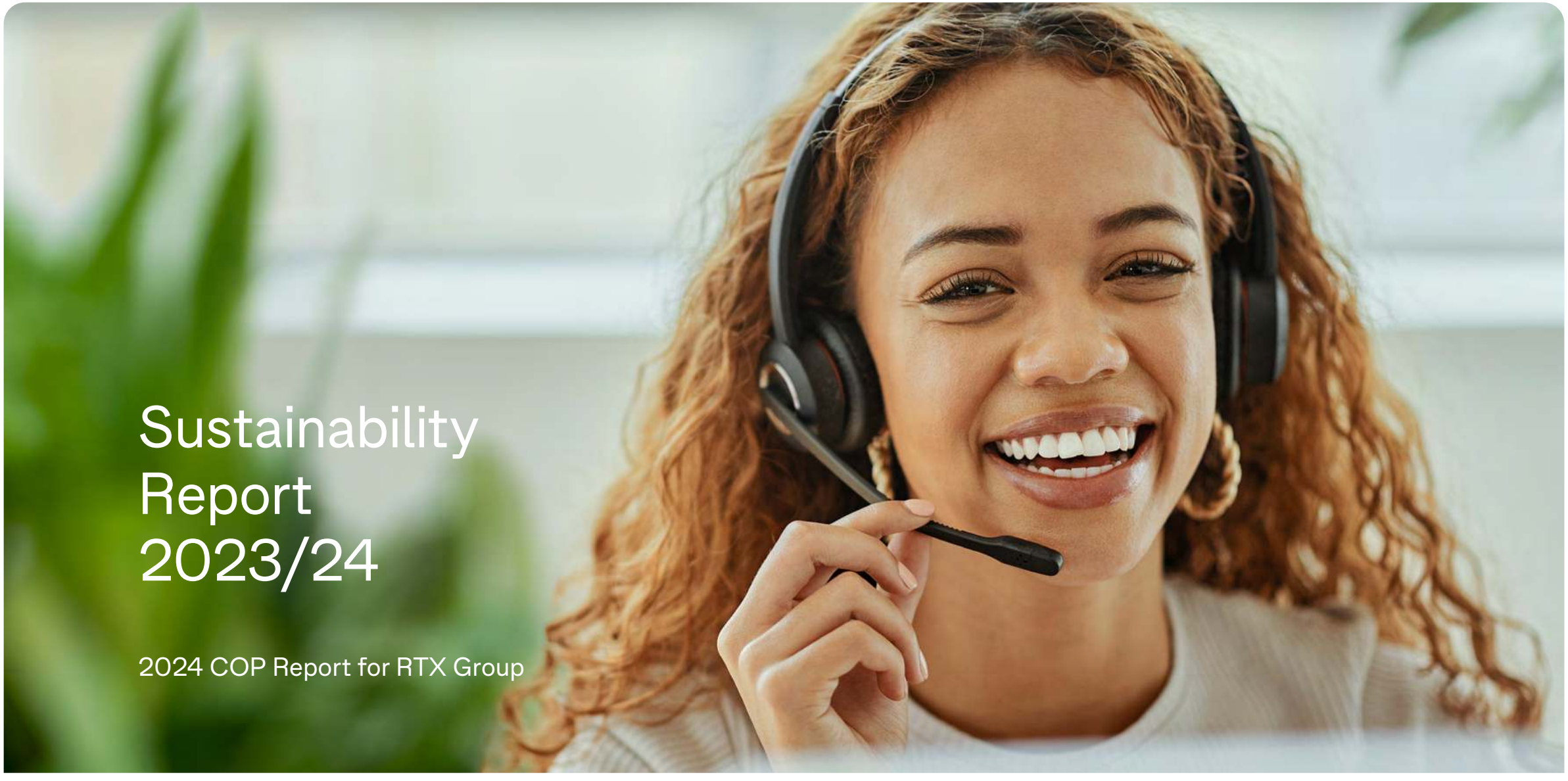

Sustainability Report 2023/24

2024 COP Report for RTX Group

CVR NO. 17 00 21 47

RTX

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The 2023/24 RTX reporting suite

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UN GLOBAL COMPACT
COMMUNICATION ON PROGRESS

This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.

Introduction

→ Letter from the CEO
→ Key sustainability measures

1.1 Letter from the CEO

1. Acting for the Future

At RTX, we are committed to responsible actions, aiming to contribute to a sustainable future for society. Our approach is guided by our dedication to the ten principles of the UN Global Compact, focusing on areas where we can make an impact.

Peter Røpke
President & CEO

RTX develops and delivers advanced wireless communication solutions that help people perform at their best.

Beyond the immediate advantages of wireless connectivity, our solutions contribute to global sustainability by reducing the need for travel and minimizing physical infrastructure such as cables.

We recognize that our impact on people, the environment, and communities worldwide extends beyond our direct product benefits. That's why we are committed to minimizing any potential harm while responsibly addressing the needs of our stakeholders.

Since adopting the ten principles of the UN Global Compact in 2014, we have held ourselves and our partners to high standards, ensuring that our supply chain aligns with these principles through our Code of Conduct. This Code, along with our ISO 9001-certified management system, standardized product development process, and dedicated quality and compliance teams, forms the backbone of our sustainability efforts, covering critical areas such as product safety compliance (REACH, RoHS, and other regulations) and product sustainability.

The most important elements in our sustainability efforts are products and people. Products because they are where we have the biggest impact. People, both employees and partners, because they are essential in shaping and advancing our improvement efforts.

To advance our sustainability agenda, we have initiated key projects, including comprehensive carbon assessments of our primary product types, mapping of scope 3 emissions, elimination of plastics in packaging, and increasing the share of recycled plastics in our products.

Also, to strengthen our foundation for upcoming CSRD reporting, we have completed our first double materiality assessment (DMA).

Looking forward, we are dedicated to embedding sustainability more deeply within RTX's culture and strategy, ensuring it becomes an integral part of our operations for a positive and lasting impact.

With an active commitment of myself and my team I believe that we can advance RTX's sustainability journey and build a more sustainable future.

Peter Røpke
President & CEO

1.2 Key sustainability measures

ESG reporting table

KPI	Unit	2023/24	2022/23	2021/22	2020/21	Target
Environment data						
Energy consumption (absolute)	MWh	1,428	1,410	1,431	1,430	Targets for energy consumption and carbon emissions to be determined following completion of already ongoing scope 3 assessment.
Energy consumption (relative)	MWh/average FTE	4.9	4.7	5.1	5.0	
Scope 1 carbon emissions (absolute)	CO_2e tons	22	23	27	23	
Scope 2 carbon emissions (location-based, absolute)	CO_2e tons	268	293	302	301	
Scope 2 carbon emissions (market-based, absolute)	CO_2e tons	469	434	433	425	
Scope 1 and 2 carbon emissions (relative)	CO_2e tons/average FTE	1.0	1.1	1.2	1.1	
Social data						
Full-time workforce	average FTE	291	299	282	286	NA
Employee absence ratio	%	2.3	2.2	2.5	1.1	2.5% or below
Employee turnover ratio	%	15.0	8.5	13.7	13.6	NA
Women as share of all employees	%	19	18	20	17	NA
Persons in other management levels	no	25	24	24	24	NA
Women as share of other management levels	%	28	25	25	25	25% or above by 2027
Governance data						
Whistleblower reports	no	0	0	0	0	0
Members of the Board of Directors (elected by AGM)	no	6	5	6	5	4-6 members
Women as share of the Board of Directors (elected by AGM)	%	17	20	33	0	40% or above by 2026
Attendance at ordinary board meetings	%	98	97	98	98	100%
Attendance at extraordinary board meetings	%	98	83	88	100	100%

Sustainability at RTX

→ Purpose and values
→ Business model
→ Approach to sustainability
→ Stakeholders
→ Double materiality assessment

2. Sustainability at RTX

Our sustainability approach builds on our values, our business model, and to always act responsibly. We use materiality to assess our sustainability impacts, risks, and opportunities and to focus our priorities within the sustainability agenda.

2.1 Purpose and values

At the core of RTX are our purpose, mission, vision, and values, which guides our focus and actions.

Our purpose is to help people perform at their best and we accomplish this, in part, by providing our customers with the best possible wireless communications solutions.

Our mission is to help them make a difference in their markets and we do so through long-term partnerships with our customers.

Wireless communication is essential to modern life. It seamlessly helps us connect and communicate – at work, at home, or on the go. The wireless communication solutions, developed and delivered by RTX, facilitates wireless interconnectivity, and thereby contributes to a more sustainable global development by reducing the need for travel and the need for physical infrastructure such as cables etc. At the same time, these wireless communication solutions consume raw materials and energy during production and use, so continued efforts on material- and energy-efficiency are required.

Our RTX values include the commitment, ingenuity, and openness to help our customers with wireless solutions that make a positive difference for them and their customers, benefit societies, and reduce harm.

This report comprises the complete statutory report pursuant to section 99a and 107d of the Danish Financial Statements Act. Extractions hereof are presented in the Annual Report as well.

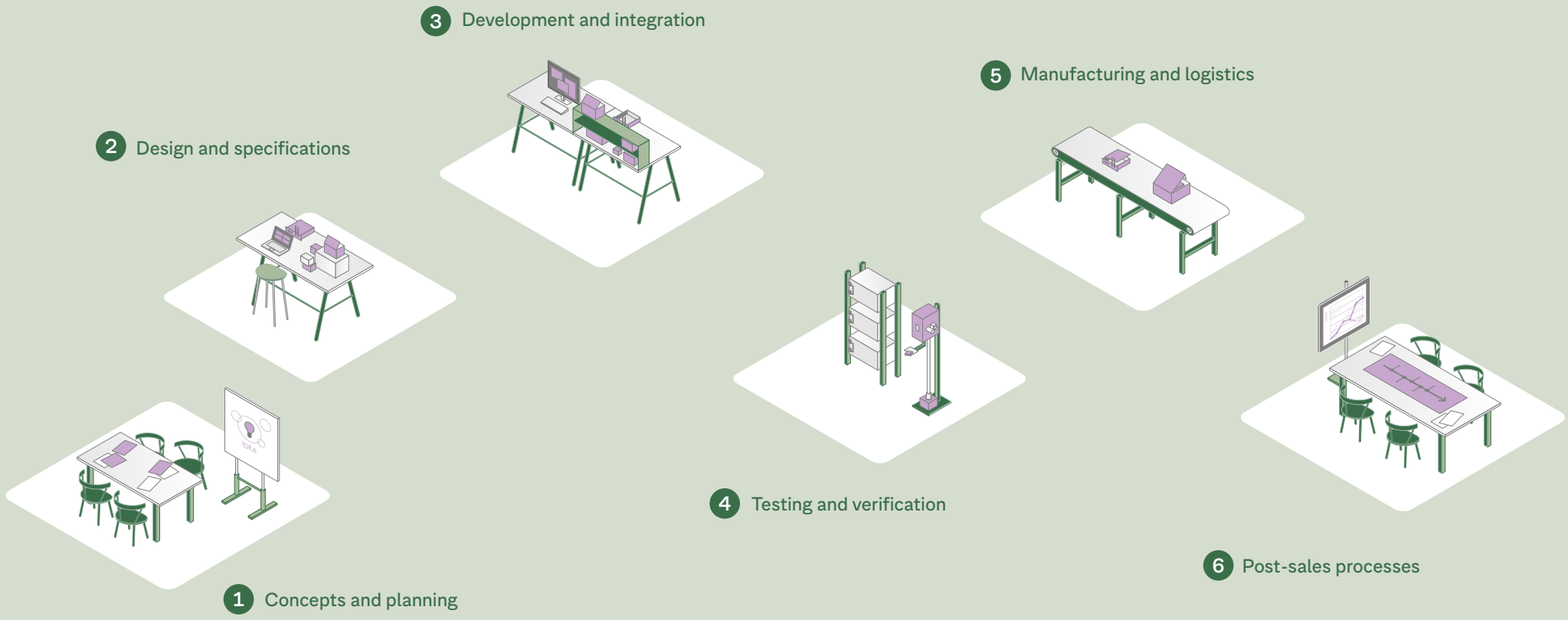
2.2 Business model

In line with our purpose of helping people perform at their best, RTX delivers turnkey, customized wireless communications solutions to globally recognized B2B customers.

Many of our customers are global leaders in their fields, and together we develop quality wireless infrastructure. This includes communication systems that reduce the need for travel, intercom systems enabling critical communication, and equipment for efficient and safe patient monitoring in critical care.

Our business model and value chain are based on RTX as the preferred partner for designing, developing, and producing wireless communication solutions. In our three B2B target market segments, Enterprise, ProAudio, and Healthcare, RTX undertakes both customer-specific and internally funded development projects. These projects lead to deliveries of ODM/OEM products or modules, with production outsourced to electronics manufacturing services (EMS) providers.

How we work


3 Development and integration
5 Manufacturing and logistics
2 Design and specifications
IDEA
4 Testing and verification
6 Post-sales processes
1 Concepts and planning

2.3 Approach to sustainability

Guiding our approach to sustainability is the belief that RTX, as a global business, influences and impacts people, environments, and communities around the globe, and that we have a responsibility for reducing any potential harm while considering the priorities of our stakeholders.

Our sustainability efforts are rooted in two key commitments: Our membership of the UN Global Compact, since 2014, which upholds principles on human rights, labor, environment, and anti-corruption, and our materiality assessment, which identifies the sustainability issues – impacts, risks, and opportunities (IROs) – most material to RTX and its stakeholders. This assessment, detailed in section 2.5, guides our policies, actions, and risk management.

Our sustainability approach is integrated into our business practices and reflected in our policies, including staff policy, supplier code of conduct, remuneration policy, whistleblower program, and tax policy, etc.

In RTX we develop products within the framework of standards like, e.g., REACH, RoHS, ecodesign etc., which regulates the use of conflict minerals and regulated substances, take lifecycle impact into consideration and work with repairability and circularity of products. We do this in collaboration with large multinational customers and suppliers, who set ambitious sustainability goals. We will continue to work closely with these partners, firstly to gather data and establish a reporting baseline, secondly to set common improvement targets and execute on these. Our aim is to always act responsibly and proactively help build a better future.

To track progress, we measure and report on key environmental, social, and governance (ESG) metrics, using KPIs to guide improvements. The following sections (3. Environment, 4. Social, and 5. Governance) detail our actions and due diligence on sustainability issues – impacts, risks, and opportunities – with section 7.1 mapping our efforts to the UN Global Compact principles and section 7.2 linking them to the UN Sustainable Development Goals (SDGs).

Human rights policy

RTX supports and respects the protection of internationally proclaimed human rights and commits all business units of the RTX Group to collaborate only with individuals, companies, or organizations, which respect the internationally acknowledged UN Human Rights.

Labor and diversity policy

RTX is committed to our employees and to ensuring that they thrive in a safe and stimulating work environment with good working conditions. RTX finds it important that everyone is treated equally irrespective of skin color, race, nationality, social background, disabilities, sexual orientation, political or religious conviction, sex, or age. RTX therefore requires all units of the RTX Group to uphold or implement the measures required for such a work environment. This also applies to RTX suppliers.

Environment policy

In alignment with UN Global Compact principles, RTX supports a precautionary approach to environmental challenges, undertakes initiatives to promote greater environmental responsibility, and encourages the development and diffusion of environmentally friendly technologies. We commit all business units of the RTX Group to collaborate with only individuals, companies, or organizations who have made, or are willing to make, the same commitment.

Note: The above policies are further supported by a staff policy applying to all employees of the RTX Group as well as the RTX Code of Conduct and a conflict minerals policy applying to suppliers to RTX.

2.4 Stakeholders

RTX is committed to conducting our business responsibly, with our sustainability efforts closely tied to stakeholder expectations.

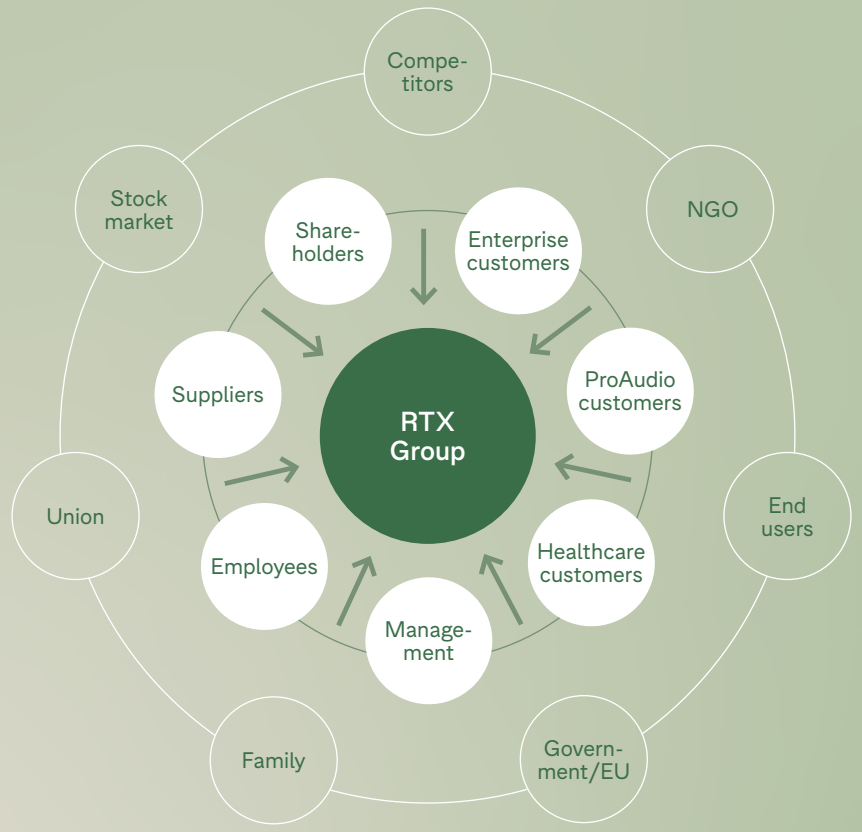
Our customers in all business segments, Enterprise, ProAudio, and Healthcare, strongly influence our sustainability priorities. We support their sustainability targets and plan to integrate them into our own targets in the coming years. We actively engage with customers to explore ways to reduce their product footprints across design, development, production, use, and life extension phase.

Our suppliers, primarily global EMS (electronic manufacturing services) providers, manufacture products designed and developed by RTX in corporation with our customers. We collaborate with global EMS partners who have clear and ambitious sustainability goals, which they report on regularly.

Employees and shareholders are also key stakeholders. Sustainability is increasingly important for attracting and retaining talented employees, while shareholders view it as a critical factor in investment decisions.

Although we have other stakeholders, their impact is more indirect and less significant in our materiality assessment.

RTX Stakeholders



2.5 Double materiality assessment

Preparing for CSRD reporting

The EU Corporate Sustainability Reporting Directive (CSRD) aims to standardize and enhance sustainability reporting in the EU, requiring companies to provide consistent, comparable ESG information across their value chains.

RTX is subject to CSRD, with reporting requirements taking effect for our 2025/26 Annual Report. To prepare, we have this year conducted our first double materiality assessment (DMA). The DMA is a framework that evaluates sustainability issues from two perspectives: Financial materiality (outside-in) and impact materiality (inside-out). Sustainability issues that have financial and/or impact materiality for RTX should be reported on according to the European Sustainability Reporting Standards (ESRS).

Methodology

Our double materiality assessment, aligned with CSRD, followed four key steps:

1. Identify ESG topics:
   We defined potentially material ESG topics relevant to RTX and its value chain, starting with the ESRS framework. This was supplemented by relevant SASB standards, peer research, RTX data, and interviews to create an initial longlist.

2. Collect data:
   We gathered evidence to confirm or challenge the materiality of ESG topics and related impacts, risks, and opportunities (IROs) across our value chain. Data sources included internal RTX materials, industry reports, scientific literature, market research, and interviews with internal and external stakeholders.

3. Evaluate impacts, risks and opportunities:
   Each identified IRO was assessed to determine financial and/or impact materiality. Impacts were scored on likelihood and severity (scope, scale, and irremediability), while financial risks/opportunities were rated by likelihood and potential financial impact on RTX. Topics scoring above three on a five-point scale were deemed material and the aggregate result can be seen in our DMA matrix (on the next page).

4. Scope reporting requirements:
   Based on the DMA results, material ESRS datapoints were identified on ESRS topic, sub-topic and sub-sub-topic level.

Results

Three topics were found to be material from both financial and impact perspectives: Climate change mitigation and energy use, Resource use, circularity, and waste, and Employee engagement, development, and DEI. Six additional topics were material from an impact perspective only: Substances of concern, Water management, Employee health and well-being, Responsible supply chain management, Health and safety of consumers, and Data privacy and cybersecurity.

The double materiality assessment triggered 14 out of 37 ESRS sub-topics for RTX's CSRD reporting, with 231 data points deemed material. This number excludes value chain datapoints subject to a 3-year grace period, datapoints gradually phased in for reporting, and voluntary data points.

Next steps

Going forward, we continue to prepare for CSRD by outlining and implementing reporting processes, systems, and controls for our ESRS disclosures as defined by our DMA. In the near-term, this includes finalizing our already ongoing data gap assessment on individual datapoints / reporting requirements, onboarding data owners, and assigning roles and responsibilities.

RTX is on a journey in preparation for the EU Corporate Sustainability Reporting Directive (CSRD) with reporting according to the EU Sustainability Reporting Standards (ESRS). We have taken a first step with the completion of our double materiality assessment (DMA).

Material topics

A total of nine topics are considered material for RTX: Three topics with both financial- and impact materiality and six additional topics with impact materiality only.

E1-a Climate change mitigation and energy use.
Read more in sections 3.1 and 3.2.

E2-a Substances of concern
Incl. REACH, RoHS, WEEE, traceability and conflict minerals.
Read more in sections 4.3 and 4.4.

E3 Water management
RTX's upstream supply chain includes water-intensive processes like semiconductor production. Not yet an active focus area.

E5 Resource use, circularity, and waste
Incl. ecodesign principles.
Read more in section 3.2.

S1-a Employee engagement, development, and DEI
Read more in sections 4.1 and 4.2.

S1-b Employee health and well-being
Read more in sections 4.1 and 4.2.

S2 Responsible supply chain management
Read more in sections 4.3 and 4.4.

S4-a Health and safety of consumers
Focused on product safety and compliance.
Read more in section 4.3 and 4.4.

CS Data privacy and cybersecurity
RTX specific topic, important to RTX but not yet covered by ESRS.
Read more in sections 4.1 and 4.3.

Double materiality matrix for RTX Group

Environment

→ Energy and climate impact
→ Product sustainability

3. Environment

As an internationally operating company, we have a role to play in addressing climate change. Beyond developing products and solutions which enable remote collaboration instead of carbon emitting travel, we also want to reduce the negative climate impact of our operations.

3.1 Energy and climate impact

Energy consumption

Although RTX outsources production, reducing in-house energy use is still important for promoting sustainability within the organization. In 2023/24, energy consumption across RTX sites increased slightly driven by a small increase in heating consumption in Denmark.

In 2024, we conducted an energy audit at our rented headquarters in Denmark. The audit concluded that the building was in good shape and did not result in additional activities, beyond the optimization of lighting, via LED fixtures and motion detectors, which had been implemented in prior years.

Energy consumption

	2023/24	2022/23	% change
Energy consumption (MWh)	1,428	1,410	1%
Consumption per employee (MWh)	4.9	4.7	4%

The energy consumption of RTX increased marginally in 2023/24 both in absolute and relative terms.

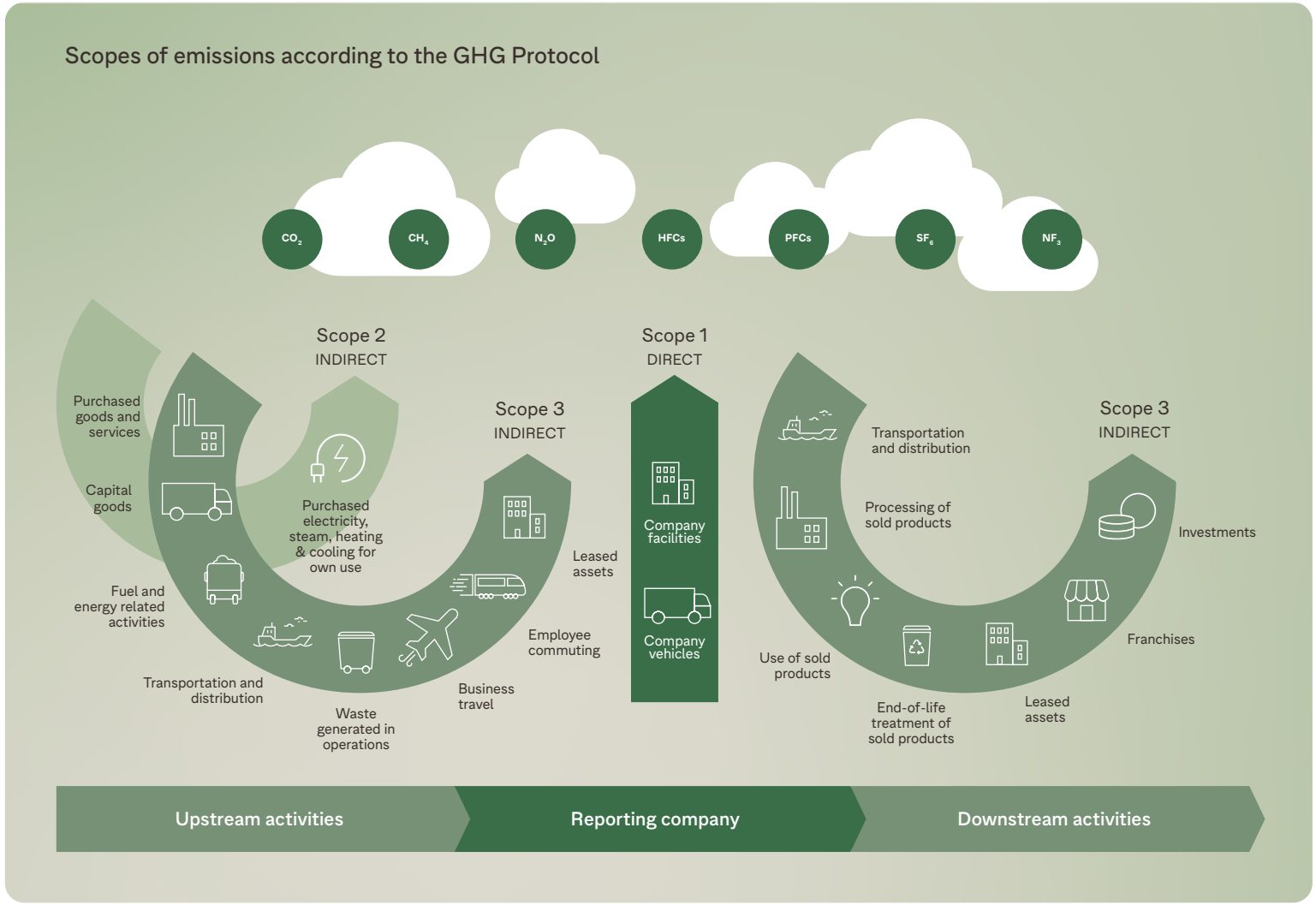
Carbon emissions

We began tracking RTX's greenhouse gas emissions in 2020 to establish a baseline for managing and reducing our carbon footprint. We report this data to the Carbon Disclosure Project (CDP), focusing on scope 1 and 2 emissions under the Greenhouse Gas Protocol (GHG). Currently, we are also in the process of outlining our scope 3 emissions across our supply chain in collaboration with external consultants. This process is not yet completed, and consequently scope 3 data is not included in this report.

In connection with this expansion to scope 3, we are using a new system with improved carbon conversion data. This data improvement also impacts our historical figures. Because of this, and to correct errors related to carbon conversion for heating in prior years, we choose to restate our historical scope 2 data.

Our scope 1 emissions are limited to company-owned and leased vehicles, as RTX does not directly use fossil fuels in production or heating. In 2023/24, RTX had five vehicles, three of which were part of the employee company car scheme.

Our scope 2 emissions come from electricity and district heating at our rented premises in Denmark and Asia, with electricity in Asia being the largest contributor, followed by district heating and electricity in Denmark.



In 2023/24 we exceeded our 10% reduction target for this year's carbon emissions from electricity, with a decrease of 16%, partly driven by decreased electricity consumption in Denmark and China.

We saw reductions in scope 1 emissions and scope 2 emissions (location-based) in both absolute and relative terms.

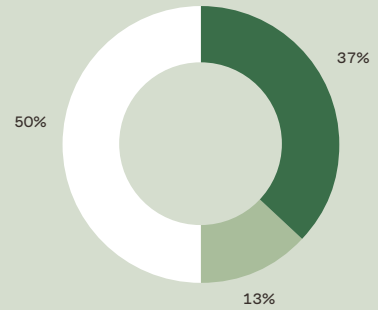
Scope 2 emissions made up 93% of our total scope 1 and 2 emissions (2022/23: 93%). Denmark accounted for 57% of these emissions (2022/23: 58%) and Asia contributed 43% (2022: 42%).

Our market-based scope 2 emissions are higher than our location-based scope 2 emissions. This is because we have opted not to purchase certificates of origin for our electricity. Instead, we rely on and support the positive and ongoing transition to renewable energy sources for electricity in Denmark. In 2023, the renewable share was above 80%.

Regarding heating in Denmark, a key scope 2 driver, the district heating supplier is on a transition from coal to green energy and is expected to be fully transitioned by 2028.

Energy consumption

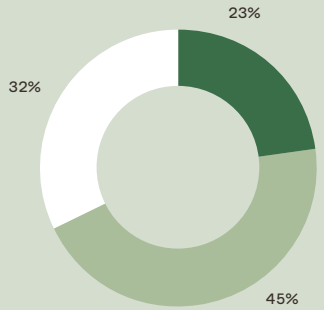
% of MWh



- Electricity DK
- Electricity Asia
- Heating DK

Scope 2 emissions

% of CO_2e



- Electricity DK
- Electricity Asia
- Heating DK

Scope 1 and 2 emissions

	Unit	2023/24	2022/23
Scope 1 emissions	CO_2e tons	22	23
Scope 2 emissions (location-based)	CO_2e tons	268	293
Scope 2 emissions (market-based)	CO_2e tons	469	434
Per employee total scope 1 and 2 emissions	CO_2e tons per average FTE	1.0	1.1

3.2 Product sustainability

RTX operates as an ODM/OEM supplier, which means that we design products in close collaboration with our customers. Sustainability considerations - like energy consumption, repairability, and use of recycled plastics - have become increasingly important in our design criteria. With millions of products shipped globally each year, it is via our products that RTX has the most significant opportunity to make a positive difference on the sustainability front.

Ecodesign principles

Ecodesign principles have remained a key focus area for RTX during this past year. Ecodesign is an approach to designing products and services while considering environmental impact in every phase of the development and the life of the product. The aim is to reduce the environmental impacts through a product's life cycle.

Several ecodesign principles have already been incorporated into our product design and development processes and are used on all new products being designed. Examples of focus areas are energy consumption and energy efficiency to help reduce carbon footprint, modular design and durability to enable repairs and extend product lifetime, recycled materials and more sustainable packaging to reduce waste. This builds on prior years' experience, where we in collaboration with one of our partners, Alcatel-Lucent Enterprise, succeeded in reducing product weight by over 30%, weight of the product package transported by more than 70%, and volume of the product package transported by more than 80% for one of their new products by applying ecodesign principles.

Ecodesign principles remain a focus area in RTX going forward.

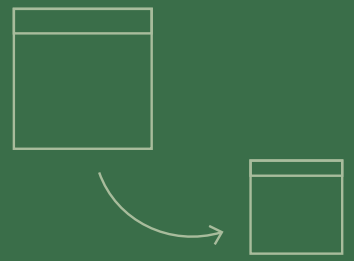
Lifecycle assessments

In 2023/24, we completed our first product carbon life cycle assessment (LCA). This pilot project acquainted us with the LCA processes and provided transparency on the carbon footprint of the selected product. Subsequently we conducted two additional LCAs for other product categories.

Our LCAs have been guided by the standards ISO 14040/44/67, using Umberto software from iPoint, and emission factors from ecoinvent database. Our approach is 'cradle-to-grave' where we assess the carbon footprint across the entire product lifecycle, from raw materials, to manufacturing, distribution, use phase, and end of life. This holistic approach helps provide a comprehensive carbon baseline estimate as well as associated 'hot spots' to guide future reduction efforts.

Going forward, we aim to certify our LCA approach through third-party review and verification and in collaboration with our customers and suppliers, we plan to use insights from these initial LCAs to enhance sustainability of future product designs.

RTX
Insights



>30%

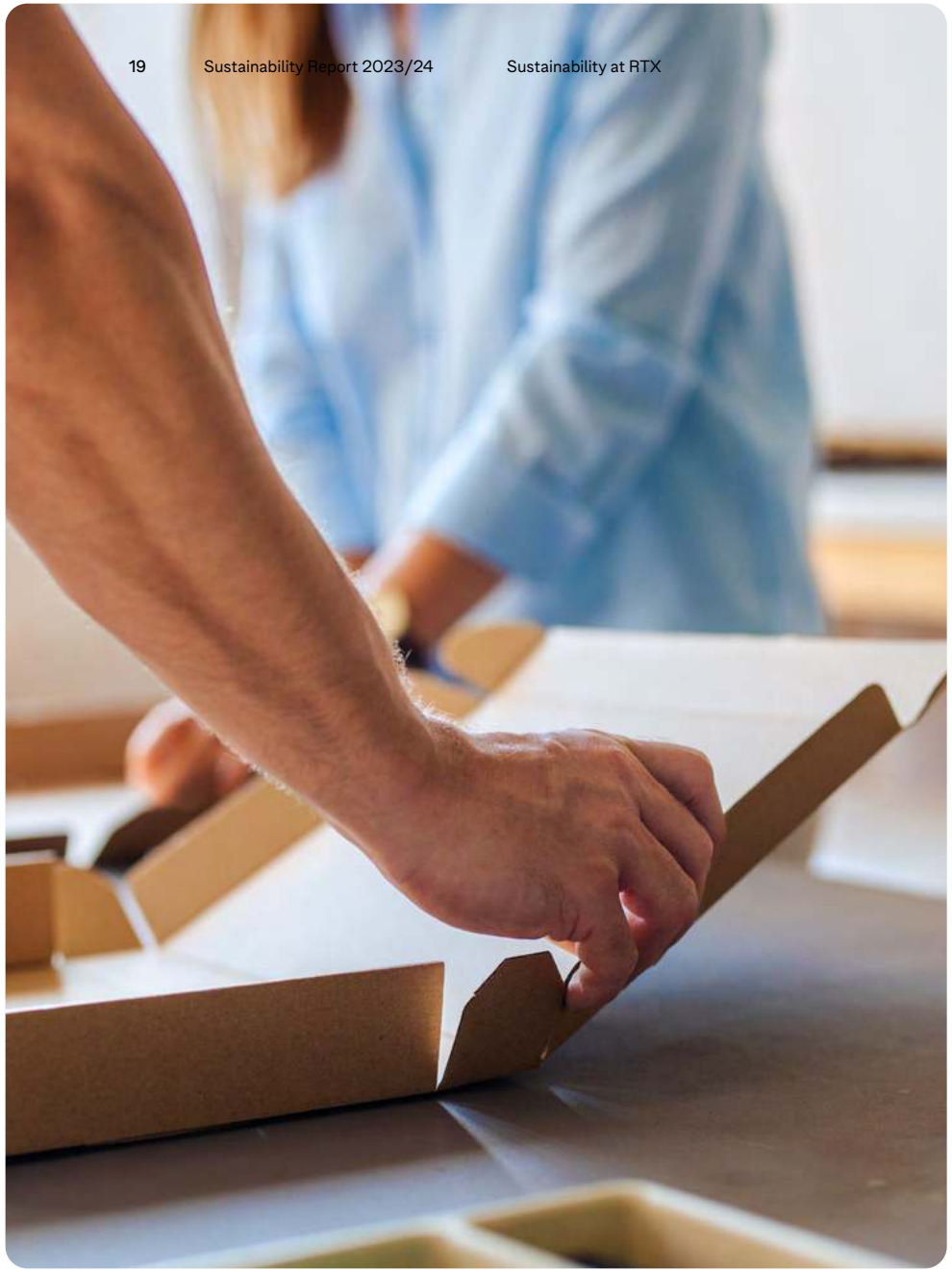
reduction of the product weight.

>80%

reduction in the volume of the product package transported.

→ Focus on increased environmental friendliness of products together with our customers

→ Read other RTX insights and stories



Zero plastic in packaging

We package all products in compact, recycled brown cardboard boxes, free from chlorine and other chemicals. We prioritize minimizing surplus space to enable smaller packages, which cuts transport costs and reduces CO_2 emissions per unit.

In 2023/24, we introduced our 'zero plastics in packaging' ambition, building on prior efforts and initial lessons on how best to replace plastic bags inside these cardboard boxes. This ambition has been integrated into our product development process, via specific requirements, to prioritize plastic-free packaging in future product designs, both internally and with our partners. Additionally, we are collaborating with partners on potential redesign to plastic-free packaging, for select high-runner products already in the market.

With growing customer interest in sustainable packaging, we continue collaborating to explore and implement new, improved solutions.

Use of recycled plastics

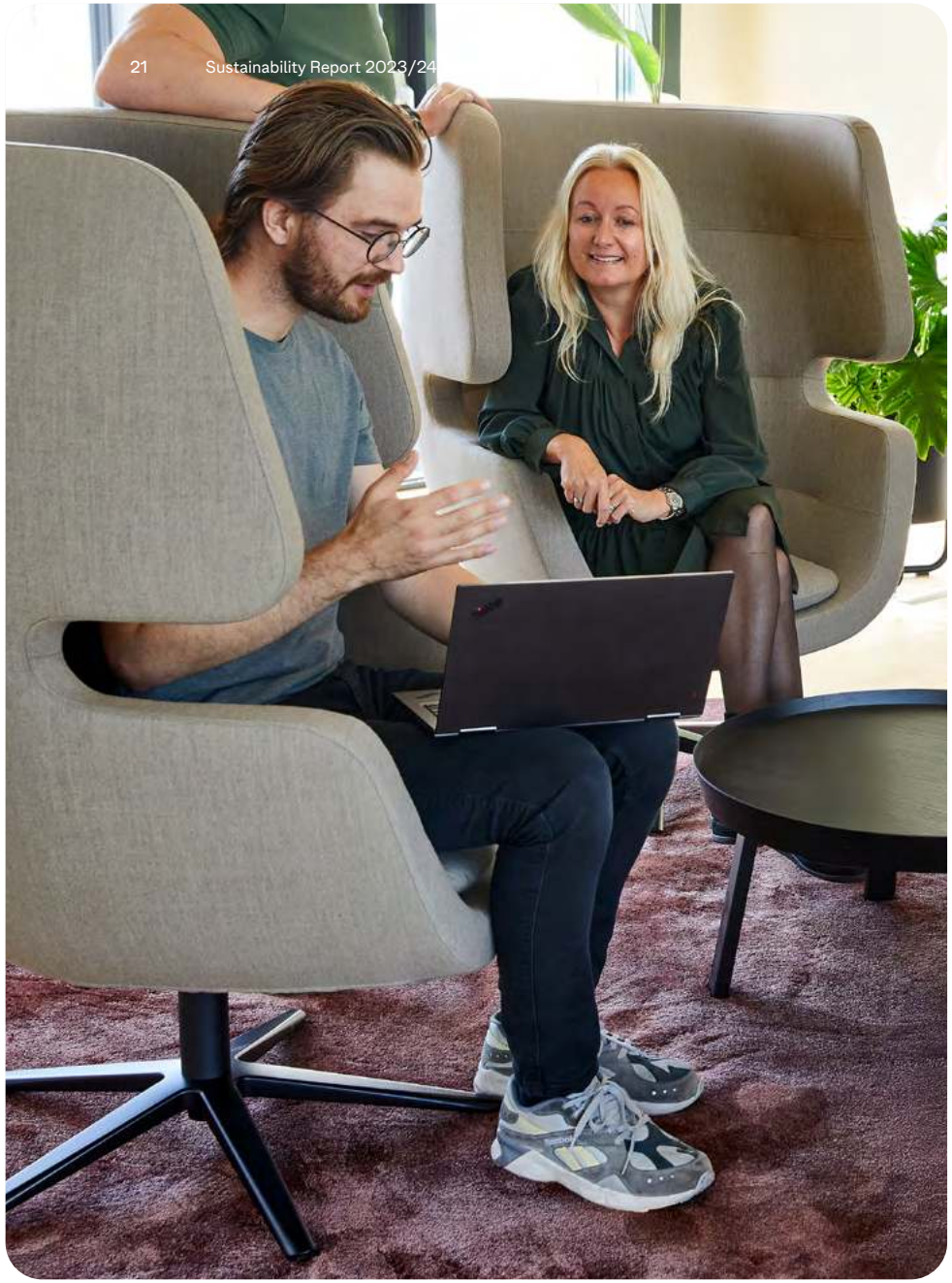
In 2023/24, we have worked with suppliers and customers to explore how best to leverage recycled plastics in product designs with the aim to reduce customers' product footprints.

One project focused on local reuse – i.e., leveraging local on-site scrap in connection with plastic injection molding of components. Yields with recycled plastics of up to 30% were successful, but the key limitation to push further on this front is the limited availability of local on-site plastic scrap. For designs where there is a target for a higher percentage of recycled plastics, we are working with a supplier who can provide the required plastics granulate with up to 75% recycled plastics.

Future product designs will offer customers both recycled and virgin plastics options, as different use cases have specific requirements. In healthcare, for example, antibacterial needs currently make recycled plastics unsuitable for some use cases.

Social

- Employee engagement and development
- Diversity and inclusion
- Product safety and compliance
- Supply chain management



4. Social

The most important elements in our sustainability efforts are products and people. Products because they are where we have the biggest impact. People, both employees and partners, because they are essential in shaping and advancing our improvement efforts.

4.1 Employee engagement and development

As a knowledge-based company, our employees are critical. Our overall success builds on our ability to attract, retain, and develop talent with the right skill set to drive our innovation agenda, especially within wireless and audio, and reach our performance targets. Ensuring our employees thrive through supportive working conditions and development opportunities is essential to RTX.

Employee satisfaction

The 2023/24 annual satisfaction survey confirmed high levels of motivation and commitment among RTX employees. In this anonymous survey, employees praised the team spirit, the challenges of their work, and favorable working conditions, including flexible schedules and facility benefits. Survey results are further dissected and reviewed at the departmental level to address satisfaction and explore improvement areas.

Additionally, every three years, RTX conducts a workplace assessment (APV) at our Danish headquarter, targeting specific physical and mental workplace aspects. The new 2024 assessment showed a high degree of satisfaction with most employees being either very satisfied or satisfied with both their physical and mental work environments.

RTX also monitors employee health and satisfaction through indicators like absence and retention rates. In 2023/24, our employee absence rate increased marginally to 2.3%, though still meeting our group

level KPI target of 2.5% or lower. Employee turnover rose to 15.0% from 8.5% last year, reflecting a competitive market and our focus on upskilling key functions, fostering a more adaptable, future-ready team. We will continue to monitor these developments.

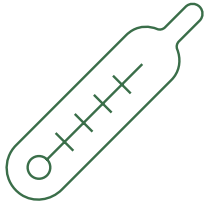
Learning and development

At RTX, we value lifelong learning and continuous development of skills. Continuously strengthening of our engineering and management skills is essential for handling our complex technology development projects and helps us retain our position as a preferred supplier of specialized wireless products and solutions in the Enterprise, ProAudio, and Healthcare B2B markets.

With locations near Aalborg University in Denmark and key industry hubs in Hong Kong and the USA, RTX has access to a global talent pool incl. e.g., development, logistics, and quality assurance. We engage with educational institutions, contributing to curriculum development, adjudicating at Danish universities, and participating in industrial Ph.D. programs – especially with focus on short-range digital wireless technologies for audio applications.

In 2023/24, we continued our annual tradition of an RTX Day for employees in Denmark and Hong Kong, this year featuring workshops on strategy and collaboration. We continued our leadership seminars, focusing on people, project, and business management, in collaboration with external partners. We also continued with mandatory cybersecurity and data management training for all employees. This is done via short online courses that aims to reinforce our security culture and defenses. This past year we also introduced our new Product Compliance Board which aims to enhance knowledge sharing on product compliance issues and strengthen governance of related change initiatives.

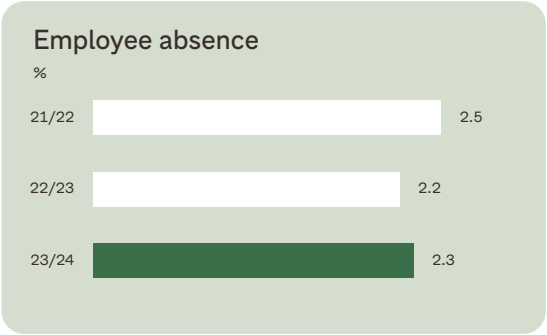
As a knowledge-based company, employee satisfaction and employee development is critical to success.

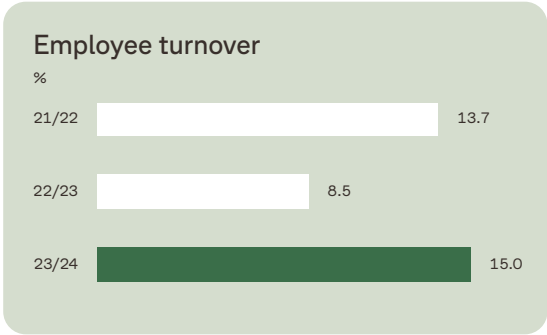


Employee absence increased marginally in 2023/24 but remains below our target KPI of 2.5%.

RTX employees also develop skills through on-the-job training, networking, conferences, external training, and internal lectures on e.g., technology, sustainability, or research results from our CTO department. In 2023/24, we also introduced, and started implementing, a new RTX Document Center to support knowledge sharing and learning across our organization.

Our annual employee development dialogue between each employee and their manager identifies individual development and training priorities. This year, we implemented a new software tool to support this process and streamline planning and execution, with particular focus on competence development.





4.2 Diversity and inclusion

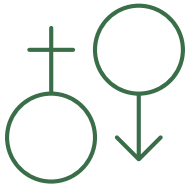
According to the Danish Financial Statement Act section 99b, we disclose key figures and targets for diversity in the table in section 1.2. RTX aims to attract and retain employees with a good representation of both male and female. In our active recruitment on all levels, we seek to always have female candidates in the application pool. We operate in an industry with a high share of male candidates, and consequently we have set a target for female share of management, which represents the candidate pool. Our target for the Board of Directors is to reach 40% female representation by 2026, aiming for either 2 of 5 or 3 of 6 AGM-elected board members. We remain committed to these targets.

Diversity policy

As stated in RTX's diversity policy: 'RTX finds it important that everyone is treated equally irrespective of skin color, race, nationality, social background, disabilities, sexual orientation, political or religious conviction, sex, or age'. This applies across the organization, including the Board and Executive Management. Based on this policy, RTX engages in diversity-related activities and sets gender diversity targets in management. RTX also promotes workforce inclusion through a disability policy.

Diversity and recruitment

RTX aims for balanced gender representation despite the industry's male dominance. Data from Aalborg University (2019-2023) shows a male-female ratio of approximately 70%-30% in general engineering, with more extreme ratios (95%-5%) in areas like software engineering or electronic systems, where RTX recruits heavily. In our recruitment process we therefore encourages qualified female applicants to apply.



The general split between male and female employees in the Group is 19% female and 81% male and the share of female employees increased by 1%-points in 2023/24.

Female members at management level (level 1 and 2) is 28%.

RTX recognizes that the current percentage of females in our staff of engineers may be too low to secure a pipeline of future female candidates for management level in RTX. At the end of 2023/24 the RTX workforce was 19% female and 81% male. However, at management level (level 1 and 2) the corresponding percentages were 28% female and 72% male. To monitor diversity, including gender, the Board reviews progress annually.

Supporting gender diversity in education

During 2023/24, we continued promoting RTX as an exciting employment opportunity for both females and males – with focus on universities. We conducted outreach activities at the universities, hosted open house sessions at RTX for engineering students, etc. We also collaborated with high schools on the promotion of STEM educations via e.g., site visits to RTX, aiming to inspire interest in technology careers for both girls and boys.

Seniority policy

RTX's seniority policy supports employees aged 60+ in planning their transition to retirement, with options like modified tasks or reduced hours to support continued workforce engagement.

4.3 Product safety and compliance

Per our double materiality assessment in section 2.5, health and safety of consumers, and consequently product safety, has been identified as a material issue for RTX. We maintain robust management processes to ensure compliance by both RTX and our suppliers, thereby addressing the most common risks associated with supply chain and product safety.

To enhance our monitoring of evolving regulations and product compliance requirements, we have in 2024 established the RTX Product Compliance Board. This initiative also aims to improve internal knowledge sharing on product compliance issues and strengthen governance of related change initiatives.

Product safety

Product safety, covering both environmental and technological aspects, is crucial for RTX and our stakeholders.

REACH, RoHS and WEEE are abbreviations for EU regulations and directives, which regulate environmentally safe and sound products and handling of electronic equipment. Today, the overriding and paramount requirement is that RTX is compliant with regulations and directives, and RTX have set policies for regulated substances, that extend the regulations and directives. Customer expectations are formalized as requirements in contracts, which typically also require RTX to ensure compliance by our suppliers. A joint effort from RTX's corporate commercial, R&D, supply chain, and quality & compliance functions is essential for managing the different requirements and documenting compliance. Our EMS suppliers are obligated contractually and/or via annual or bi-annual declarations to ensure compliance with the requirements.

RTX also ensures that the products brought to market are within the accepted SAR-value ranges for wireless devices. Further requirements must be met for products to be marked, e.g., CE or ATEX etc. Extensive measurements, prototyping and testing both internally by RTX and by external certifiers ensure compliance and among other things address the health aspect of product safety.

Traceability and conflict minerals

The expectations of our customers to RTX and to our efforts to ensure compliance with the environmental directives reflect a broader trend across stakeholders to expect more transparency concerning sustainability and CSR in general and traceability regarding specific materials.

In the electronics industry, particular attention regarding traceability is paid to conflict minerals, which refers to natural resources extracted in a conflict zone and sold to perpetuate fighting in conflict zones. RTX will not support the latter in any way. In 2013, we established a corporate policy requiring all suppliers to provide information about the origin of the metals used to manufacture RTX designs and products. RTX retrieves this information through a conflict minerals reporting template (CMRT) provided by the Responsible Minerals Initiative. Based on information provided by our suppliers, we do not knowingly use metals derived from conflict regions in our products.

RTX's supply chain practices also ensure traceability of key components, enabling swift action if issues related to safety, environment, or conflict minerals should arise.

Cyber security

During 2023/24, we have continued our focus on assessment and mapping of improvement potential from future cyber security developments.

Also, to further strengthen our efforts on this front, we have in 2024 launched our new RTX Cyber Security Board. The focus of the board is on both devices and systems security and operations security. With this new initiative we aim for improved coordination and prioritization of cyber security related initiatives and one of the first outputs from this new set-up has been the completion of our RTX statement of applicability (SoA) for ISO 27001/2.

4.4 Supply chain management

RTX business model operates with an outsourced production setup, hence suppliers of RTX are of key importance for our proactive handling of sustainability and require robust management governance to ensure compliance by our suppliers.

Supplier code of conduct

Delivering high quality products and services is an RTX hallmark and with our production outsourced, our robust supply chain management practice is vital to meeting our customers' high expectations to quality as well as to sustainability issues. Supply chain management is essential for handing sustainability issues and risks as a large part of RTX's sustainability footprint materialize at our suppliers.

Processes concerning the regulated product substances (including but not limited to REACH and RoHS) and aftermarket product handling regulations and directives (EPR and WEEE) are already an integral part of our core supply chain management governance, which includes processes for obtaining and validating the information requested from suppliers.

RTX's expectations to suppliers on the broader range of sustainability issues are reflected in the RTX Supplier Code of Conduct, which is based upon the principles of the UN Global Compact. All significant current suppliers have signed our Code of Conduct or have affirmed that they support and have adopted the UN Global Compact. The RTX Code of Conduct has been used to assess potential suppliers, and our contracts require suppliers to adhere to the Code of Conduct with respect to human rights, labor, environment, and anti-corruption and in accordance with RTX's applicable policies in these areas.

RTX Supply Chain have their own staff present daily at major EMS providers and key suppliers. RTX performs monthly and/or quarterly site visits at EMS and suppliers' production plants to conduct scheduled audits, occasionally with invited customers. Such visits include monitoring any non-compliance with RTX's Code of Conduct with respect to human rights, labor, environment, and anti-corruption, as suppliers' sustainability and CSR practices are an important part of assessing and selecting providers to RTX. During 2023/24 our audits have not revealed any breaches to our Code of Conduct, and we continue monitoring for this going forward.

Suppliers' (EMSs) sustainability activities and reporting

RTX's largest suppliers have their own sustainability programs, are signatories to the UN Global Compact, and report regularly on sustainability.

One of RTX's two main suppliers, a global EMS provider, publishes a comprehensive annual sustainability report covering key focus areas identified through a materiality assessment. Their initiatives align with UN Global Compact principles and UN Sustainable Development Goals, targeting reduced environmental impact (emissions, waste, and water), community investment, safe and inclusive workplaces, and collaborative efforts to lower emissions across the value chain while fostering ethical, transparent governance.

RTX is committed to the ten principles of the UN Global Compact which we adopted in 2014.

In the latest report, this supplier shows a one-third reduction in absolute Scope 1 and 2 GHG emissions from baseline levels, alongside improvements in safety metrics and increased training hours per employee. The report also notes an increase in the percentage of female employees, though the percentage is unchanged at management levels, and show that over half of their preferred suppliers now have emissions reduction targets.

The other of our two main suppliers, also a UN Global Compact signatory and aligned with the UN Sustainable Development Goals, emphasizes four key areas based on their materiality assessment: Business ethics, labor and human rights, environmental and climate action, and responsible value chain management. Their most recent sustainability report reveals increases in their use of renewable electricity, reduced CO_2 emissions, a marginal increase in female representation though unchanged at management level, an increase in illness-related absences, and an increase in share of active suppliers who has signed Code of Conduct to more than 80%.

Both suppliers have 2030 targets to drive and monitor progress in these areas.

Governance

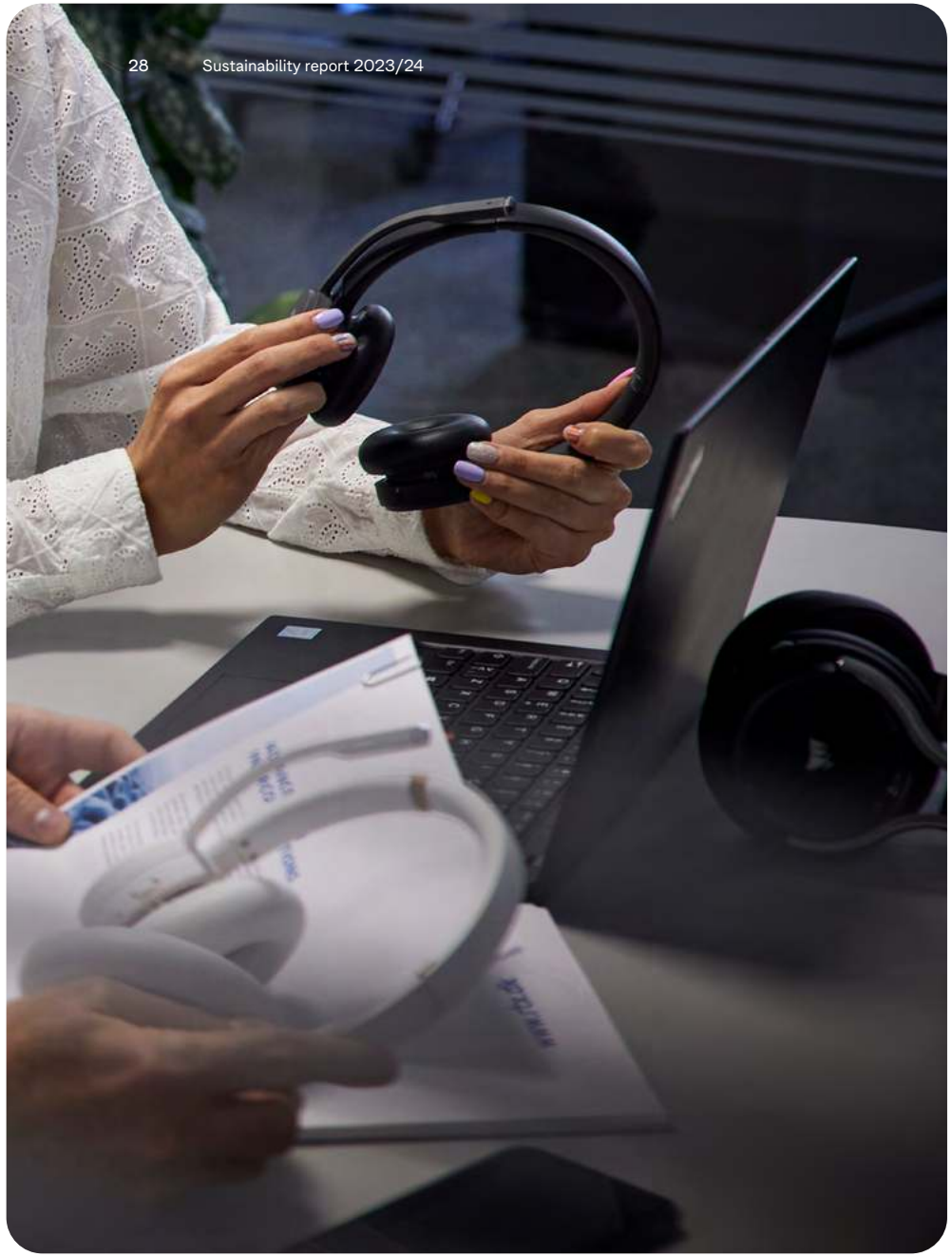
→ Governance
→ Corporate governance reporting
→ Anti-corruption and anti-bribery
→ Gender diversity

5. Governance

RTX has a corporate governance policy. We prepare annual reporting on our compliance in line with the recommendations on corporate governance. We have zero tolerance towards corruption and bribery and have a whistleblower reporting system in place.

The overall responsibility for CSR reporting resides with the Executive Management, which also has the overall responsibility for the working conditions of RTX employees. On behalf of the Board of Directors, the Audit Committee monitors the CSR approach and reporting of RTX.

Through its governance model, RTX aims to ensure an active, transparent, and accountable management of the Group. For RTX, corporate governance includes balancing the interests of our stakeholders and efficiently executing our system of rules, practices, and processes by which we are directed and controlled. Thus, our key corporate policies, our Code of Conduct, general management system, supply chain practices, surveys on job satisfaction and working conditions, etc. are all part of our corporate governance.



5.1 Corporate governance reporting

Annually, RTX publishes a corporate governance report. The report includes:

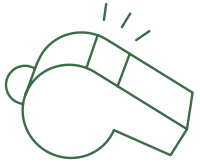
- A description of the company's governance structure.
- An introduction to the main elements of the internal control and risk management systems of RTX relating to financial reporting.
- The statutory review, cf. section 107b of the Danish Financial Statements Act, of the company's approach to the 'Recommendations on Corporate Governance' from the Committee on Corporate Governance in Denmark from December 2020, implemented by Nasdaq Copenhagen A/S in its 'Nordic Main Market Rulebook for Issuers of Shares'.

The separate report describes our compliance with the Danish recommendations on good corporate governance. We annually review and update a number of policies governing the way we work. On the company website, RTX policies can be found, including Tax Policy, Data Ethics Policy, Remuneration Policy, and Capital Policy.

5.2 Anti-corruption and anti-bribery

RTX maintains zero tolerance towards corruption and bribery. RTX has had a whistleblower program in place since the 2012/2013 financial year. Any suspicions of wrongdoings can be confidentially notified to the Board of Directors of RTX through our whistleblower reporting system. The whistleblower reporting program is available to third parties, e.g. suppliers or customers, to report on potential irregularities through RTX's website.

There is no history of incidents involving RTX, and no incidents were reported through the whistleblower system in 2023/24.



There is no history of incidents involving RTX, and no incidents were reported through the whistleblower system in 2023/24.

5.3 Gender diversity

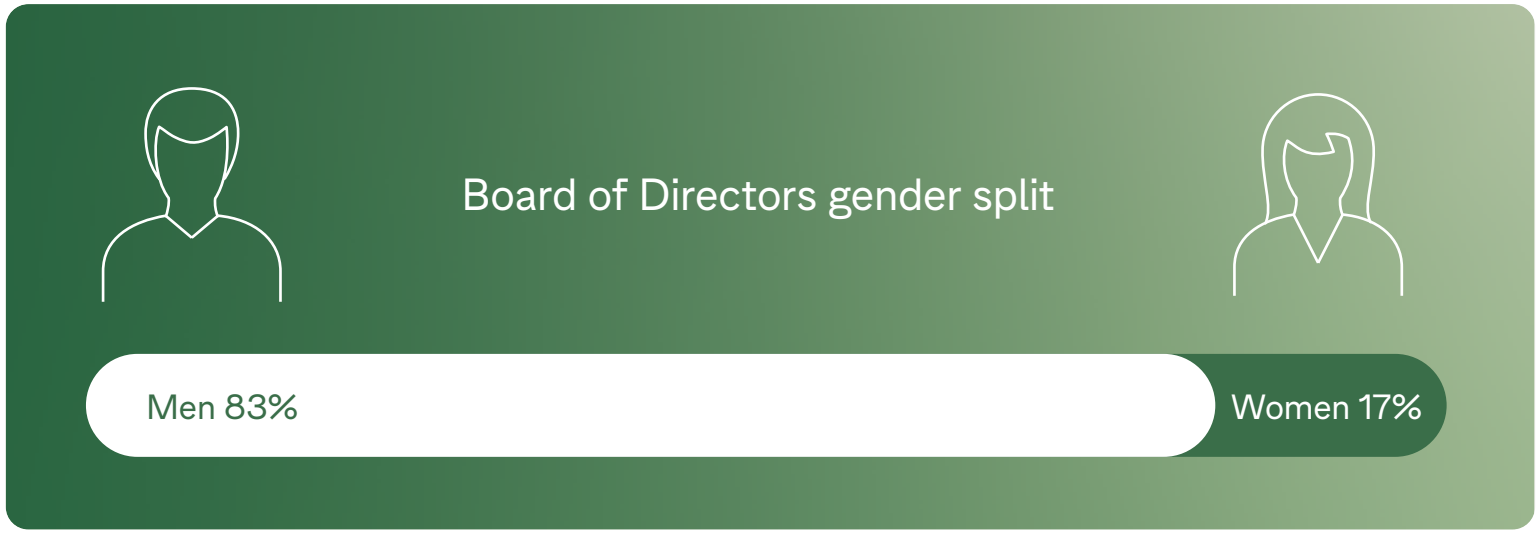
In 2021, the Board of Directors (BoD) defined the ambition, that the female share of board members, elected by the annual general meeting (AGM), should be at least 17% by 2024. The aim, of the adopted ambition, was to increase the number of female board members, elected by the AGM, and thus to increase the diversity in a male dominated industry.

At the AGM in 2022, the female share of members of the BoD, elected by the AGM, grew from 0% to 33%, thereby reaching and surpassing our 17% target. Subsequently the BoD set a new and more ambitious target that the female share of board members elected by the AGM should increase to at least 40% by 2026.

At the end of FY-2023/24, the female share of board members, elected by the AGM was 17%. This is down from 20% in 2022/23 and is driven by the following factors: One female member resigned from the board and two members (one female and one male) joined the board, expanded it from five to six persons.

The Board of Directors retains the ambition that the female share of board members elected by the AGM should increase and be at least 40% by 2026.

Each year, the board conducts a comprehensive self-evaluation to ensure optimal qualifications and a well-balanced range of skills, aligning with RTX's evolving challenges and opportunities. As part of this process, the board's composition is reviewed, and when recruiting new members, dedicated efforts are made to ensure that female candidates are actively pursued.



Legislation, Standards, and Definitions

→ Legislation and standards for sustainability reporting
→ Definitions and accounting practices

6. Legislation, Standards, and Definitions

6.1 Legislation and standards for sustainability reporting

Danish Financial Statements Act

As a listed company, RTX is required by law to report on its CSR practices, as stated in section 99a of the Danish Financial Statements Act, through which Denmark has implemented Directive 2014/95/EU on non-financial reporting. This RTX sustainability report for FY 2023/24 (31.10.2023 – 30.9.2024) is aligned with the requirements of section 99a and should be seen as an integrated part of the management review of RTX A/S annual report, while also serving as our COP report. Further, the report includes reporting in compliance with sections 99b and 107d of the Danish Financial Statement Act regarding the underrepresented gender and diversity.

UN Global Compact

The Global Compact standard requires signatories to report their Communication on Progress (COP) annually, with a '...description of practical actions the company has taken or plans to take to implement the Ten Principles in each of the four areas (human rights, labor, environment, anti-corruption)' and 'a measurement of outcomes'. Global Compact is a principles-based standard. RTX continues to report an index (see section 7.1), which connects the ten principles with relevant sections in the report.

UN Sustainable Development Goals

UN's 17 Sustainable Development Goals (SDGs) are at the heart of UN's 2030 agenda for sustainable development. RTX has chosen to focus our sustainability efforts on five targets within the UN SDGs numbers 4, 5, 9, 10, and 12, where RTX through its conduct especially can influence and advance.

- Goal 4: Quality education
  SDG Target 4.4: By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs, and entrepreneurship.

- Goal 5: Gender equality
  SDG Target 5.5: Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic, and public life.

- Goal 9: Industry, innovation, and infrastructure
  SDG Target 9.1: Develop quality, reliable, sustainable, and resilient infrastructure, including regional and trans-border infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all.

- Goal 10: Reduced inequalities
  SDG Target 10.2: By 2030, empower and promote the social, economic, and political inclusion of all irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.

- Goal 12: Responsible consumption & production
  SDG Target 12.2: By 2030, achieve the sustainable management and efficient use of natural resources.

Our activities related to above SDG targets are incorporated into the environment, social, and governance sections of this report and also highlighted in a cross-referencing index appendix for SDGs (see section 7.2).

The EU taxonomy

What is the EU taxonomy and why do we need it?
The EU taxonomy is a classification system that defines which economic activities are environmentally sustainable. An economic activity is considered sustainable if it makes substantial contributions to the European Green Deal objective of becoming carbon neutral by 2050.

By serving as a frame of reference the taxonomy increases transparency, which helps prevent greenwashing, helps investors make greener choices, and helps companies plan for the green transition.

From 1 January 2022, some firms - depending on focus and size - in the EU had to report which activities comply with the taxonomy's criteria, disclosing EU taxonomy-eligible share of turnover, capital expenditure aligned with the EU taxonomy, and the operating expenses aligned with the EU taxonomy. RTX is not yet required to report under the EU taxonomy, but will be in the future. In preparation for this we initiated voluntary reporting last year.

How have we approached our assessment according to the EU taxonomy?
We have assessed our economic activities across the EU taxonomy's six environmental objectives: Climate change mitigation, climate change adaptation, the circular economy, pollution, effect on water, and biodiversity.

For an economic activity to be deemed environmentally sustainable it must meet the following three criteria:

1. Make a substantial contribution to at least one of the EU's six environmental objectives
2. Do no significant harm to any of the other five environmental objectives
3. Comply with minimum safeguards

Outcome of RTX assessment
Our initial assessment, of the eligibility of our economic activities with the EU taxonomy, is that we have no significant costs or revenues that are taxonomy eligible.

This disclosure represents RTX's understanding of the requirements at this stage in time and we will revisit this assessment if additional guidance becomes available or if we in RTX introduce new economic activities.

RTX remains focused on the criteria of the taxonomy regulation, such as contribution to environmental objectives, do no significant harm criteria, and social safeguards, which continue to help inform our strategy going forward.

Results

Taxonomy eligible activities and finance	Turnover	Opex	Capex
Percentage of eligible EU taxonomy activities	0%	0%	0%
Percentage of non-eligible EU taxonomy activities	100%	100%	100%

6.2 Definitions and accounting practices

We track our sustainability performance by measuring and following up on a set of KPIs. We also use the performance evaluation to guide our future actions.

Environment

Scope 1 and 2 carbon emissions are measured using the ISO standards 14064 1-3 as well as the GHG Protocol. We report our emissions to the Carbon Disclosure Project (CDP).

Scope 1 emissions include vehicles owned by the Group as well as leased vehicles controlled by the Group. The Group's scope 1 emissions have been calculated based on liters of fuel used and using the CO_2e per liter conversion factors, for greenhouse gas reporting for international organizations, as published on GOV.UK.

Scope 2 emissions include indirect emissions from the use of purchased energy consumed at the Group's facilities. The underlying consumption data is extracted from invoices from electricity- and district heating suppliers as provided to either landlords or directly to the Group. Scope 2 emissions have been calculated using the CO_2e/kWh emission factors from relevant providers: Ecoinvent data for electricity from China and Hong Kong, data from the Danish authorities for electricity in Denmark, and data from our district heating provider in Denmark.

Read more the definitions and accounting practices in the GHG Protocol.

Read more about the CO_2e per liter conversion factors, for greenhouse gas reporting for international organizations, as published on GOV.UK.

Social

Employee absence is based on average absence due to illness from 1 October 2023 to 30 September 2024. Employee turnover is calculated as the number of staff having left RTX relative to the average number of employees as recorded by the Group's HR function.

The female share of the entire workforce, of management levels, and of the Board of Directors is based on registered headcount at the end of the 2023/24 financial year.

Governance

The number of whistleblower reports is as registered by the Audit Committee to whom such reports are sent.

Attendance at board meetings is calculated as the sum of actual attendance for all board members (ordinary and extraordinary respectively) divided by the maximum potential attendance for all board members. Extraordinary board meetings are board meetings called on short notice.

Appendix

→ UN Global Compact principles index
→ UN Sustainable Development Goals (SDGs) index

7. Appendix

7.1 UN Global Compact principles index

For each principle of the UN Global Compact, references are made to the sections in this COP report, illustrating the implementation of the principle in terms of policies, due diligence, risk management, KPIs, and future plans.

UN Global Compact principles

Human rights

Principle 1

Businesses should support and respect the protection of internationally proclaimed human rights; and

Refer to section 2.3 and 4.4

Principle 2

Make sure that they are not complicit in human rights abuses.

Refer to section 2.3 and 4.4

Labour

Principle 3

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Refer to section 2.3, 4.1, and 4.4

Principle 4

The elimination of all forms of forced and compulsory labor;

Refer to section 2.3, 4.1, and 4.4

Principle 5

The effective abolition of child labor; and

Refer to section 2.3, 4.1, and 4.4

Principle 6

The elimination of discrimination in respect of employment and occupation.

Refer to section 2.3,4.1, 4.2, and 4.4

Environment

Principle 7

Businesses should support a precautionary approach to environmental challenges;

Refer to section 2.3, 3.1, 3.2, 4.3, and 4.4

Principle 8

Undertake initiatives to promote greater environmental responsibility; and

Refer to section 2.3, 3.1, 3.2, 4.3, and 4.4

Principle 9

Encourage the development and diffusion of environmentally friendly technologies.

Refer to section 2.1, 2.3, 3.1, 3.2, 4.3, and 4.4

Anti-corruption

Principle 10

Businesses should work against corruption in all its forms, including extortion and bribery.

Refer to section 2.3, 4.4, and 5.2

7.2 UN Sustainable Development Goals (SDGs) index

Across UN's 17 Sustainable Development Goals (SDGs), RTX has chosen to focus our sustainability efforts on five targets within the UN SDGs numbers 4, 5, 9, 10, and 12, where RTX through its conduct especially can influence and advance. For each of these targets, references are made to the sections in this sustainability report, illustrating the efforts towards that target in terms of policies, due diligence, risk management, KPIs, and future plans.

Selected UN SDG targets

SDG Target 4.4

By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs, and entrepreneurship.

Refer to section 4.1, and 4.2

SDG Target 5.5

Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic, and public life.

Refer to section 2.3, 4.2, 4.4, and 5.3

SDG Target 9.1

Develop quality, reliable, sustainable, and resilient infrastructure, including regional and trans-border infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all.

Refer to section 2.1, 2.2, and 2.3

SDG Target 10.2

By 2030, empower and promote the social, economic, and political inclusion of all irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.

Refer to section 2.3, 4.2, 4.4, and 5.3

SDG Target 12.2

By 2030, achieve the sustainable management and efficient use of natural resources.

Refer to section 2.1, 2.3, 3.1, 3.2, and 4.4

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Design and production: Noted