

Greenhouse gas emissions (GHG) inventory report

AERO Vodochody AEROSPACE a. s.

For 2023

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Introduction

This greenhouse gas emissions report has been prepared in accordance with the GHG Protocol Corporate Standard, the revised edition of the Corporate Accounting and Reporting Standard, the GHG Protocol Scope 2 Guidance, the Technical Guidelines for the Calculation of Scope 3 Emissions and the Supplement to the GHG Protocol Corporate Standard.

Annex No. 1 "Environmental dataset" provides sources and detailed information on the emission factors used.

Disclaimer

This greenhouse gas emissions inventory report has been prepared in accordance with internationally recognized methodological standards, in particular in accordance with the GHG Protocol, and presents an overview of the reporting company's emissions for the relevant reporting period. The report includes Scope 1, Scope 2 and Scope 3 emissions within the reporting company's value chain and was compiled based on data available as of the date of preparation of the report including internal documentation, and calculated using emission factors from public databases.

The calculation was performed using a combination of primary measured data and other calculation and estimation methods where primary measured data was not available. Due to the nature of Scope 3 emissions, the reliance on third party information and the use of modelling approaches, the results may contain a degree of uncertainty. The report therefore represents the best available estimate of the reporting company's emissions activities at the time of preparation.

This inventory report was prepared by an external professional body. The data presented in this report has not been subject to independent verification or assurance by a third party, unless otherwise stated below.

The report is intended to be informative for all available stakeholders and may serve as a basis for the reporting company's future non-financial reporting in accordance with relevant EU regulatory requirements.

The reporting company reserves the right to update the report in the future in response to improved data, methodologies, or regulatory requirements.

Company Description and Inventory Boundaries

Company Description

AERO Vodochody AEROSPACE, a.s., (hereinafter referred to as "the reporting company") develops, manufactures and also operates military jet aircraft. In the field of civil aviation, the reporting company cooperates with the largest aircraft manufacturers on a wide range of projects and is a partner in several risk-sharing programs, where the reporting company is responsible not only for the production and assembly of aircraft units, but also for their development. The reporting company's production takes place at its production plant in Odolena Voda, in the Czech Republic, near Prague. Another activity of the reporting company, based on a lease agreement, is the operation of an airport adjacent to the production site.

This greenhouse gas emissions (GHG) inventory report is issued on behalf of AERO Vodochody AEROSPACE a.s. and only AERO Vodochody AEROSPACE a.s. is included in the carbon footprint calculation.

Name of the Company and Entities Included in the Inventory Report

Company	Entita
AERO Vodochody AEROSPACE a. s.	AERO Vodochody AEROSPACE a. s.

Carbon Footprint Strategy and KPIs for Decarbonization

AERO Vodochody AEROSPACE a.s. does not currently have defined decarbonization goals or strategies. These strategies will be added in future reporting periods. The reporting company places an emphasis on reducing environmental impact in its operations, reducing emissions, and saving energy.

Operations and/or Emission Sources Excluded from the Report

The following listed sources of emissions of the reporting company are excluded due to irrelevance based on a dual materiality analysis. This analysis is not part of the report.

Scope 1	Scope 2	Scope 3
Energy generated from own renewable sources	Purchased cooling	Downstream transport and distribution
	Purchased steam	Rented assets (Downstream)
		Franchises
		Investment

Reporting Period Covered by the Report

From 01.01.2023 to 31.12.2023

Consolidation Approach

Operational control

Scope 3 Emissions Included in the Report (Emission Types)

1. Purchased goods and services
2. Capital goods
3. Energy and fuel consumption not included in Scope 1 and Scope 2
4. Upstream transport and distribution
5. Emissions from waste processing and wastewater treatment
6. Business trips
7. Employee commuting
8. Leased assets (Upstream)
10. Processing of sold intermediate products
11. Use of sold products
12. End-of-life treatment of sold products

Base Year

2023

Context for Significant Changes in Emissions That May Trigger a Recalculation of Base Year Emissions

Not relevant.

Emissions

The first two tables summarize total emissions for Scope 1, 2 and 3. Throughout the report, emissions associated with energy use are divided into two groups: location-based and market-based, in accordance with the methodology of the GHG Protocol. This dual reporting helps stakeholders understand the regional impacts of electricity consumption and the effectiveness of an organization's purchasing strategies in reducing greenhouse gas emissions.

- **Location-based:** Useful for understanding the regional impact of electricity consumption and for organizations that do not have specific strategies for purchasing lower-emission electricity.
- **Market-based:** Important for organizations that actively manage their electricity purchases to reduce their carbon footprint and for those participating in renewable energy programs.

Summary of Emissions (Location-based)

Category	Data type	Unit	2023
Scope 1	CO_2e	t	5,323.2
Scope 2	CO_2e	t	8,780.1
Scope 3	CO_2e	t	231,084.8
Total	**CO_2e**	**t**	**245,188.1**

Table 1: *Summary of the reporting company's emissions based on the "location-based" approach.*

Summary of Emissions (Market-based)

Category	Data type	Unit	2023
Scope 1	CO_2e	t	5,323.2
Scope 2	CO_2e	t	9,856.9
Scope 3	CO_2e	t	231,155.5
Total	**CO_2e**	**t**	**246,335.6**

Table 2: *Summary of the reporting company's emissions based on the "market-based" approach.*

Comparison of Emissions from Individual Scopes

More than 93% of the reporting company's emissions come from Scope 3, mainly from the operation of delivered aircraft and other indirect activities. Scope 1 accounts for 2.2% and Scope 2 between 3.6–4.0%, which corresponds to energy consumption in production operations. This ratio suggests that the main potential for reducing emissions lies in optimizing aircraft operations, energy efficiency in production and cooperation with partners in the supply chain.

Intensity

Emissions Intensity

Emissions intensity, as defined by the European Sustainability Reporting Standards (ESRS) and the Greenhouse Gas Protocol (GHG), refers to the amount of greenhouse gas emissions produced per unit of economic activity, such as revenue or production output. This indicator is key to assessing the efficiency and environmental impact of an organization's activities. The ESRS emphasizes the importance of disclosing emission intensity to provide stakeholders with a clear understanding of a company's carbon footprint in relation to its economic performance. By focusing on emission intensity, a company can identify opportunities to reduce its carbon emissions while maintaining or improving its economic performance, thereby contributing to global efforts to mitigate climate change.

Emissions intensity	tCO_2e/Net revenue (mil. CZK) location-based	tCO_2e/Net revenue (mil. CZK) market-based
Scope 1	1,3256	1,3256
Scope 2	2,1865	2,4546
Scope 3	57,5465	57,5642
Total	**61,0587**	**61,3444**

Table 3: *Emission intensity of the reporting company divided by calculation method into location-based and market-based.*

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Energy intensity	GJ/Net revenue (million CZK)
Scope 1	25,362
Scope 2	17,2818
Scope 3	61,1682
Total	**103,812**

Table 4: *Energy intensity of the reporting company.*

Overview of Greenhouse Gas Emissions

Emissions (Location-based)

Gas type	Scope 1	Scope 2	Scope 3	Total
CO_2e total (t)	5,323.2	8,780.1	231,084.8	**245,188.1**
CH_4 (t)	7.7	-	3.8	**11.4**
CO_2 (t)	5,308.0	-	5,158.2	**10,466.2**
N_2O (t)	7.6	-	31.2	**38.7**
HFC (t)	-	-	-	**-**
PFC (t)	-	-	-	**-**
NF_3 (t)	-	-	-	**-**
Unavailable split (t)*	-	8,780.1	225,891.7	**234,671.8**

Table 5: *Overview of greenhouse gas emissions based on the location-based method.*

* *This category is used in scenarios where it is not possible to calculate the tCO_2e of individual gases. This occurs in the following cases:*
- *Emission factors for individual gases are not available in the database used.*
- *The input template contains custom emissions or emission factors*

Emissions (Market-based)

Gas pipe	Scope 1	Scope 2	Scope 3	Total
CO_2e total (t)	5,323.2	9,856.9	231,155.6	**246,335.6**
CH_4 (t)	7.7	-	3.8	**11.4**
CO_2 (t)	5,308.0	-	5,158.2	**10,466.2**
N_2O (t)	7.6	-	31.2	**38.7**
HFC (t)	-	-	-	**-**
PFC (t)	-	-	-	**-**
NF_3 (t)	-	-	-	**-**
Unavailable split (t)*	-	9,856.9	225,962.4	**235,819.2**

Table 6: *Overview of greenhouse gas emissions based on the "market-based" method.*

* *This category is used in scenarios where it is not possible to calculate the tCO_2e of individual gases. This occurs in the following cases:*
- *Emission factors for individual gases are not available in the database used.*
- *The input template contains custom emissions or emission factors.*

Emissions Calculation and Estimation Methodology

The following chapter provides detailed overviews of individual emission activities.

Scope 1

The following table shows an overview of Scope 1 emissions.

Category	tCO_2e
Refrigerants and other greenhouse gas emissions	0.2
Stationary combustion	5,203.3
Fuel combustion in company fleet vehicles	119.6
Total	**5,323.2**

Table 7: *Overview of Scope 1 emissions.*

1.1. Refrigerants and Other Greenhouse Gas Emissions

This chapter details emissions arising from the reporting company's sector-specific activities that are not included in other chapters of this report. These are primarily refrigerant leaks and other greenhouse gas emissions arising from leaks and maintenance during the operational life of the equipment and from disposal at the end of the equipment's life. Refrigerant leakage is a small but significant source of greenhouse gas emissions due to the high global warming potential (GWP) associated with these greenhouse gases.

Significant emissions in this category include emissions from welding.

Greenhouse gas	Activity	Data type	Unit	2023
Carbon dioxide non-biogenic (CO_2)	welding	CO_2e	t	0.2
		consumption	kg	240.0
Total		**CO_2e**	**t**	**0.2**

Table 8: *Overview of significant emission activities of the reporting company.*

1.2. Stationary Combustion

This section provides guidance on calculating direct greenhouse gas emissions (Scope 1) from stationary combustion. Emission sources from stationary fuel combustion are typically installations that burn solid, liquid or gaseous fuels, usually to produce electricity, steam or heat for product processing purposes.

Input data for natural gas and aviation fuel (minus fuel reported as waste) were obtained from supplier invoices. Gasoline consumption is recorded together for the gasoline generator and the Husqvarna mower and was therefore divided between them.

Category	Purpose	Fuel type	Data type	Unit	2023
Produced energy consumed	Electricity generation	Petrol	CO_2e	t	1.3
			consumption	GJ	21.8
	Other	Aviation turbine fuel	CO_2e	t	457.7
			consumption	GJ	6,641.7
		Natural Gas	CO_2e	t	4,743.0
			consumption	GJ	93,341.3
		Petrol	CO_2e	t	1.3
			consumption	GJ	21.8
Total			**CO_2e**	**t**	**5,203.3**

Table 9: *Overview of fuel consumption of the reporting company for stationary combustion purposes.*

1.3. Fuel Combustion in the Vehicle Fleet

In this category, the reporting company monitored all emission activities resulting from the operation of its own fleet. The reporting company operates passenger cars (internal combustion engines, plug-in hybrid vehicles) and delivery vehicles (internal combustion engines) in its fleet.

The input data includes emissions from all trips paid for by the reporting company.

For passenger cars, data (km) was obtained from electronic logbooks.

Fuel consumption for individual delivery vehicles (internal company vehicles, logistics vehicles and maintenance vehicles) is not monitored. Only the total diesel consumption is recorded, which was divided by the total number of delivery vehicles.

Category	Fuel type	Vehicle type	Data type	Unit	2023
Delivery vehicles	Diesel	HGV Rigid (>17 tonnes)	CO_2e	t	1.6
			consumption	GJ	24.2
		HGV Rigid (>3.5 - 7.5 tonnes)	CO_2e	t	6.4
			consumption	GJ	96.6
		HGV Rigid (>7.5 tonnes-17 tonnes)	CO_2e	t	12.8
			consumption	GJ	193.2
		Van	CO_2e	t	31.3
			consumption	GJ	471.6
	Petrol	Van	CO_2e	t	2.7
			consumption	GJ	43.5
Passenger vehicles	Diesel	-	CO_2e	t	53.0
			consumption	GJ	798.2
	Petrol	-	CO_2e	t	11.7
			consumption	GJ	190.6
Total			**CO_2e**	**t**	**119.6**

Table 10: *Overview of fuel consumption in the reporting company's fleet.*

Scope 2

The following table shows an overview of Scope 2 emissions.

Kategorie	GJ	tCO_2e Na základě lokace (location-based)	tCO_2e Na základě trhu (market-based)
Electric vehicles (EV) and plug-in hybrid electric vehicles (PHEV)	-	-	-
Purchased electricity	48,060.9	7,715.4	8,792.1
Purchased heat	21,336.0	1,064.7	1,064.7
Purchased cooling	-	-	-
Purchased steam	-	-	-
Total	**69,396.9**	**8,780.1**	**9,856.9**

Tabulka 11: *Overview of Scope 2 emissions.*

2.1. Electric Vehicles (EV) and Plug-in Hybrid Electric Vehicles (PHEV)

The reporting company owns and operates plug-in hybrid electric vehicles. The emissions generated during the use of these cars are methodologically divided into two Scopes:

Scope 1 – fuel combustion
Scope 2 - use of purchased energy.

PHEV charging occurs within the reporting company's premises. Due to insufficient data granularity, the electricity used for PHEV charging is included in Scope 2 in Chapter 2.2. Purchased energy.

2.2. Purchased Energy

Purchased energy is divided into four groups:

2.2.1. Purchased electricity
2.2.2. Purchased heat
2.2.3. Purchased cooling
2.2.4. Purchased steam

2.2.1. Purchased Electricity

Emissions from purchased electricity are reported under Scope 2. They are calculated based on the amount of electricity consumed and corresponding emission factors. Emission factors from the AIB database were used for emissions calculations based on the location-based and market-based methods. The reporting company does not have information from electricity suppliers about specific emission factors, therefore average emission factors for the Czech Republic were used.

Purchased electricity under Scope 2 includes only electricity purchased for own buildings or buildings with a high degree of operational control (i.e. the reporting company can decide on the supplier).

Input data in kilowatt hours was obtained from electricity suppliers based on real billing. Consumption was then converted to GJ.

Purchased electricity	GJ	tCO_2e Location-based	tCO_2e Market-based
Electricity consumption	48,060.9	7,715.4	8,792.1

Table 12: *Overview of electricity consumption by the reporting company.*

2.2.2. Purchased Heat

Refers to heat purchased from external suppliers, typically for heating buildings and water. Emissions from purchased heat are reported under Scope 2 and are calculated based on the amount of heat purchased and the emission factors associated with the heat source used by the supplier.

Input data in kWh was obtained from suppliers based on actual billing.

Purchased heat	GJ	tCO_2e Location-based	tCO_2e Market-based
Heat consumption	21,336.0	1,064.7	1,064.7

Table 13: *Overview of heat consumption by the reporting company.*

2.2.3. Purchased Cooling

Refers to cooling purchased from external providers, such as district cooling systems. Emissions from purchased cooling fall under Scope 2 and are determined by the amount of cooling energy consumed and the emission factors related to the cooling production process.

This category is not relevant for the reporting company, as it does not purchase cooling.

2.2.4. Purchased Steam

Emissions include steam purchased from third parties, often used in industrial processes or for heating. Emissions from purchased steam fall under Scope 2 and are determined by the amount of steam consumed and the emission factors related to the steam production process.

This category is not relevant for the reporting company. Steam produced within the reporting company's operations by burning fuels creates emissions that are already included in Scope 1 in Chapter 1.2. Stationary combustion.

Scope 3

The following table shows an overview of emissions by Scope 3 categories. If multiple calculation methods can be applied for a category, the market-based method was used.

Category	tCO_2e
Purchased goods and services	61,737.9
Capital goods	4,485.5
Energy and fuel consumption (not included in Scope 1 and Scope 2)	4,573.1
Upstream transport and distribution	678.4
Emissions from waste processing or wastewater treatment	167.6
Business trips	697.5
Employee commuting	4,059.7
Leased assets (Upstream)	30.6
Downstream transport and distribution	Not relevant
Processing of sold intermediate products	5.6
Use of sold products	154,715.4
End-of-life treatment of sold products	4.3
Leased assets (Downstream)	Not relevant
Franchises	Not relevant
Investment	Not relevant
Total	**231,155.5**

Table 14: *Overview of Scope 3 emissions.*

3.1. Purchase of Goods and Services

This category includes all emissions arising within the value chain from the reporting company's purchases of goods and services.

The input data was obtained from the financial statement of operating expenses – OPEX, which was adjusted for costs that are already included in other Scope 3 categories, or 1 or 2, or items that are not purchased goods or services. At the same time, data related to purchased materials that are not part of OPEX was included.

Since more accurate data was not available, the spend-based method was chosen for the calculation of this category. Emission factors were obtained based on database sources (EXIOBASE, EPA). In case of need to convert financial data into the currency of the emission factor, the exchange rate on the last date of the reporting period issued by the Czech National Bank was used. If necessary, emission factors were adjusted for inflation using CPI values issued by the World Bank. Specific estimates and sources can be found in Annex No. 1 "Environmental dataset".

Emissions from the transportation of purchased products from a direct (tier 1) supplier to the reporting company (by means of transport not owned or controlled by the reporting company) are included in Category 4 (Transport and distribution within the value chain).

It is likely that total emissions will change in the coming years with more accurate data from suppliers and the implementation of a new ERP system.

Category	tCO_2e
Purchased goods and services	61,737.9
Total	**61,737.9**

Table 15: *Overview of emissions from purchased goods and services by the reporting company.*

3.2. Capital Goods

Capital goods are long-lived final products that a company uses to produce products, provide services, or to sell, store, and deliver goods. In financial accounting, capital goods are considered fixed assets or property, plant, and equipment (PP&E). Examples of capital goods include equipment, machinery, buildings, facilities, and vehicles. Emissions from the use of capital goods by a reporting company are included in either Scope 1 (e.g., when using fuel) or Scope 2 (e.g., when using electricity), not in Scope 3.

Input data was obtained from the financial statement of capital expenditures – CAPEX.

Since more accurate data was not available, the spend-based method was chosen for the calculation of this category. Emission factors were obtained based on database sources (EXIOBASE, EPA). In case of need to convert financial data into the currency of the emission factor, the exchange rate on the last date of the reporting period issued by the Czech National Bank was used. If necessary, emission factors were adjusted for inflation using CPI values issued by the World Bank. More information can be found in Annex No. 1 "Environmental dataset", where specific estimates and sources are described.

Category	tCO_2e
Capital goods	4,485.5
Total	**4,485.5**

Table 16: *Overview of emissions from capital goods of the reporting company.*

3.3. Energy and Fuel Consumption (Not Included in Scope 1 and Scope 2)

Scope 3 emissions under the GHG Protocol include emissions associated with fuel and energy activities that are not included in Scope 1 or Scope 2. This includes emissions from the extraction, production and transport of fuels that are consumed by the reporting company, as well as losses in the transmission and distribution of electricity, steam, heating and cooling. These emissions are important for a comprehensive assessment of the reporting company's carbon footprint because they include indirect emissions from the entire value chain.

The input data for this category is identical to the input data for fuels burned and purchased energy. The emission factor used for extraction or for energy transmission and distribution is different. Emission factors for transmission and distribution (hereinafter referred to as T&D) are calculated based on the AIB emission factors for location-based and market-based methods. For this reason, the results are divided into two parts.

Category	tCO_2e location-based	tCO_2e market-based
T&D	520.0	571.9
WTT	4,001.3	4,001.3
Total	**4,521.2**	**4,573.1**

Table 17: *Overview of T&D and WTT emissions.*

3.4. Upstream Transport and Distribution

Category 4 includes the following emissions from:

- T&D of products purchased during the reporting period - between the reporting company's direct suppliers (tier 1) and its own operations, by means of transport not owned or operated by the reporting company, including multimodal transport (where multiple carriers participate in the delivery of the product).

- Third-party transportation and distribution services purchased by the reporting company in the reporting year directly or through an intermediary, including inbound logistics, outbound logistics (e.g., products sold), and third-party transportation and distribution between the reporting company's own facilities.

Emissions can arise from the following transport and distribution activities within the value chain:

- air transport
- rail transport
- road transport
- sea transport
- storing purchased products in warehouses, distribution centres, and retail facilities.

All data was estimated based on tonne-kilometres (tkm), i.e. the product of distance and total weight of the cargo. In the case of air transport, the distance between the reporting company and the capital city of the destination was used. In the case of road transport, the distance between the reporting company and the supplier's business address was used. The total truck load was estimated as the average weight of all weights provided by the supplier. In case transport was included in the product price, it was not included in this calculation due to missing data and appropriate estimation methods. The type of transport vehicle was always estimated based on professional judgment according to the possible mode of transport in relation to the origin and destination. Emission factors were chosen according to the type of transport and the likely loading rate.

Species	Category	Type of transport	Data type	Unit	2023
Transport	Downstream (paid by the reporting company)	Freight flights Long-haul	CO_2e	t	37.0
			consumption	tkm	33,690.6
		HGV (all diesel) All artics Average laden	CO_2e	t	4.8
			consumption	tkm	64,331.7
		Vans Average (up to 3.5 tonnes) Diesel	CO_2e	t	0.3
			consumption	tkm	554.5
	Upstream	Freight flights Long-haul	CO_2e	t	612.1
			consumption	tkm	556,941.0
		HGV (all diesel) All artics Average laden	CO_2e	t	23.1
			consumption	tkm	307,835.7
		Vans Average (up to 3.5 tonnes) Diesel	CO_2e	t	1.0
			consumption	tkm	1,709.7
Total			**CO_2e**	**t**	**678.4**

Table 18: *Overview of emissions from third-party transportation of the reporting company.*

3.5. Emissions from Waste Processing or Wastewater Treatment in Facilities

Scope 3 Category 5 emissions under the GHG Protocol include emissions associated with waste management that are generated during the reporting company's operations (production or administrative activities) and are processed by third parties (waste companies). This category includes emissions from solid waste and wastewater disposal. These emissions are important for a comprehensive assessment of the reporting company's carbon footprint because they include indirect emissions from the entire value chain.

Different waste management methods have different emissions intensity. For example, landfilling can produce significant amounts of methane (CH_4), while incineration can lead to emissions of carbon dioxide (CO_2) and other pollutants. Recycling and composting generally have lower emissions intensity because they reduce the amount of waste that would otherwise end up in landfills or incinerators.

Emissions in this category arise from the following activities:

- landfilling
- landfilling with landfill gas generation (LFGTE)
- recycling
- burning
- composting
- waste incineration in incinerators with optional energy production
- wastewater treatment

Input data was obtained from an annual waste report, which shows most waste comes from production. All of this input data comes from measurements. For the method of disposal, estimates were used, which were based on valid legislation.

Waste category	Waste type	Waste management method	Data type	Unit	2023
Hazardous	Commercial and industrial waste	Incineration without energy recovery	CO_2e	t	4.7
			consumption	tonnes	222.7
		Landfill	CO_2e	t	0.1
			consumption	tonnes	0.1
		Recycling	CO_2e	t	0.6
			consumption	tonnes	28.5
		Waste water treatment	CO_2e	t	0.0
			consumption	tonnes	0.2
	Other waste	Incineration with energy recovery	CO_2e	t	1.0
			consumption	tonnes	49.1
		Incineration without energy recovery	CO_2e	t	1.4
			consumption	tonnes	67.7
	Other waste	Other recovery	CO_2e	t	1.8
			consumption	tonnes	83.2
		Unknown or other disposal	CO_2e	t	2.7
			consumption	tonnes	5.1
		Waste water treatment	CO_2e	t	0.0
			consumption	tonnes	126.8
Non-hazardous	Commercial and industrial waste	Recycling	CO_2e	t	0.4
			consumption	tonnes	20.4
	Construction waste	Landfill	CO_2e	t	0.0
			consumption	tonnes	0.4
	Glass	Recycling	CO_2e	t	0.1
			consumption	tonnes	2.7
	Household residual waste	Landfill	CO_2e	t	88.1
			consumption	tonnes	177.3
	Metal	Recycling	CO_2e	t	14.2
			consumption	tonnes	667.2
	Organic waste	Composting	CO_2e	t	0.2
			consumption	tonnes	24.6
		Landfill	CO_2e	t	6.9
			consumption	tonnes	10.5
		Recycling	CO_2e	t	1.0
			consumption	tonnes	46.2
	Other waste	Landfill	CO_2e	t	42.9
			consumption	tonnes	82.5
		Other recovery	CO_2e	t	0.0
			consumption	tonnes	0.3
	Paper and board	Recycling	CO_2e	t	0.7
			consumption	tonnes	33.7
	Plastics	Recycling	CO_2e	t	0.3
			consumption	tonnes	14.6
	Tyres	Incineration with energy recovery	CO_2e	t	0.0
			consumption	tonnes	0.4
	Wood	Recycling	CO_2e	t	0.5
			consumption	tonnes	21.6
Total			**CO_2e**	**t**	**167.6**

Table 19: *Overview of emissions from individual waste categories of the reporting company.*

3.6. Business Trips

This category includes emissions from the transportation of employees for work purposes in vehicles owned or operated by third parties, such as aircraft, trains, buses, and passenger cars.

All business trips in cars owned by the reporting company are consolidated into Scope 1. This category includes cars rented for business trips.

Data regarding business travel by car, bus, train and hotel stays was obtained from travel reports. Travel by plane was estimated based on distances between the Czech Republic (where the reporting company is based) and the destination.

Category	Detail	Data type	Unit	2023
Air	long haul	CO_2e	t	295.4
		consumption	km	1,130,630.0
	medium haul	CO_2e	t	57.0
		consumption	km	306,480.0
	short haul	CO_2e	t	53.7
		consumption	km	197,160.0
Bus	coach	CO_2e	t	0.1
		consumption	km	2,066.0
	local bus	CO_2e	t	0.1
		consumption	km	648.6
Car	Diesel	CO_2e	t	8.8
		consumption	km	51,912.2
	Petrol	CO_2e	t	7.5
		consumption	km	45,765.0
	Unknown	CO_2e	t	1.8
		consumption	km	10,849.3
Hotel stays	Domestic	CO_2e	t	71.7
		consumption	nights	1,850.0
	International	CO_2e	t	201.3
		consumption	nights	5,451.0
Train	national train	CO_2e	t	0.1
		consumption	km	1,503.0
Total		**CO_2e**	**t**	**697.5**

Table 20: *Overview of emissions resulting from business travel of employees of the reporting company.*

3.7. Employee Commuting

This category includes emissions from employee transportation between their homes and the workplace. Emissions from employee commuting can arise from:

- traveling by car
- traveling by bus
- traveling by train
- traveling by plane
- other modes of transport (e.g. underground, cycling, walking).

Companies can also include emissions from remote work in this category.

The data considers how far away employees live and was based on the assumptions below:

- Distances up to 2 km – the towns "Odolena Voda" and "Dolínek" have a bike path and so make walking and cycling viable methods of commuting. The village "Postřižín" only has a road connection.
- Distances from 3 to 20 km – generally good accessibility by public transport (at most 1 transfer) and at the same time relatively low costs of car transport. It is difficult to determine which type of transport has the majority share.
- Distances from 21 to 59 km – commuting by public transport is impractical due to long travel times and multiple transfers, driving appears as the only realistic option.
- Distances from 60 to 99 km – likely only in the case of senior or specialized positions that have no problem commuting by car or working from home. These distances are too small for employees to move and other means of transportation are not realistic.
- Distances over 100 km – employees who likely actually stay in Prague or the surrounding area and commute by public transport or car.

Method of transport	Data type	Unit	2023
Bus	CO_2e	t	1,002.6
	consumption	km	9,814,728.0
Car	CO_2e	t	3,057.1
	consumption	km	18,345,792.0
Cycling / Walking	CO_2e	t	0.0
	consumption	km	338,400.0
Total	**CO_2e**	**t**	**4,059.7**

Table 21: *Overview of emissions from commuting to work by individual modes of transport for employees of the reporting company.*

3.8. Leased Assets (Upstream)

Category 8 includes emissions from the operation of assets that are leased by the reporting company in the reporting year and are not already included in the Scope 1 or Scope 2 inventories. This category is only relevant for companies that operate leased assets (i.e. lessees) and includes Scope 1 and Scope 2 emissions from lessors depending on their consolidation approach. This category ensures that all indirect emissions associated with leased assets are correctly accounted for and provides a comprehensive view of the reporting company's carbon footprint.

Category	Purpose	Detail	Data type	Unit	2023
Vehicles combustion	Passenger vehicles	Diesel	CO_2e	t	20.2
			consumption	GJ	304.8
		Petrol	CO_2e	t	10.4
			consumption	GJ	168.5
Total			**CO_2e**	**t**	**30.6**

Table 22: *Overview of emissions from leased assets (Upstream) of the reporting company.*

3.9. Downstream Transport and Distribution

This category includes emissions that arise in the reporting year from the transportation and distribution of sold products using vehicles and facilities that are not owned or controlled by the reporting company, where the transportation is paid for by the customer. It also includes emissions from retail and warehousing.

No relevant data was available for this category in this reporting period. Based on the nature of the reporting company's business, the expected contribution to downstream emissions is insignificant. The reporting company will attempt to obtain data in the next reporting period.

3.10. Processing of Sold Intermediate Products

Category 10 includes emissions from the processing of sold intermediate products by third parties (e.g. manufacturers) after their sale by the reporting company. Intermediate products are products that require further processing, transformation or incorporation into another product before use and therefore give rise to emissions from processing after sale by the reporting company and before use by the final consumer. Emissions from processing should be allocated to the intermediate product.

The reporting company manufactures components for the aerospace industry. Due to the absence of available emission factors for aircraft assembly, emissions were estimated based on the energy intensity of the individual stages of final assembly. The estimate is based on a combination of benchmarks (NIST, Fraunhofer IWU, SAE) and includes structural assembly, system installation, functional testing, painting and auxiliary energy. Total consumption was determined to be in the range of 50,000–70,000 kWh depending on the aircraft type. Emissions were calculated based on the location-based electricity emission factor for the given production location and the weight share of the given component in relation to the entire aircraft.

Category	tCO_2e
Processing of intermediate products	5.6
Total	**5.6**

Table 23: *Overview of emissions from the processing of intermediate products sold by the reporting company.*

3.11. Use of Sold Products

This category includes emissions from the use of goods and services sold by the reporting company within the reporting year. Scope 3 emissions from the use of products sold by the reporting company include Scope 1 and Scope 2 emissions from end users. End users include both consumers and business customers who use the final products. The Scope 3 standard divides emissions from the use of products sold into two types:

- emissions from direct use
- emissions from indirect use

The reporting company manufactures both complete aircraft and individual components for other aircraft models. The fuel consumption for the life cycle of the aircraft was estimated based on the average fuel consumption per flight hour and the expected service life expressed in flight hours. Specific fuel consumption data was used for each aircraft type. The total fuel consumption was then converted into emissions using the emission factor for jet fuel according to the DEFRA 2023 methodology. These emissions were further divided into individual components according to their weight share in the whole aircraft.

In accordance with the GHG Protocol and sector-specific methodological guidelines for aviation, the reporting of downstream emissions related to intermediate products (components) within Scope 3 category 11 is considered voluntary and is not explicitly required; these emissions are therefore reported based on the methodological decision of the reporting company.

A portion of emissions in this category originate from the sale of energy from the reporting company's natural gas cogeneration unit.

Category	tCO_2e
Use of sold products	154,715.4
Total	**154,715.4**

Table 24: *Overview of emissions from the use of products sold by the reporting company.*

3.12. End-of-life Treatment of Sold Products

This category includes emissions from the disposal and treatment of products sold by the reporting company in the reporting year at the end of their life. This category includes the total expected end-of -life emissions of all products sold in the reporting year. The calculation of emissions from category 12 requires assumptions about the end-of-life treatment methods used by consumers.

Estimates of end-of-life emissions from aircraft are based on available studies on the recycling of aircraft structures (e.g. AFRA, ICAO, EASA). The average degree of recycling is between 70-85% of the aircraft weight. Emissions from the disposal of non-recycled materials were estimated using the DEFRA 2023 waste treatment emission factor. The exact values depend on the type of structure (composites vs. metals) and regional processing technologies. These emissions were first determined for the entire aircraft and then broken down to the level of individual components according to their weight share in the total aircraft.

Category	tCO_2e
End-of-life treatment of sold products	4.3
Total	**4.3**

Table 25: *Overview of the reporting company's emissions from the treatment of sold products after their end of life.*

3.13. Leased Assets (Downstream)

This category includes emissions from the operation of assets that are owned by the reporting company (in the role of lessor) and leased to other entities in the reporting year. It is applicable to lessors (i.e. companies that receive payments from lessees). Companies that operate leased assets (i.e. lessees) should refer to category 8 (Leased assets (Upstream)).

This category is not relevant for the reporting company.

3.14. Franchises

A franchise is a business that operates under a license to sell or distribute another company's goods or services in a specific location. This category is applicable to franchisees (i.e. companies that grant licenses to other entities to sell or distribute their goods or services in exchange for payments such as trademark royalties and other services).

This category is not relevant for the reporting company.

3.15. Investments

This category is applicable to investors (i.e. companies that invest with the aim of making a profit) and financial services companies. This category also applies to investors that are not profit-oriented (e.g. multilateral development banks) and the same calculation methods should be used. Investments are categorized as a downstream category of Scope 3 because the provision of capital or financing is a service provided by the reporting company.

This category is not relevant for the reporting company.