES reached this year the score of 86/100, including pointing out that women average wage is 4.8% above men average wage.

1.2 PROCESS NEWCOMERS

In 2022, we improved our newcomer's process. It responds directly to the needs that have been raised regarding integration difficulties, especially for foreigners. FLYING WHALES is an unusual and complex project, so it was essential to set up a process with integration days. The goal for each newcomer was to get to know the project, ask questions that would help them understand the project, and above all, to meet the teams and discuss with them.

This is an important step in the corporate life of FLYING WHALES as our recruiting pace accelerates. In 2023, 100 new jobs will be created (80 in France + 20 in Canada). By 2030, we plan to create 3,000 additional jobs to design, manufacture, and operate our airships.

With this new process, we hope to strengthen integration and inclusiveness in our company.

Zeppelin NT07 flight for all employees

1.3 HARASSMENT TRAINING

FLYING WHALES does not tolerate any behaviour that could be construed or lead to sexual harassment or sexist behaviour, or as moral harassment. To prevent such behaviour from occurring in the first place, we have taken concrete action with the implementation of an "Ethics Charter" and the appointment of a local "Internal Referent" at the Suresnes, Bordeaux and Montréal sites. Our policy to prevent and fight against such behaviour has been reinforced, in 2022, by the introduction of mandatory training on these issues for all FLYING WHALES employees.

The members of our executive committee has harassment prevention objectives.

1.4 HEALTH & SAFETY IN 2022

MAIN ACTIONS OF THE Health & Safety ROADMAP CARRIED OUT IN 2022:

Skills and qualifications

HS clearances :

Creation of a document summarizing all the driving authorizations related to the activity of the employees in our facilities.

Creation of a document describing the step-by-step process and the person responsible for authorizing or issuing a driving permit to an employee

Visitor and Clients :

Definition of the health and safety reception process for visitors and clients.

Work Organization

Access to hazardous work areas:

Creation of a document describing the step-by-step process and the person responsible for granting access to a risk area to an employee.

Risks management:

Identification of new risks linked to the evolution of the company's activity (tests, model making for example) and integration of these risks into the DUERP of our facilities.

Management effectiveness

Results Dashboard :

Implementation and display of the green safety cross to monitor work and commuting accidents.

Actions Dashboard:

Implementation and display of the action plan for anomalies identified during health and safety field rounds.

Continuous improvement

Analyse and communication on accidents and incidents:

Communication to managers of our procedure for information, analysis and communication concerning work-related accidents.

Systematic analysis of work-related accidents that occurred in 2022 according to our process and analysis tools.

FLYING WHALES H&S in 2022

1	Work accident with stoppage
0	Case of harassment
+7	First aid at work
+15	Fire extinguisher trainings
+6	CACES (Certificate of aptitude for safe driving)

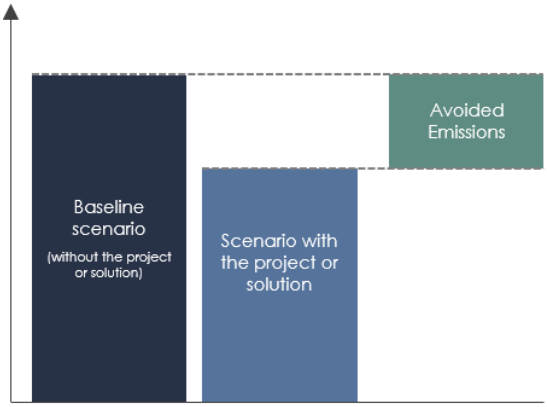
02
PROGRESS TOWARDS OUR ENVIRONMENTAL CONTRIBUTION

2.1 AVOIDED EMISSIONS

As follow-up for the first Life cycle assessment of the LCA60T (see CSR report from 2021), one of the main objectives of 2022 was to compare the LCA60T with competing logistical solutions on mission that are representatives of our future markets. This work was carried out in collaboration with Carbone 4, a leading company in the field of energy and climate issues.

We focused our study on the concept of measuring avoided emissions.

Definition : an avoided emission is a non-emission of CO2e compared to a reference scenario.



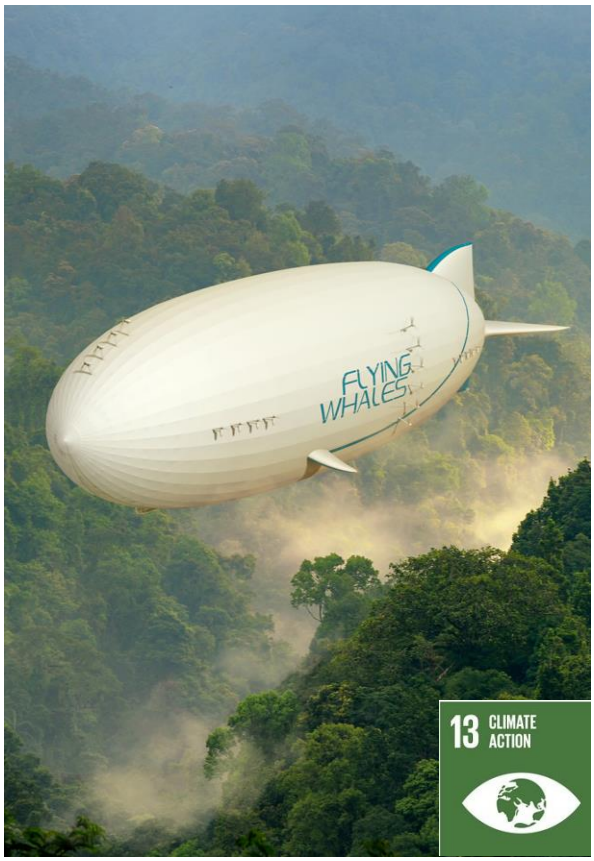
Objective : Encourage organizations to assess and increase their contributions to third-party emission reduction overtime :

- Either through the sale of low carbon products and solutions
- Or by financing emission reduction projects outside the value chain

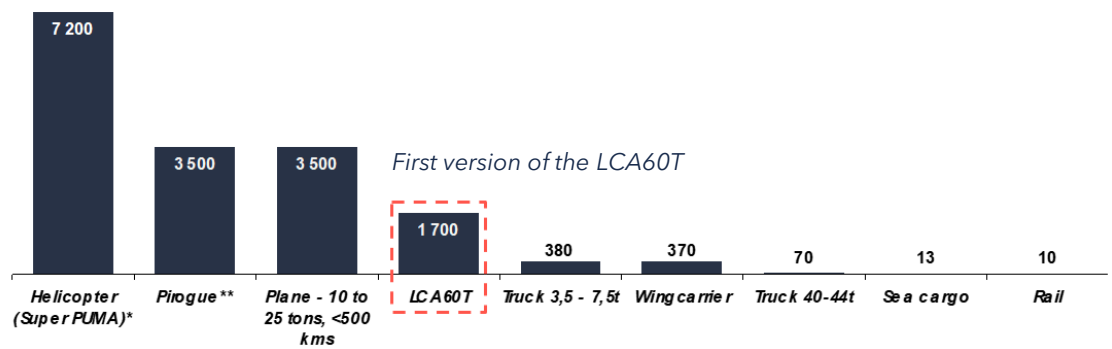
It is by modeling two concretes projects, and data provided by our future customers, that we were able to build an exhaustive tool to compare the LCA60T with competing logistic means :

- The transport of 1897 tons of construction material in isolated areas of Guyana – which can be done by truck or pirogue under the current conditions.
- The transport of 18 wind turbine blades in the southwest of France – which can be done by boat and then by truck in the current conditions.

The conclusion of these two studies, detailed in the 202210_FW_Avoided Emissions report, allow the LCA60T to be positioned among all the world's means of transport.



Emission factors for freight transportation (in $gCO_2e/ton.km$)



Helicopter : calculation by Carbone 4 based on data from "Methodological note_LCAvsHelicos_Consumption_Study" (cruise consumption = 746,27 kg/h; hover consumption : 957,71/h, hover time : 0,17h; speed : 185,2 km/h; payload : 4,2t)
Pirogue & Wing carrier : The values presented are based on the results of the case study.
Plane, truck, sea cargo, and rail : Base Carbone ADEME. The values presented are average French values.

This analysis highlights several major elements:

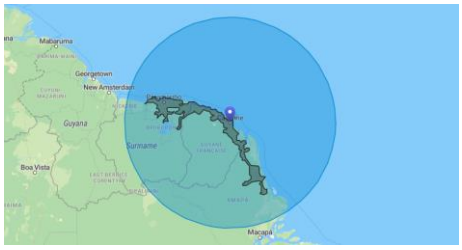
The LCA60T stands out clearly from other air carriers :

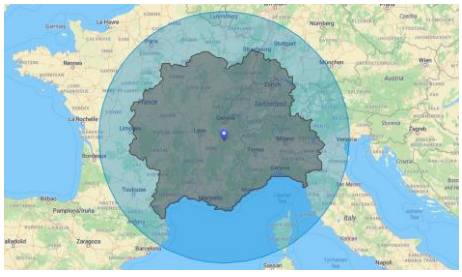
- From the helicopter, the only other vehicle capable of performing point-to-point transport without infrastructure.
- The aircraft emission factor does not consider in this analysis either the CO2 impact of airports or the need for an additional logistic actor to carry out the beginning and the end of the logistic transport

The LCA60T naturally emits more than the sea and the land means of transport but for which two elements are not considered :

- The actual distance to be covered by these vehicles, constrained by existing infrastructure and natural obstacles. For example, the LCA60T, or a helicopter, will require 30 to 80% less travel time than a truck to connect two equivalent points.
- The CO2 impact of the infrastructures to be created if they are not present, part of the impact of their maintenance if they are already present.

The relevance of the LCA60T compared to road transport increases as the density of the existing infrastructure decreases, which is totally in line with FLYING WHALES' 'raison d'être' (*purpose statement*) and our desire to connect remote areas. This principle is illustrated below based on three potential areas for the establishment of bases of operations.





It is now possible to model the CO2 impact of competing infrastructures thanks to the tool developed by Carbone 4, whose sources come mainly from the ADEME carbon base, Eco invent and Expertise's Carbone 4.

FLYING WHALES can now model entire missions by playing with the key parameters described below:

Geographic perimeter

- Country of airship's production
- Country of project

**This choice only impacts the emission factor for electricity*

Temporal perimeter

- Year of operation: 2024 - 2030
- Year of construction of the airship: 2023-2030

**This choice only impacts the emission factor of electricity*

Vehicles available

- Pirogue,
- Blade lifter,
- Wing carrier,
- Helicopter (light or heavy load),
- Other vehicles commonly used for air, sea, and road transportation

LCA60T – type of fuel

- Kerosene
- Hydrogen :
  - Steamforming with natural gas
  - Steamforming with biomethane
  - Electrolysis based on any country electricity mix

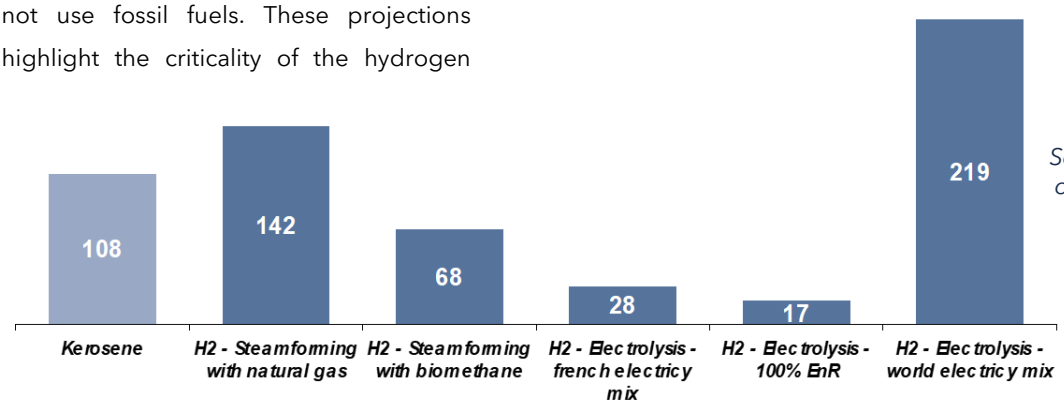
LCA60T – fuel consumption

- Cruise Speed :
  - 80 km/h,
  - 100 km/h
- Altitude :
  - 1 500 m,
  - 3 000 m

Land use change

- Crop
- Coastal
- Forest
- Grassland
- Heathland
- Shrub
- Sparsely Vegetated
- Tundra
- Wetland

The Fuel Type parameter allows us to model the potential gains brought by the second generation of LCA60T, which will not use fossil fuels. These projections highlight the criticality of the hydrogen source, and its need to be low carbon, in the environmental relevance of our airship.



Comparaison of the carbon impact of fuel consumption for the windpark case study for the scenario with LCA60T – 2030/ *en tCO_2e*

With this tool at our disposal, the year 2023 will be an opportunity for our teams to implement the LCA60T design in its most recent maturity and to model practical cases in our most representative markets. In addition, this tool will be used to model future generations of LCA60T as the fossil-free configuration reaches maturity.

2.2 CLIMATE FRESK

The Climate Fresk is a French association under the law of 1901 founded in December 2018 whose objective is to raise public awareness about climate change. It was founded by Cedric Ringenbach. His goal was to democratize and simplify the understanding of the scientific mechanisms of the climate change.

We believe that it is part of its role to train every collaborators regarding climate change. Our collaborators must influence their decisions as a member of a company and as a member of a society based on climate change issues.

We organized a first workshop in June 2022 with the top management. The workshop was, meaningful, and allow the participants to learn collectively which was deeply appreciated. Further to this workshop, we trained all employees. For this purpose, four additional collaborators have been trained to be in capacity to animate the different workshop.

Today, all of us have the same understanding on the climate change topic. At the end of the workshop, we took some time to discuss about how employee can impact positively climate change through their daily decisions. It has helped some of us to realize that everyone can and must do something. We therefore gathered their proposals to improve what can be achieved at FLYING WHALES and have decided to implement them in the CSR roadmap.

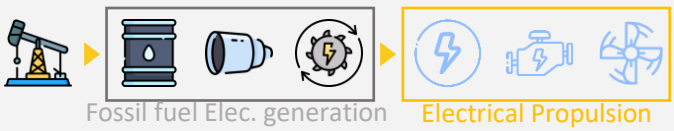
We gathered proposals from everyone, regarding what can be improved at FLYING WHALES and decided to implement these ideas in the CSR roadmap.

2.3 ROAD TO VERY LOW EMISSION : HYDROGEN

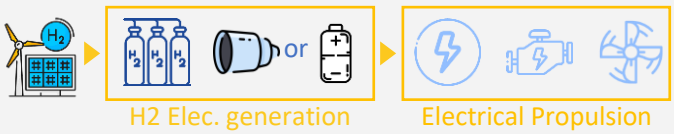
As early as 2013, our solution was targeting an electrical propulsion. This goal has been developed in two steps because of technology unavailability and certification stakes:

Evolutive Architecture of the LCA60T

Step 1: Hybrid propulsion configuration



Step 2: Hydrogen propulsion configuration



Besides, hydrogen issues have been included within FLYING WORKS as one of the most strategical research axis. This department prepares for technological developments and innovations. FLYING WORKS brought rigor, organization and a consolidated budget to the hydrogen program allowing to start several collaborative research projects.

Our strategy is to have for each work package, one collaborative research project with main actors and one project focusing on the specificities of the LCA60T. Activities shall be splitted between France and Quebec.

Energy Generation

The first work package is about the energy generation system which will substitute the turbogenerator. It can be a hydrogen fuel cell or a hydrogen turbine.

The kick-off of the associated collaborative project "HeMoWHY" took place in March 2022 in Toulouse. This 3,5-year-long project is led by IRT Saint Exupéry and Laplace laboratory with Airbus, Liebherr and Aerostack - Airbus future supplier of hydrogen fuel cells. Its objectives are to analyse numerically and experimentally the performances of new generation fuel cells under aeronautical constraints.

Adaptation to LCA60T

The specificities of the LCA60T are addressed with the "OYANA" project in Quebec. This 3-year-long project started in June 2022. Research activities are led by the prestigious Hydrogen Research Institute in University of Quebec in Trois-Rivières with Pratt & Whitney Canada and MTLS Aerostructure. The main goal is to develop a numerical model of a fuel cell system which is sized for the characteristics of our airship. Pratt & Whitney will allow to compare hydrogen fuel cells and hydrogen turbines.

We are simultaneously discussing with current hydrogen fuel cell suppliers to identify a system integrator.

Storage and distribution

The second work package on board is the storage and distribution of hydrogen onboard. Previous studies concluded that the most optimal storage is under liquid cryogenic state for our application.
Consequently, FLYING WHALES have joined the collaborative research project "NOMADE" which started in April 2022 in Nantes. This 3-year-long project is led by IRT Jules Verne with numerous partners interested in hydrogen storage tanks : end-users (Airbus, Naval Group, FLYING WHALES), future suppliers (Faurecia, Rafaut Group) and technological centers (CEA Tech, IRT Saint Exupéry, Ecole Centrale Nantes). The main objective is to develop insulation solutions and the corresponding processes to optimize and guarantee thermal performances of lightweight liquid hydrogen storage tanks.

The current priority is to set up a research project which will address the sizing of a liquid hydrogen storage and distribution system for the LCA60T. To do so, FLYING WORKS has imagined an innovated concept considering the specific characteristics of our airship. Ongoing studies are refining this concept. We are currently selecting partners and the most appropriate financial frame.

Airworthiness

Last but not least, it is essential to consider ground and flight safety aspects and anticipate certification issues. To do so, FLYING WHALES is involved in an international Eurocae/SAE Working Group with many aeronautical actors with interest in hydrogen: OEM (Airbus, Embraer, ZeroAvia), hydrogen fuel cells and turbines suppliers (Honeywell, Safran, Rolls-Royce, Pratt & Whitney, Ballard, HyPoints), research centers (NRC, NLR), certification agencies (EASA, FAA), experts (Air Liquide, MTU, ZEV station), etc. FLYING WHALES contributes in order to ensure that the specificities of the airships are considered in the documents (MASPS to be published in 2023) which will be the foundations of certification basis for hydrogen systems for aeronautical applications.

2.4 SOBRIETY PLAN AND SOFT MOBILITY

We implemented a sobriety plan to begin reducing its energy consumption. This plan is being conducted in conjunction with our building owner management in Suresnes and Bordeaux.

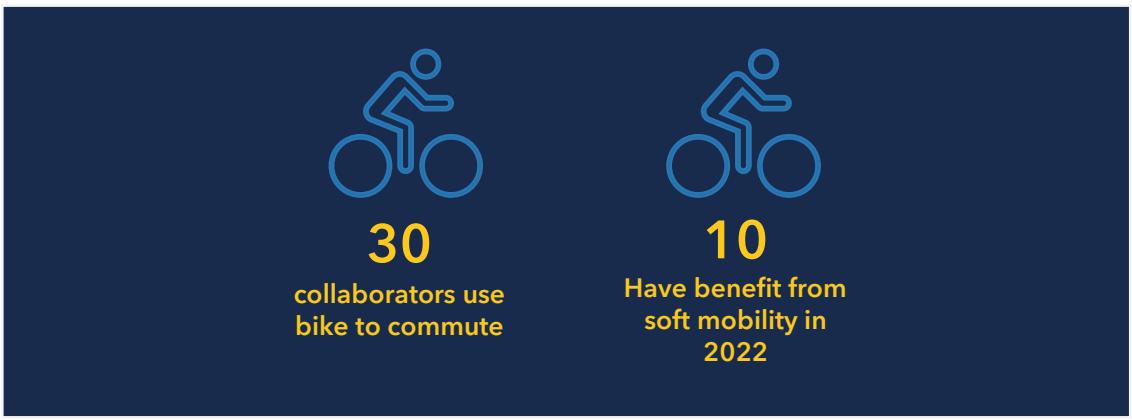
The main measures deal with the **management of heating and air conditioning.**

Through its ethical charter, FLYING WHALES has committed to favour public transports, carpooling, or even cycling for commuting to work.

The adoption of these modes of transportation has been encouraged by the introduction of a sustainable mobility package. It is based on a financial allowance offered by FLYING WHALES to any collaborators using cycling as a transportation mode to/from the workplace. This financial aid aims at purchasing safety equipment, cycling equipment, bike maintenance etc.

The package is capped to 350€ per civil year when used alone or 150€ per year when combined with a public transportation subscription reimbursement. Allowing for the combination of both packages also encourages various forms of multimodality such favouring the use of folding bikes instead of bus combined with train. It also encourages the choice of cycling when in fair weather and using public transportation when in foul weather to promote safety during commuting to work.

As of December 1st, 18 employees registered to use the sustainable mobility package and of those 18, 10 fully benefited from it.




FLYING
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03
MAKE THE USE OF LCA60T BENEFIC

3.1 MARKETS RISKS & OPPORTUNITY ANALISYS

Some potential markets that could be addressed by the LCA60T may be a concern for ourselves as our stakeholders. "***Ensuring a beneficial use of LCA60T***", "***Respecting human rights***" and "***Considering climate change in FLYING WHALES' strategy***" are not negotiable rules.

A working group was therefore organized with the Sales & Marketing team and the CSR team aiming to assess to assess different markets under the prism of CSR to guide management in its decision making. The objective is to reflect our *'raison d'être'*.

The first step was to identify the interesting markets to study and to define the criteria that would allow us to evaluate the criticality or the opportunity that a market represents for FLYING WHALES. The Global Compact and the Bcorp certification helped us to define our criteria.

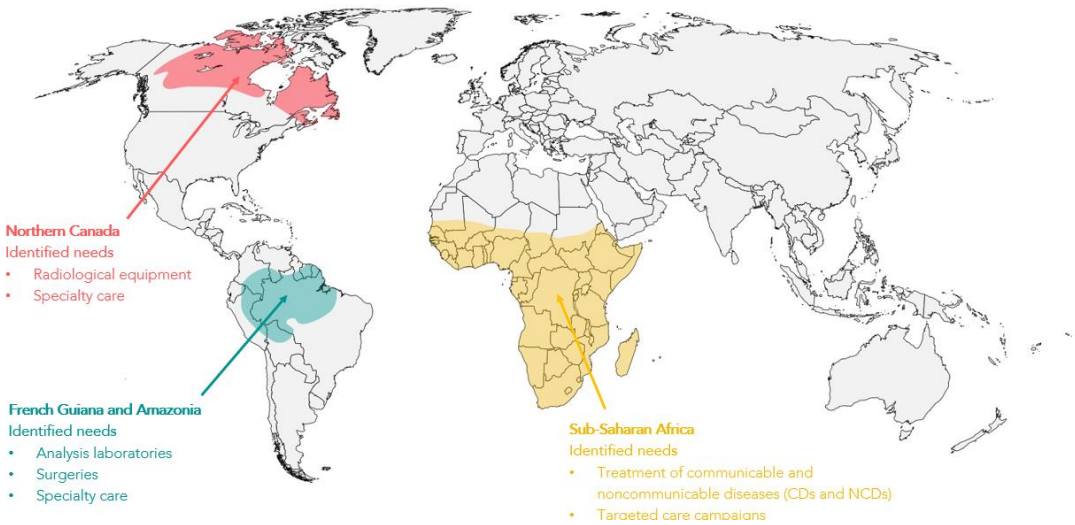
This working group will continue its work in 2023 and certainly beyond.

3.2 FLYING CARE

2022 has been a crucial year for FLYING CARE project as it is the enabling year.

In March, FLYING WHALES gathered with 4 other entities: Ingérop, Roland Berger, SIEMENS Smart Infrastructures and Dr. Xavier ATTRAIT, to create **FLYING CARE** partnership. This partnership began a 2-year-long working timeframe to better define FLYING CARE **mobile hospital**.

FLYING CARE mobile hospital consist in a medical infrastructure of allowing for 600m² of hospital-level equipment to be mutualized across multiple localities and delivered all-year-round, to remote populations or populations without access to high-standard medical infrastructure.



Each partner of the FLYING CARE Consortium mobilizes its teams to support the development. The main topics addressed by the Partnership related to medical needs assessment in three regions throughout the world: sub-Saharan Africa, North of Canada, and Amazonia; operational context definition; technical design of the mobile hospital modules and components etc.

While several key topics were engaged in 2022 and some important preliminary results have been achieved, work accelerates in 2023 to finalize the full definition of this mobile hospital solution.

3.3 WORLD FOOD PROGRAM

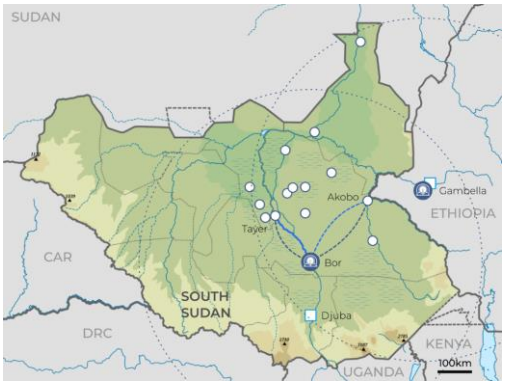
FLYING WHALES has been entering preliminary discussions with several stakeholders in the Humanitarian Aid and Disaster Relief (HADR) field. In particular, the company has been coordinating a study with the UN World Food Program, 2020 Nobel Peace Prize Laureate, and lead agency of the logistics cluster.

Starting on mid-2022, and following a thorough due diligence, FLYING WHALES and WFP signed a Technical Cooperation Agreement to investigate several topics among which how FLYING WHALES's LCA60T could improve current humanitarian operations. These investigations were to focus not only on direct savings, but also on safety and security risk reduction, better integrity of the goods delivered, improvement of logistics and storage strategies, environmental impact reduction, etc.

Where appropriate, and subject to consultation with relevant stakeholders, generic project plan for airship certification and airships' entry into service for humanitarian air transport could be developed.

A first case study in South Sudan has been investigated based on data provided by WFP.

South Sudan has been plagued by internal conflict since 2013. In September 2018, a peace agreement resulted in a significant decrease in violent clashes between government and opposition forces or local militias. However, this stabilization is fragile and the social, political, and security environment remains highly volatile as warring forces have not yet been disarmed and weapons are still circulating in the country.



WFP has been operating in the Republic of South Sudan since the country's creation in 2011. Although aid provided has always been engaged at high levels, in recent months, more than one million people have been impacted by an unprecedented, multi-year flood event that is sweeping the nation, exacerbating high levels of hunger caused by ongoing conflict and the global food crisis.

[1] France's Ministère de l'Europe et des Affaires Etrangères status on South Sudan, 2022
[2] WFP South Sudan brief (WFP website) and Situation Report #302, 2022

Almost 65 percent of the population (7.76 million people) are facing hunger, including 43,000 people facing famine-like conditions and struggling to access even the most basic food items.

In 2022, WFP planned to deliver food to 6 million people representing 50% of the local population. In terms of tonnage, 280,000 metric tonnes (mt) were planned to be delivered out of the 415,000 mt needs-base plan requirement.

Through the ongoing study, FLYING WHALES is exploring the possibility of transporting a share of the food with the LCA60T, otherwise delivered by air or with other modes of transportation. Doing so, the company highlights several potential gains whether regarding operation costs, number of days of operation, ability to deliver equally all-year-round with limited impact from seasonal changes in rainfalls and roads unavailable due to flooding, emissions reduction etc.

The South Sudan study will continue in 2023. Its outcomes will be crucial to continue to research scalable options for adopting airship technology in the humanitarian air transport sector in coordination with humanitarian entities such as WFP, thus maximizing LCA60T's positive impact.

3.4 OPENING UP TO POPULATIONS : GUYANA AND CANADA CASE

Despite a growing trend toward urbanization around the world, many communities remain isolated due to the absence or deficiency of transportation infrastructure. According to SDG indicator 9.1.1, the term "isolated" is defined by any rural population living within 2km of an all-season road. There are currently one billion people in the world who are isolated. The LCA60T solution will provide governments with a new transportation infrastructure working as an air bridge to connect all their isolated communities across their territory.

For example, in Quebec FLYING WHALES solution can connect the numerous isolated communities in the North of its territory. These communities are isolated during the 11 to 12 months when ice roads are not available. We are working with the local government and the isolated communities to solve the severe housing crisis by transporting prefabs at an economically viable price. In addition, the airship will be able to supply those communities with various strategic goods such as goods or health care, and with general resources.

Another example is the Collectivité Territoriale de Guyane, which has signed a partnership with FLYING WHALES to study the opening of isolated towns located on the rivers.

These towns are currently accessible either by a dangerous and complex 3-day journey by truck and pirogue, or by an uneconomical and unecological journey by plane or helicopter. The LCA60T will make it possible to connect these communes to the capital of the region in less than 3 hours, for a fraction of the economic or ecological cost of the current means of transport. It will also allow the establishment of synergies between the transport of construction resources, fuel , health goods, general cargo, as well as the repatriation of waste to industrial zones equipped to treat them.

04
DRIVE THE COMPANY FORWARD

4.1 TRAININGS

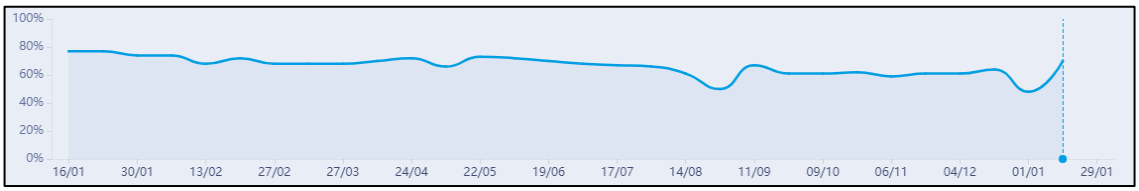
2022 has allowed the HR team to improve its training process. Thanks to the new digital tool Eurecia, the human resources team can more easily and quickly identify the training needs of everyone. One important training have been implemented: Process Com® training course, created for the specific needs of managers, provides a proven operational framework for better understanding oneself and others. There are many management techniques and tools. However, they are not enough to quickly get in tune with employees with very different personalities.

4.2 NEWSLETTER FOR CONSORTIUM

If the topic of social and environmental issues related to FLYING WHALES' activities has been mobilizing the attention and work of many employees for several years, 2022 was a pivotal year on this subject. Indeed, far from relying on the skills and perceptions of its employees, the company has set up a structured exchange with its stakeholders to identify their needs and expectations in this area. For example, a materiality matrix involving these partners in the definition of FLYING WHALES' CSR challenges was shared. The results showed strong expectations from the stakeholders. We are delighted to be able to count on a shared desire to structure a strategy and strong actions in terms of CSR. In addition, to strengthen communication with our partners, a quarterly newsletter has been set up. It is systematically including a CSR topic.

4.3 EMPLOYEES ENGAGEMENT & BECOMING SHAREHOLDERS

For the second year in a row, FLYING WHALES used the Bleexo tool to measure the "pulse" of our company to share best practices and continuously improve our operations. (see CSR report 2021).

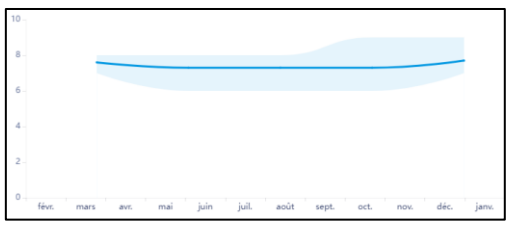


Participation rate weekly Survey Bleexo

The participation of employees has decreased compared to the implementation phase of the tool with a stabilization of the number of respondents between 60 and 75% every two weeks.

The measure of employee engagement decreased during the first half of the year and increased significantly during the second half following implementation of actions shown here beside.

To increase furthermore the engagement of the employees, the shareholders of FLYING WHALES in association with the top management have decided that 100% of the employees would become shareholder themselves. This policy is now in place.



Level of commitment of FLYING WHALES in 2022

2022 achievements following feedbacks

FAIRNESS, ACCURACY & ASSESSMENT :

Remuneration policy has been explained during an all-of-us meeting. 2023 Salary Policy released to all employees. Free share have been allocated. Annual Interview process have been revamped and digitalized. Management training performed.

TRAINING, GROWTH & CAREER :

Digitalization of training needs through Eurecia. Feedback on training wishes reduced from 5 to 1 month after annual interviews

WORKLOAD :

Recruitment plan for 100 new employees over 2023

ORGANIZATION & COMMUNICATION :

Intranet has been launched and a digital orgchart tool have been created to provide continuously up-to-date information about the organization.

4.4 IMAGINE FOR MARGO

This year, we asked to our employees which charity we should support. The company workforce has grown considerably in recent years. We thought it would be interesting to give our employees the opportunity to suggest other projects or associations that they support. A survey was organized in June to decide which of the proposed associations would be selected.

It is therefore a choice of the employees to renew our support to Imagine for Margo for the fourth year now. As a reminder, imagine for Margo aims to fight against paediatric cancer and raises awareness on this important subject, which are the leading cause of death in children today.

Imagine for Margo organize a race at the end of September. To participate, each participant must raise at least 200 euros. This collection accelerates research on paediatric cancers to better understand them and thus, better treat them.

It is an important moment for the company because it allows to federate around an associative project. The participants launch challenges to increase the funds. It is experienced as a joyful moment among FLYING WHALES.

This year, we have beaten our record of collecting donations thanks to everyone's motivation. The amount raised by each employee is matched by the company. This associative commitment will be renewed next year.

	2019	2020	2021	2022
Employees & FLYING WHALES Contribution	8	29	18	25
	5 000€	29 000€	21 000€	30 530 €
IMAGINE FOR MARGO Total	5 500	3 000	4 700	7 000
	1 830 000€	1 325 000€	2 015 000€	2 160 000€

05

OPENING 2023 : PREPARING OUR DECARBONATION STRATEGY

In 2023, we have set goals to measure and reduce our environmental impact by calculating the first FLYING WHALES carbon footprint and updating the life cycle assessment, which has already been evaluating in 2021.

Carbon footprint:

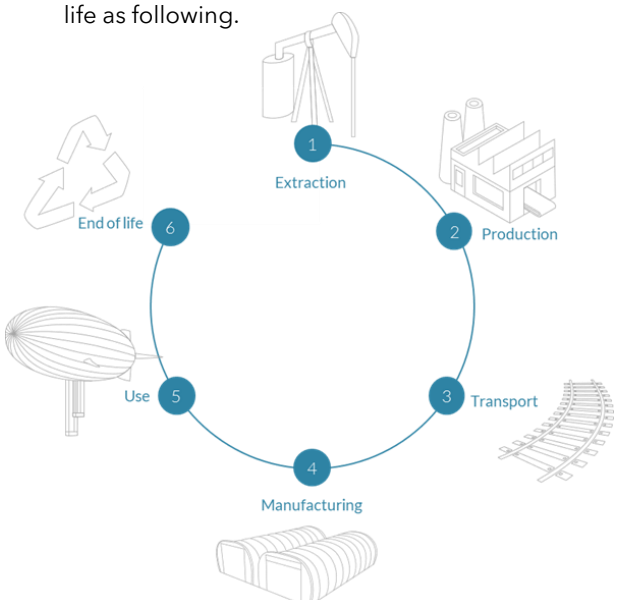
We will assess our carbon footprint as a company using the GHG Protocol methodology. We will consider *Scope 1 - Direct Emissions*, *Scope 2 - Indirect Emissions electricity*, and *Scope 3, optional - Indirect Emissions*.

After an initial measurement of our environmental impact, we will commit to reducing it by setting emission reduction targets and developing CO2 emissions reduction action plan.

Life Cycle Analysis:

In 2023, as the design of our airship and the first Final Assembly Line design have matured, we will reassess the potential impact of our solution on global warming, ecosystem quality, non-renewable resources, and human health.

To do so, following the methodology standardized by ISO 14 040, we will quantify the potential impact of our infrastructures and LCA60T from the extraction of raw materials to the end of life as following.




FLYING
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