



# Boarding for the future

**SUSTAINABILITY REPORT**  
MTU AERO ENGINES AG  
FISCAL YEAR 2023

23

## Collaboration and leadership

Every day, we work closely together with international partners to advance aviation and thus global progress. Our industry operates on a global scale. This makes MTU a global player with core values of openness to other cultures, diversity, and tolerance.



Good cooperation and reliable leadership are important pillars of our success. We rely on a culture that is open to change, relies on the decision-making authority of employees (empowerment), and promotes entrepreneurial action and a digital mindset. At MTU, the further development of our corporate culture is an overarching goal. We measure our progress using an annual maturity index in defined focus areas, the results of which validate our path for 2023. We ensure MTU's innovative strength and success through our willingness to change and through cooperation based on trust. Moreover, the forward-looking, intensive training of our workforce, the promotion of diversity, and a safe and inclusive working environment pave the way for each and every employee to develop to the best of their abilities and keep MTU on the path to success. Thanks to strong teamwork between centers, departments, and across locations and countries, we once again achieved top performance in 2023.

MTU's roadmap for the further development of its corporate culture highlights the following priorities for the coming years: strengthening diversity and internationality, entrepreneurial action at all levels, digital thinking, networking and collaboration, as well as a focus on hybrid working.

## Fast facts: #MTUfamily

### GLOBAL PLAYER



# 12,170

employees work at our locations worldwide.

### HIGH LEVEL OF CONFIDENCE



# 88 %

of employees firmly believe in MTU's future.

### STRONG BOND



# 4.4 %

is a turnover rate that indicates solid cohesion.

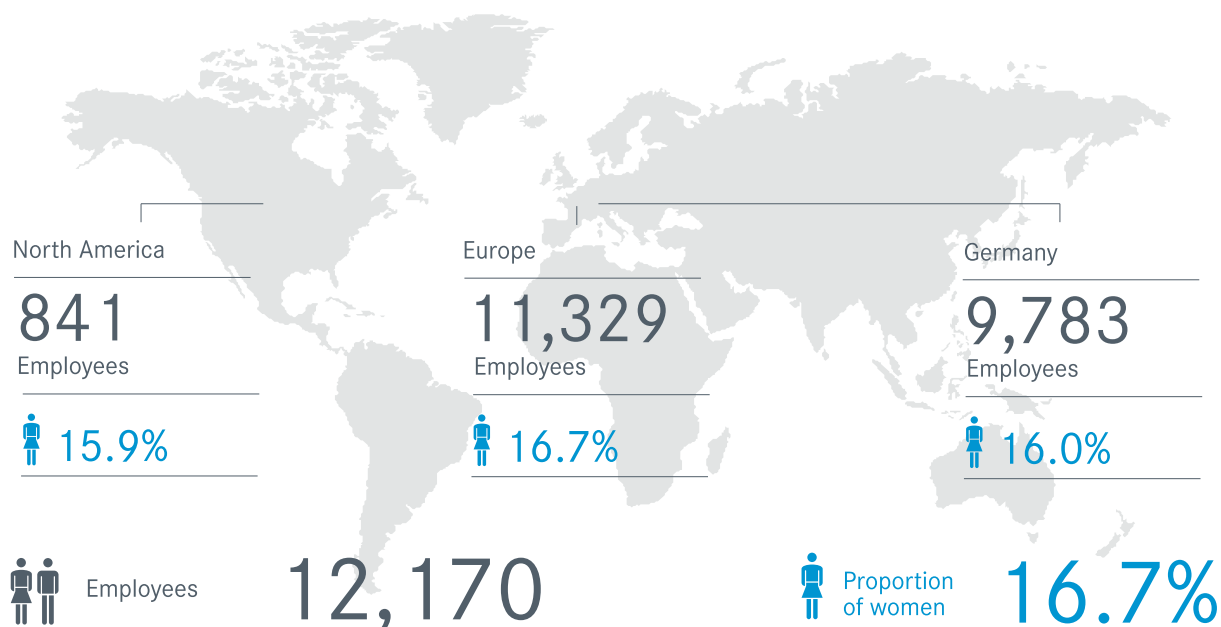
## Connected teams in a creative environment

As the Director of Labor Relations, the CEO is responsible for employment matters. MTU's human resources department sets policy in line with our corporate strategy. It also assists in efforts to achieve our long-term corporate and growth targets. The full Executive Board receives regular reports on human resources policy. Responsibility for successful implementation lies with local human resources departments and the respective technical departments and managers.

The HR strategy, which was updated in 2023, comprises six core components that are intended to secure MTU's profitable growth course: strategic HR planning, talent management, management development, employer attractiveness, adaptation of the HR organization, and adaptation of the IT systems. The continuous development of leadership values, innovation management, and an innovative corporate culture underpins the company's overarching vision: "We shape the future of aviation."

## Our global team

### Employees by region



GRI 2-7: Total workforce of fully consolidated sites as at the end of 2023; proportion of female employees measured against active workforce. For composition of workforce sizes and scope of consolidation, see the [GRI Index](#).

In the 2023 financial year, MTU had 12,170 employees worldwide, 8% more than in the previous year (11,273 employees). The MTU team has grown in all regions and at all fully consolidated sites. At 93.1%, the majority of MTU's total workforce continued to be located primarily in Germany (80.4% of the total workforce); 6.9% of the workforce was employed in North America. We emphasize long-term employment relationships, and the proportion of permanent employment contracts is traditionally very high (2023: 94.2%).

MTU's strong cohesion is reflected in its low turnover rate. In 2023, it was 4.4%. The degree of loyalty to our company remains high, with an average length of service of around 14.5 years (Germany, measured in terms of active workforce).

**Staff turnover**

GRI 401-1

	2023	2022	2021
No. of employees that left the company	451	540	609
Turnover rate (%)	4.4	5.8	6.8

Turnover rate measured as a proportion of core workforce, annual average, figures include retirements; data broken down by age group is not available. We report on new hires in the chapter on Diversity & inclusion. Figures on staff turnover by region in accordance with GRI are presented in the Notes.

## Social and labor standards guaranteed

As an employer, we show responsibility toward our employees, protect their rights and requirements, and create long-term, secure employment on the basis of corporate social responsibility. Our social and labor standards are embedded in various instruments: a Group-wide Code of Conduct includes the following principles under “Human rights and cooperation”:

- Freedom from discrimination
- Equality of opportunity in the workplace
- Constructive collaboration with employee representatives and labor unions
- Entitlement to appropriate and performance-based remuneration

→ [MTU Code of Conduct](#)

Reporting procedures in the event of suspected breaches of our Code of Conduct, statutory requirements, plus our internal company guidelines and our principle of zero tolerance are described under → [Compliance](#) and → [Human rights](#). Details of the anti-discrimination measures we take can be found under Human rights. As a member of the [UN Global Compact](#), we are committed to observing its principles of respect for human rights and equal treatment in the workplace. We are also committed to fair working conditions in accordance with the [International Labour Organization’s \(ILO’s\) core labor standards](#).

At the beginning of 2023, MTU adopted a [Policy Statement on the Protection of Human Rights](#). This sets out the cornerstones of the company’s human rights due diligence obligations as an employer.

MTU protects employees’ rights and safeguards their freedom of association through the Policy Statement on the Protection of Human Rights. When drafting employment contracts, we observe national statutory requirements, collective agreements such as collective bargaining agreements, as well as internal company agreements and notice periods as laid down by law. Managers ensure that company agreements are implemented and observed on a day-to-day basis in their areas of responsibility. In 2023, 90.4% of the people employed by the company in Germany were covered by collective agreements (e.g. collective bargaining agreements), a figure that stood at 76.2% worldwide in the same year.

The relationships we form with our employees are based on respect and trust and we take their concerns into account: in accordance with the German Works Constitution Act (*Betriebsverfassungsgesetz*), MTU’s sites in Germany have works councils that maintain regular, open and trust-based dialogue with management. The German sites also have a Group works council that handles Group-related issues. At the company’s sites in Poland and Canada, elected employee representatives support the interests of the workforce in dealings with management. In addition, the interests of employees are represented on the Supervisory Board, where seats are filled on the basis of parity.

## Revised feedback landscape

One important yardstick for successful collaboration and leadership is regular feedback from employees. Last year, we transformed the previous employee survey (PulseCheck) into an integrated feedback landscape with surveys related to target groups and certain topics. We added further instruments as well. The new feedback landscape includes:

- PulseChecks: Mood in the company regarding satisfaction, commitment, and strategy
- Leadership feedback: 180-degree feedback for managers at all levels, focused on the individual manager and their impact in terms of leadership values.
- Team feedback: Mood regarding cooperation and promoting dialogue within the team about improvements (starting in 2024)
- Readiness index: Assessment of the current maturity level of the corporate culture

We also conduct regular surveys at our sites outside Germany, such as MTU Aero Engines Polska. Moreover, further employee involvement forums are established at our sites around the world. These range from works meetings in Germany and townhall meetings in the United States to special instruments.

We use our idea management system to obtain and evaluate improvement suggestions from employees. In addition, we regularly initiate in-house "Ideation Challenges" on predefined tasks in order to utilize the ideas of our employees. The ideas and concepts submitted are evaluated by a jury. We take particularly promising suggestions and test their potential and feasibility in projects in our [Inno Lab](#), an in-house MTU innovation hub.

We have established a consistent methodology for feedback and for evaluating performance at all levels of the hierarchy, from senior managers to employees included in collective bargaining agreements. The performance criteria are based on corporate, center, or departmental objectives and are designed to measure how employees and managers contribute to reaching these objectives. Goal attainment is discussed during the year in milestone meetings and at year-end in goal attainment meetings. All managers undergo performance reviews to evaluate achievement of their personal targets. In 2023, 97.4% of MTU employees received an appraisal of their performance (at least once a year is required).

## Fair working conditions and attractive benefits

For us, fair wages are part of an appreciative and respectful approach. Our employees' right to appropriate remuneration is enshrined as a pillar of MTU's Code of Conduct. Employee wages at all our sites are above the legally stipulated local minimum wage. We reexamine our remuneration structures regularly.

MTU ensures that employees receive competitive remuneration that reflects their performance, regardless of gender or other characteristics that can be a basis of discrimination. This is also set out in the Group's [Policy Statement on the Protection of Human Rights](#) as an essential working condition. The remuneration of pay-scale employees in Germany is based on collective bargaining agreements. Variable compensation for senior managers is tied to MTU's long-term performance.

We offer a broad range of additional perquisites. In addition to the statutory obligations, in Germany these include profit-sharing, family-related services, mobility benefits, a healthcare service, and training opportunities. In addition to the employer's contributions, all employees can make a personal contribution to the company pension plan. At our international sites we offer a range of benefits such as private life insurance, health insurance, and retirement planning support.

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## SOCIAL BENEFITS IN 2023



# 161 million €

In addition to their salary, we offer our employees a wide range of social benefits such as a company pension scheme and support measures.

We enable our employees to share in the company's success. Each site does this using different regulations and programs. For our German sites, we offer an annual employee share program (participation rate in 2023: 45.9%), with which we aim to strengthen the entrepreneurship of our employees and their loyalty to MTU. Some locations outside Germany have their own programs, such as the Long-Term Bonus Program in Rzeszów, Poland, which takes effect after one year of employment, or benefits are offered after a defined period of employment (e.g. at the location in Vancouver, Canada).

MTU maintains a social fund that provides support to MTU employees who find themselves in financial difficulties through no fault of their own, as well as to humanitarian causes outside the company. [For more information about this, see Corporate social responsibility](#)

## Achieving a better work-life balance

We recognize the specific needs and various life phases of our employees and offer various options for individuals to shape their working hours and how their work is organized. These include, for example, a range of part-time models, mobile working, and sabbaticals. This way, we create attractive conditions and help our employees achieve a better work-life balance.

### Alternative working arrangements (Germany)

[GRI 2-7, 401-3](#)

	2023	2022	2021
Part-time employees (in %)	8.5	8.1	7.4
Employees on parental leave	570	537	478

The right to parental leave in Germany is governed by the German Parental Allowances and Parental Leave Act, which applies to the entire workforce. The legislation stipulates that any employee has a right to time off—regardless of their gender. Given discrepancies between national legal considerations, we do not consider it useful to consolidate these figures at the Group level. Figures on part-time work and parental leave by gender in accordance with GRI are presented [in the Notes](#).

## Offerings to promote work-life balance

- Flexible working hours and flextime accounts
  - Wide variety of part-time working arrangements
  - Educational leave
  - Mobile working
  - Teleworking
  - Sabbaticals
  - Part-time work for older employees
  - Parental leave
  - Job sharing
  - Support for families (advice on arranging childcare, care services)
  - Collectively agreed leave to look after children and relatives in need of care
  - Collectively agreed time off for special personal occasions (e.g. wedding, change of residence, deaths in the family)
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**GRI:** [2-7](#), [3-3](#), [201-3](#), [401-1](#), [401-2](#), [401-3](#), [404-3](#), [405-2](#)

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# Human rights

We respect the human rights of our employees and have enshrined this in our company by means of various instruments. In addition to this voluntary commitment, we follow a zero-tolerance principle.

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MTU respects the internationally proclaimed human rights set out in the United Nations' Universal Declaration of Human Rights. The company has anchored human rights in its corporate culture through various instruments in order to respect and promote them. In particular, MTU pursues the goal of preventing human rights violations that could affect employees (zero-tolerance principle).

MTU is committed to respecting the individuality and dignity of every person, maintaining equality of opportunity in the workplace, and preventing discrimination. The protection of human rights, the right to appropriate remuneration, as well as recognition of regulations governing employee and union representation under labor and works constitution law, are implemented Group-wide through the Code of Conduct. As an employer, MTU aims to create fair working conditions based on legally binding employment contracts with appropriate remuneration. This includes the right to unionize and to adopt collective agreements. Compliance with the Code of Conduct and ethical principles is enshrined in the MTU Principles. In addition, MTU is committed to respecting human rights through a Policy Statement that the Executive Board members signed at the beginning of 2023. It sets out principles on human rights and working conditions as well as responsibilities for the protection of human rights.

We view the respecting of human rights principles as a Group-wide issue that goes beyond social labor standards and basic labor rights for employees to include [sustainable supplier management](#), trade compliance standards for [responsible international trade](#), and environmental due diligence at our sites.

In Germany, MTU is bound by the [General Act on Equal Treatment \(AGG\)](#), which prohibits discrimination against employees and job applicants. For employees in Germany, we also adopted internal guidelines in agreement with employee representatives on fair and cooperative conduct that are designed to prevent bullying, sexual harassment, and discrimination. The guidelines stipulate a systematic process for handling complaints.

When they join the company, new employees are informed about the regulations laid down in the Code of Conduct and—in Germany—in the General Act on Equal Treatment (AGG), and they undertake to comply with these requirements. In addition, we provide regular training on the Code of Conduct at all the company's sites and across all hierarchical levels. → [For more information about MTU's Code of Conduct and associated training, see Compliance](#)

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## Human rights risk management revised

We strive to avoid negative impacts of our business activities on human rights as far as possible. We continuously review our business activities for human rights risks in order to define and implement preventive measures at an early stage. We classify human rights risks under various elements of the risk inventory of our corporate risk management process. Regarding its methodology, approach, and assessment, our human rights risk analysis is based on MTU's corporate risk analysis. Our risk management system creates structures that minimize the risk of human rights violations.

MTU's own business activities are conducted mainly in Germany, the EU, and North America. This lowers the probability of occurrence for significant violations of human rights in our own business area, as these regions have regulations set by the respective legislators and a commitment to human rights that is rooted in society. In addition, the aviation sector has its own specific regulations and regulatory oversight.

MTU has further developed its risk management system for the protection of human rights; for instance, it appointed a Human Rights Officer in the reporting year. This officer monitors internal risk management with regard to human rights risks and reports directly to the Chief Sustainability Officer on the Executive Board. In addition, human rights coordinators are appointed at the site level and in the relevant departments (supply chain, human resources, environmental and occupational safety, and corporate sustainability). The most important task for the human rights coordinators is to issue regular risk assessments for human rights violations and environmental due diligence at our locations and at direct suppliers.

This risk analysis is carried out for all fully consolidated Group companies both annually and as required and is coordinated by the Human Rights Officer. The extent and severity of human rights-related risks are determined according to a standardized procedure. A risk assessment is then carried out using a risk matrix that correlates the probability of a risk's occurrence with its severity. A threshold for materiality is defined both for the consolidated risk assessment at the Group level and for the site. The Human Rights Officer also reviews the effectiveness of risk management, particularly with regard to preventive action and countermeasures.

We have identified no MTU business location that we must consider at significant risk of child, forced, or compulsory labor, or at which the freedom of association and right to collective bargaining could be compromised.

If we identify a violation of obligations relating to human rights, we will immediately take appropriate measures to end this violation, prevent it in the future, or minimize its extent.

## Reporting channels have been set up

Reporting procedures have been established to ensure that we can systematically follow up on all complaints or reports of human rights infringements. Employees and external stakeholders can make reports to the Compliance Officer as a confidential contact point in the Group, or anonymously via the web-based [iTrust reporting system](#), available in multiple languages. This applies to all human rights concerns. → [See Compliance for information about handling reports](#)

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In addition, points of contact for employees have been set up at each site, about which we provide information on-site. For example, in compliance with statutory regulations such as the AGG in Germany, trained personnel at each site are identified as the contact points for complaints regarding discrimination. At MTU Maintenance Canada, employees can file a formal complaint with human resources management in cases of discrimination. They also have the right to go beyond the company and make a formal complaint to the BC Human Rights Tribunal. At MTU Aero Engines Polska, this function is carried out by a person elected by the employees. What's more, employees can also report grievances to managers, the works council, or the head of human resources. The Executive Board is informed about infringements depending on the severity of their impact. If a violation of obligations relating to human rights is identified, we will immediately take appropriate measures to end this violation, prevent it in the future, or minimize its extent.

Across the entire Group, three substantiated complaints were submitted in 2023 as defined by the anti-discrimination legislation applicable to the sites in question. The complaints were investigated, appropriate action was taken, and the incidents were closed.

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**GRI:** 2-16, 2-23 - 2-25, 3-3, 406-1, 407-1, 408-1, 409-1

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## Occupational health and safety

At MTU, our employees should have a safe and healthy environment in which to work. This is in line with our social responsibility and is expressed in strict occupational safety standards, company health management, and a preventive approach.

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MTU places great importance on the safety of its employees. Their occupational health and safety is thus anchored in the [Policy Statement on the Protection of Human Rights](#): “The health of our employees is a top priority for MTU.” The Policy Statement also stipulates that workplaces must be set up in accordance with statutory and generally recognized occupational health and safety regulations. In addition, we have established an internal standard that lays down parameters, rules, and KPI definitions applicable across all sites. A Group report on workplace accidents is submitted to the Executive Board each quarter. Our occupational safety approach is not centralized; local implementation addresses the requirements at each site. At the individual production sites, occupational safety is the responsibility of the site managers; occupational safety officers are appointed at the management level. Local technical departments take action on occupational safety issues on site and report regularly to site management. The workforce at the company’s production sites in Germany, Poland, and Canada is represented in locally organized occupational safety committees, the composition of which includes employee representatives.

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## MTU MAINTENANCE SERBIA HONORED WITH NATIONAL AWARD

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→ [More information](#)

April 28 is not only the World Day for Safety and Health at Work. In Serbia, it also marks National Occupational Safety Day. In addition, the Serbian Ministry of Labor confers a prestigious award for outstanding achievements in occupational health and safety. MTU Maintenance Serbia took third place in the category for organizations with more than 250 employees.

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Occupational safety forms part of our [integrated management system \(IMS\) policy](#) and is regularly reviewed and improved. At the European production sites, workplace regulations that are mandatory for all employees contain important safety rules pertaining to accident prevention, fire protection and what to do in the event of workplace or commuting accidents.

## Certified occupational safety management

The occupational safety management systems in place at the German sites are certified externally in accordance with the ISO 45001 international standard for occupational health and safety management systems. → [MTU's current certifications](#). All workspaces in the company are part of our IMS based on the principle that “safety takes priority in what we do.” This includes the workspaces occupied by temporary workers, who are included in occupational safety measures in the same way as permanent employees. A management system based on the ISO 45001 standard has been established at the new production site in Serbia.

We strive to prevent health and safety risks to our employees and third parties. Workplaces are regularly assessed for any risks and hazards they present for employees. If potential burdens or hazards are identified, we take measures to eliminate them or reduce them to a minimum.

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With the aim of permanently reducing the number of accidents and reaching a level of safety that aspires to prevent any accidents whatsoever, the local occupational safety officers record all accidents according to uniform categories (categories 1–5, near miss to fatal accident) and investigate them together with the affected employees / temporary workers and their manager. Should the assessment reveal specific aspects pertaining to the cause of accidents, we will take further steps to increase safety precautions. In the same way, near misses are recorded and evaluated. We strongly encourage the workforce to report unsafe situations. Safety training at least once a year is mandatory for all employees throughout the Group; for production employees, it is sometimes held monthly. We train all employees and temporary workers on health and safety matters when they first start working at MTU. In addition, managers receive repeated mandatory training on occupational safety. First-aiders are appointed and obligated to attend a refresher course every two years. Additional functions are fire safety assistants and safety officers. The local technical departments carry out ongoing prevention work at the company's sites through training sessions or information campaigns.

## WORKING SAFELY

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# 4.0

lost-time accidents per 1,000 employees also mean a high level of safety at MTU for 2023. By comparison, the industry average was 30.4 accidents\*.

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\*Category 4 accidents with more than 3 days lost, German metalworking industry, 2022 data

Accident-free and low-stress workspaces form part of our IMS policy. We define annual tolerance thresholds for workplace accidents at our production and maintenance sites. This cumulative value for lost-time accidents represents a tolerable accident rate at the site. The threshold ranged from 0 to 16 for 2023, depending on the site, and was met at three of six sites. For the MTU Group as a whole, 50 lost-time accidents (category 3 and 4 accidents involving at least one day lost, excluding commuting accidents) were recorded in the reporting year. This means that the number of accidents is down on the previous year's figure of 63; this is primarily due to a sharp decline at the Munich site from 23 accidents in the previous year to 11 in the reporting year. As a result, the Group-wide accident rate per 1,000 employees also improved from 5.4 in 2022 to 4.0 in the reporting period. The accident rate is thus low overall and below the industry average for the German metalworking industry (30.4 accidents per 1,000 employees for reportable accidents entailing more than three days lost [category 4], as recorded by Wood and Metal Trade Association—BG Holz und Metall in the data for 2022). In contrast, the total number of days lost increased to 676 days in 2023 due to the occurrence of isolated accidents with long periods of lost time. As in previous years, there were no fatal workplace accidents.

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## Workplace accidents and days lost

GRI 403-9

	2023	2022	2021
Workplace accidents with absence (categories 3 and 4)	50	63	67
Fatal workplace accidents (category 5)	0	0	0
Accident rate per 1,000 employees (categories 3 and 4)	4.0	5.4	6.2
Days lost (after accidents categories 3 and 4)	676	470	820

The accident statistics (excluding commuting accidents) relate to the total workforce, including trainees/apprentices, interns, school and university students, and employees on fixed-term contracts, as well as temporary workers. Contractor accidents are excluded. Workplace accidents during mobile working are recorded as soon as a work-related connection is made.

## Prevention is paramount in occupational safety

Occupational health and safety is implemented on a site-specific basis: an overarching exchange between the technical departments promotes mutual learning and standardization within MTU. The occupational safety specialists on-site derive proactive measures from regularly updated risk assessments, routine inspections of workstations, and audits in production and administration. Findings from such analyses and from the evaluation of existing workstations are also used for the ergonomic and safe design of new workspaces.

All accidents are recorded and evaluated; the analyses of accidents show that, overall, MTU has a very high level of technical and organizational safety with regard to its machines and equipment. The accidents that do occur are frequently related to behavior and less so to the operation of machines and equipment. The measures were also aimed at promoting safety-oriented behavior and further developing the safety culture. One focus was on high standards in ergonomic workplace design, which is always considered during inspections and audits. In this regard, measures are implemented on a site-specific basis. Measures in 2023 included:

- Health day with occupational safety aspects (Munich, Hannover, Ludwigsfelde sites)
- Action day on hazardous substances and explosion protection, raising awareness of behavior on the site (Munich site as part of the Safety First campaign)
- Monthly inspections for cleanliness, order, and safety as well as monthly occupational safety and alarm instructions in the shop, instructions on occupational safety in the office area every quarter (Hannover site)
- Regular inspections for cleanliness, order, and safety as well as inspections of all areas by safety specialists, emergency drills in cleaning and electroplating (Ludwigsfelde site)
- Installation of safety mirrors in the toilets to remind employees of their own responsibility for safety at work, launch of the “Go home safe” awareness campaign on safe behavior and wearing personal protective equipment (Nova Pazova site)
- Launch of the “Safety starts with us!” campaign with workshops on safety culture, special training courses, e.g. for forklift drivers, and posters showing safe work steps, as well as new laser safety markings on forklifts and component cranes (Rzeszów site)

## Health management at the company

Health management includes a service at the German sites that covers occupational health and—at sites with a company doctor—emergency medicine and is responsible for general preventive measures. This service is available to all employees and temporary workers.

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### Health rate

	2023	2022	2021
Germany	94.2%	93.5%	94.9%

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Counseling services offer employees and temporary workers support with maintaining their overall work performance as well as for mental health issues. In addition, all of our German sites offer supplementary in-house and external services. This includes in-house case managers, who provide advice for employees returning to work following a long absence, as a result of sickness or an accident for instance, to ensure that they get the best possible support with their reintegration. External providers offer a comprehensive support package for family-related matters. Additional benefits offered by MTU include fitness centers, which are run either in-house or by external partners, as well as on-site physiotherapy and ergonomics training.



## New offerings at the Polish site



The new health offerings at the Rzeszów site—Pink October and Blue November—were well received by employees. The campaign days served to raise awareness for regular cancer prevention combined with specific offers for on-site screening.

Our employees outside of Germany can also take advantage of permanent health services. In Vancouver, Canada, employees have access to programs for either short-term or long-term disability in the event that they need a longer period of time to recover from an illness. MTU Aero Engines North America supports its employees by offering, for example, health insurance policies for short- or long-term disability or individual workplace reintegration after a long period off work. At our site in Rzeszów, Poland, the basic medical services on offer include a doctor who is on-site once a week as well as psychological support as needed. In addition, the “Together for Health” online project was continued with various webinars in 2023.

Pink October and Blue November were the first health campaigns for employees at the MTU Aero Engines Polska site. They included health checks (blood tests, mammograms) for cancer in women (Pink October) and blood tests for cancer prevention in men (Blue November). Both campaigns also set out to raise awareness of regular health checks for men and women.

If employees experience financial hardship as a result of personal illness or illness in the family, they can draw on assistance from MTU’s social fund, which pools funds from managers, the Executive Board, and the Supervisory Board. The social fund is open to all Group employees.

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**GRI:** [3-3](#), [403-1](#), [403-2](#), [403-3](#), [403-4](#), [403-5](#), [403-6](#), [403-8](#), [403-9](#)

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# Employee development

Innovative strength and competitiveness are key factors for success in our industry. We provide our employees with support and training in specific important future fields so that we may actively shape the transformation of aviation.

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We are convinced that continuous, intensive employee development is essential for our long-term success. This is why MTU is investing specifically in the training and development of talented employees. In times of change, the company is expanding its leadership skills to include forward-looking management concepts in order to support change, reinforce personal responsibility and the ability to act, and convey trust and stability. Continuous personal and professional development of our employees also makes us an attractive employer for new hires and our own talented individuals. “We empower” is one of our global leadership values.

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## Fast facts: #PropelledByLearning

### INVESTING MORE IN THE FUTURE



# 8.5

million euros is how much we invested in training our employees.

### MORE TIME FOR EDUCATION



# 3.3

days is how long our employees spent in training on average.

### NEW ON BOARD



# 105

apprentices started their careers at MTU.

All figures as at the end of 2023; the figures for 2022: EUR 5.4 million invested in training, 2.6 training days on average

In addition to industry-specific vocational training and dual work-study programs aimed at building up knowledge over the long term, we support and promote the development of all our employees—this is enshrined in MTU's Policy Statement on the Protection of Human Rights. In many areas of our business activities, aviation authorities prescribe additional qualification measures, such as mandatory training on human factors (failure through human error). Promoting training and development as well as avenues for personal development for employees and managers is also enshrined in the MTU Principles and in our HR strategy. In addition, starting in 2023, a target has been set for average training days per employee, which will be included in the variable compensation of Executive Board members and managers. This ESG (environmental, social, and governance) goal underlines how we see training our employees as a success factor for MTU's future.

The head of People & Culture is responsible for the training and development of employees Group-wide. Every year, the Executive Board discusses training KPIs (annual education and training report), prioritizes and decides on selected training and development initiatives, and commissions their implementation.

## Strengthening employee qualifications as a success factor for the future

MTU's commitment to training its employees is reflected in a differentiated training and development program and in extensive offerings and investments that meet with a high demand for knowledge and skills acquisition among employees. This is based on our Group-wide works agreement in Germany, which guarantees access to training for all employees and requires management to conduct an interview with each employee once a year to discuss their development opportunities (training interview). At our sites in Germany, the works council is also involved in employee training in accordance with the German Works Constitution Act (Betriebsverfassungsgesetz) and has a say in the annual training and development program. International sites have their own regulations; at MTU Aero Engines North America, for example, an annual development plan is agreed with all employees.

We support our employees with a wide range of offerings through which to continuously develop their skills in the spirit of lifelong learning. Training needs are determined annually in a regular process in an interview between manager and employee or via departmental/company interviews by the in-house training team. A training history documents completed training and development courses. Training officers are on hand to answer questions relating to needs-focused training.

A multilingual online learning portal is the cornerstone for expanding multimedia and self-organized learning. Increased use of digital and hybrid learning formats should ensure and flexibly support the training of specialists at all levels. The training team relies on a rolling training program in order to be able to respond each year in a targeted way to changing needs within the company as well as to outside requirements.

## Employee training

GRI 404-1

	2023	2022	2021
Training days (total)	40,920	29,613	21,141
Training days per employee (Group-wide)	3.3	2.6	2.0
Training days according to employee category per manager	5.1	2.9	2.4
Training days per employee category per employee	3.1	2.6	2.0
Proportion of women in training courses	19.2%	18.2%	16.0%

Data on training days for 2022 exclude the Rzeszów site in Poland due to a lack of data availability following an IT system changeover.

## Further training as a compensation-relevant corporate objective

MTU's leadership value "We empower" is reflected in a high level of training. Employees completed a total of 40,920 training days in 2023; the average number of training days per employee across the Group was 3.3, which was higher than in previous years.

As of 2023, the social ESG goal has been assigned to the leadership value "We empower" and is determined from employees' qualifications and training. The average number of training days per employee at the German locations (Munich, Hannover, Ludwigsfelde) is included in the variable compensation of Executive Board members. The average number of training days per employee in 2023 was 3.6, which is above the target value of 2.5 days. [For more information about this, see the compensation report, 2023 Annual Report, p. 25](#)

In addition to the time that employees are given for training, the company promotes the lifelong learning model with extensive investments in the area of employee development. We invested EUR 8.5 million in training schemes Group-wide (2022: EUR 5.4 million; costs for internal and external training, excluding vocational training). This increase correlates with the target of average training days per employee and is due in part to the Business Challenge training initiative for all managers.

# Leadership and collaboration are key factors in MTU's development

MTU is pushing ahead with developing its managers so they become companions and drivers in change situations in order to strengthen the company's future performance. In this process, the MTU leadership values ("We transform," "We empower," "We create trust") take on even more relevance as a shared basis for managers' values and conduct. The values are intended to provide orientation and formulate expectations for leadership behavior.

The human resources and organizational development team assists managers on-site in implementing changes for them, both personally and in their work situations, and supports company-wide change processes such as the Turnaround project at the Hannover site or the Excellence made in Berlin-Brandenburg project at the Ludwigsfelde site. The Business Challenge, a cross-site training initiative for all managers, aims to strengthen independent, entrepreneurial thinking and action. It was launched in 2023 with a focus on collaboration between the OEM and MRO segments. The training program integrates pioneering learning technologies such as virtual reality. A competency model in the area of digitalization is also being developed for managers, which will form the basis for future training measures.

MTU also offers development opportunities and programs across all levels in order to identify and best cultivate new talent, while supporting our existing managers in their professional development. The core instrument is a personal assessment, e.g. through participation in a development center. A full 95% of new managers with leadership responsibilities at a German site who were promoted from within in 2023 had participated in development center activities. MTU offers new as well as more experienced managers support from coaches regarding a change in leadership or function as well as for the purposes of reflection and sparring ("pit stop" coaching).

## Our programs

We have numerous Group-wide initiatives that we use to develop our managers and support them both professionally and personally:

- Development centers
- Management transition coaching
- First Leadership Program
- Building on Talent / International Building on Talent
- International Leadership Program

There are also site-specific offerings for managers, such as the Coaching Culture@MTU program for new managers at the Poland site and the Leadership Essentials program at the Serbia site. Both programs were launched in 2023.

## A boost for newcomers

At our MTU Aero Engines North America site, we have a rotation program for entry-level graduates that takes them through a variety of departments focusing on different areas of engineering. Moreover, we cover a certain portion of tuition fees for employees there who return to university to obtain a master's degree as part of their development plan. In Germany, we offer an 18-month junior entry and trainee program called JET, which provides comprehensive insights into MTU and its structures and processes, and prepares trainees for their future position.

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## Our new apprentices start their careers



## Sound vocational training based on the dual-track system

For us, vocational training is a central component of securing promising young employees. In Germany, we offer a solid grounding in ten different trades as part of a dual work-study approach, while the places we offer for students taking dual-track courses of study offer different specializations. We pursue a holistic approach that goes beyond specialist topics to also cover social and ecological aspects, for instance through health, occupational safety, and environment days or through corporate social responsibility → [For examples, see the section on Corporate social responsibility](#). Our German locations welcomed 105 young people who started apprenticeships in 2023. That year, apprentices accounted for 2.6% of the total workforce; in Germany, where most of our apprenticeships take place, the share was 3.2%.

### BUDDING AVIATION EXPERTS



# 318

was the number of apprentices we had on board at the end of 2023. They complete a two-to-three-year apprenticeship based on Germany's dual-track system or an 18-month on-the-job training course at our site in Canada.

In addition to apprenticeships, MTU also collaborates with German vocational academies in Stuttgart, Ravensburg, and Berlin as well as with Baden-Wuerttemberg Cooperative State University to offer practical courses of study in business administration, information technology, mechanical engineering, and business engineering. What's more, we participate in numerous educational projects and initiatives for children and young people. → [Corporate social responsibility](#)

## MTU MAINTENANCE CANADA OPENS TRAINING ACADEMY

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[→ To the press release](#)

“We believe in our skills, our workforce, and our region. To this end, we are also delighted to be opening our new training academy,” explained Uwe Zachau, CEO and Managing Director of MTU Maintenance Canada, on the occasion of the new training programme.

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For MTU Maintenance Serbia, the company has established a training concept based on the dual system used in Germany in collaboration with the Aviation Academy Belgrade. In the reporting year, it also entered into an agreement with the Serbian Office for Dual Education to further promote dual-track training and business-minded learning. MTU Maintenance Canada has opened a new on-site training academy in collaboration with the British Columbia Institute of Technology, combining theoretical knowledge with practical experience in engine maintenance. The training program is designed for 36 participants, who can then go on to deepen their specialist knowledge at MTU.

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**GRI:** [3-3, 404-1, 404-2](#)

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# Diversity, equity, and inclusion

Different ideas and experiences broaden our horizons and make MTU more flexible and innovative. That's why we promote diversity, equity, and inclusion through an appreciative and inclusive corporate culture.



We are firmly convinced that diversity in its various facets plays a key role in the future viability of our company, promotes innovation and competitiveness, strengthens our resilience to market changes, enhances our performance, and supports our attractiveness as an employer for new talent and the retention of highly qualified employees. Diversity is part of our social responsibility and at the same time opens up huge potential for us as a commercial enterprise.

As part of our diversity, equity, and inclusion (DE&I) management system, we shape the topic globally together with colleagues from our sites and continuously drive forward DE&I aspects via short-, medium-, and long-term measures for MTU and society. DE&I is not a buzzword for us, but a business case embedded within social sustainability. New structures are being planned, taking the lead from approaches outlined by the Diversity Charter, the international standard for diversity management (ISO 30415), and the Global Diversity, Equity & Inclusion Benchmark.



“MTU is committed to **diversity and equality of opportunity**. Aviation is an international industry that connects cultures and people. We firmly believe that a diverse workforce bolsters our **innovative capabilities and collaborative culture**, which in turn ensures our **competitiveness**. We take a clear stand **against discrimination** in the workplace. **Equality of opportunity** regardless of gender, ethnic origin, age, religion, disability, or sexual orientation is the foundation for a respectful corporate culture.”

Lars Wagner, CEO and Chief Sustainability Officer of MTU Aero Engines AG

Promoting diversity is a key component of our corporate culture and is enshrined in the MTU Principles. To ensure an inclusive working environment within the company, MTU embraces a corporate culture based on respect and appreciation that promotes fair and cooperative conduct. MTU is actively committed to equality of opportunity and equal treatment of all employees and takes a clear stand against discrimination in the workplace. We have laid down these principles in our globally applicable Code of Conduct. We want to assign employees to positions in accordance with their skills, abilities, and performance. All our employees are given the same opportunities regardless of their gender, ethnic origin, age, religion, disability, or sexual orientation or identity. → [Code of Conduct](#) We have processes in place that allow breaches of the Code of Conduct or of internal guidelines to be reported to designated points of contact. → [These are laid out in detail in the chapter Human rights](#). What’s more, as a signatory to the UN Global Compact sustainability initiative, MTU has committed to preventing discrimination in the workplace.

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## Fast facts: #WeAreMore

### WOMEN ON BOARD



# 16.7%

of our employees are women—and we want to expand gender diversity further at all levels.

### FROM ALL OVER THE WORLD



# 88

nationalities are represented in our workforce. That's a lot of different cultural backgrounds.

### YOUNG AND OLD



# 4

generations work hand in hand at MTU, from baby boomers to Gen Z. That means new ideas paired with a lot of experience.

MTU's commitment to diversity and equality of opportunity is also demonstrated by its status as a signatory to the [Diversity Charta](#) and as a partner company of the [Impact of Diversity](#). MTU supports the Impact of Diversity because it breaks through traditional behavior patterns and stereotypes to open people up to new ideas. We have also once again sponsored the Women in STEM/MINT category for the Impact of Diversity Award 2023, which recognizes companies, initiatives, and projects that are particularly successful in attracting and inspiring a relatively high number of girls and women to the STEM (science, technology, engineering, and mathematics) fields and promoting the added value of gender diversity in their organization. In addition, we are in constant contact with experts, organizations, and networks on topics relating to diversity, equality of opportunity, and inclusion.



charta der vielfalt

UNTERZEICHNET



## Diversity has many facets

Our DE&I approach takes into account various aspects such as gender, cultural background, age and experience, disability, social background, and sexual orientation and identity. A diversity manager is responsible for DE&I matters throughout the Group and reports directly to the head of People & Culture. The diversity manager works closely with HR policy/strategy and is in continuous communication with local HR departments. The aim is to actively develop and strengthen DE&I within MTU. We provide regular updates on diversity and inclusion in our internal media and via our social media channels. We use training courses and presentations to draw the attention of employees and managers to the positive effects of diversity and an inclusive working environment at MTU, and to raise awareness of unconscious bias and for a work environment free of discrimination.

We support employee resource groups (ERGs), i.e., self-organized networks and groups of employees that promote a diverse, inclusive work atmosphere. These networks offer employees a way to make their concerns visible and provide impetus for collaboration within the company. This helps us better incorporate diverse experiences and perspectives from the workforce into our decision-making. These include the Network of Engine Women (NEW) under the patronage of CEO Lars Wagner and the AeroPride queer network, founded in 2023 under the patronage of Dr. Silke Maurer, Chief Operating Officer.

## Commitment to gender diversity

Aviation has always offered numerous career opportunities of a technical nature and is still dominated by men. We choose to drive change, actively promote gender diversity, and set ourselves binding targets. The Executive Board has set a new target of 15% women for the first management level and 20% women for the second management level below the Executive Board by June 30, 2027. By the end of 2023, we had achieved a share of 10.5% women for the first management level and 19.8% women for the second management level. This has already enabled us to realize some potential, although not yet evenly distributed across all areas of the company. We expect the various initiatives we have launched to have a greater impact in the medium term. The development center plays a role in the personal assessment portion of the process for tapping employee potential. In 2023, 35.8% of the center's positions, i.e. just over one-third, were held by women, which makes us confident that we will be able to further increase the proportion of women in management in the future.

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WOMEN OF THE YEAR: COO DR. SILKE MAURER

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→ [To the Beyond Gender Agenda campaign](#)

The external diversity network Beyond Gender Agenda recognized 101 outstanding women from the German economy as Women of the Year in 2024—and one of them is an MTU Executive Board member. This is a strong signal for women in leadership and underlines the importance of diversity for companies.

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With the appointment of Dr. Silke Maurer as Chief Operating Officer as of February 1, 2023, one of the four members of the Executive Board is a woman. The Supervisory Board has two female members on the employee side and three on the shareholder side. This means the proportion of women on the Supervisory Board increased to 41.7% in 2023. [More information available in MTU's corporate governance report for 2023 \(p. 130\)](#)

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**Proportion of women**

GRI 2-7, 405-1

	2023	2022	2021
Workforce	16.7%	16.4%	15.6%
Managers	15.5%	12.9%	11.8%
Apprentices	16.0%	15.8%	14.9%
New hires	20.1%	21.7%	20.5%

Share of women in the workforce and in management positions as a proportion of the active workforce for trainees/apprentices, relating to total workforce; recorded at the end of each year; we do not have figures on the proportion of women by employee group. The proportion of women among new hires by region is shown in the [Notes](#).

When it comes to the proportion of women in the workforce, we see an ongoing upswing over recent years. The current share is 16.7%. We succeeded in increasing the Group-wide proportion of women across all management levels to 15.5% by the end of 2023. We actively consider diversity, equity, and inclusion when filling positions and selecting new employees. Women made up 20.1% of new hires across all hierarchical levels, which is higher than the current proportion of women in the company. Of the employees completing an apprenticeship at MTU, 16% were women.

The Executive Board is kept regularly informed about the measures that have been initiated to promote equality of opportunity as well as gender diversity. In addition, it presents a report on equality at the works meeting at the German sites once a year. In Germany, the works council is involved in decisions subject to co-determination, such as flexible working time rules.

The principal focus of our initiatives is to secure more female employees for the company, identify and promote female talent, and offer female employees greater support throughout their careers. To this end, we participate in mentoring programs, such as the cross-mentoring programs in Munich and Berlin-Brandenburg.



The [Women's Career Index \(FKI\)](#) honors employers who have made a special contribution to diversity and inclusion projects on a national and international level. We are delighted that we have again been selected as one of the top 10 award-winning companies in 2023—even as we recognize that we still have much to do.

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In addition, we are involved in educational initiatives aimed specifically at young female talent. For instance, we are a member of MINTvernetz, a German STEM initiative that strives to inspire more women to pursue qualifications and careers in the fields of science, technology, engineering, and mathematics. Since 2023, MTU has also been a partner organization of the Klischeefrei initiative, which advocates for career and study choices free from gender stereotypes.

### Programs and initiatives (in-house and external)

- Network of Engine Women
- Member of MINTvernetz
- Partner organization to the Klischeefrei Initiative
- Cross-Mentoring Program in Munich and Berlin-Brandenburg
- The MTU “Studienstiftung” foundation for female students in scientific and technical fields
- Girls’ Day
- Niedersachsen Technikum
- Munich Memorandum for Women in Management

## LGBTQ+ community at MTU

As an early signatory to the Charter of Diversity, since 2010 MTU has been committed to creating a working environment that is free from prejudice, one that recognizes and supports people’s diverse potential. We want to be a positive example of diversity and inclusion, to create a culture of impartiality, and to ensure all employees have equality of opportunity in the workplace. This integrative approach includes employees who feel they belong to the LGBTQ+ community (LGBTQ+ stands for lesbian, gay, bisexual, transgender, queer, with the + representing others such as intersexual, pansexual, and asexual as well as allies, i.e. supporters and friends. We also use the term “queer” as a shorthand for this diversity). Any person at MTU around the world should be able to openly declare their sexual orientation or gender identity without experiencing any disadvantages as a result.

Individual talent should be able to unfold within a respectful and appreciative environment with an emphasis on solid performance and personal commitment. We support public initiatives to prevent bullying and discrimination, for instance by participating regularly in Pink Shirt Day in Canada and observing Pride Month to combat homophobia. We also express our appreciation for our employees in inclusive language, which we use in our internal and external corporate communications. We support AeroPride, the queer employee network that creates safe spaces for queer issues within MTU, e.g. via elected persons of trust, and offers opportunities for dialogue and education via Ask Me Anything events.

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## Inclusion of people with disabilities

MTU is committed to diversity in all its dimensions. Our open corporate culture, characterized by appreciation, is based on integration and cohesion. As part of our inclusion efforts as an employer, we recognize the importance of integrating employees with disabilities. At our sites in Germany, we have elected representatives for employees with severe disabilities as well as dedicated inclusion officers who act as points of contact for issues relating to disability. They are committed to issues relating to inclusion and set up important structures to this end. Our sites, and especially new buildings, are designed with accessibility in mind. For deaf colleagues, we offer sign-language interpreters for communication in the work environment. In addition, we view it as a matter of course for us to live up to our social responsibility by explicitly encouraging people with disabilities to apply for a job with us. If requested, we can ask a trusted member of the representative body for employees with severe disabilities to be involved in the application and recruitment process. We plan to expand the scope of our inclusion efforts in the future.

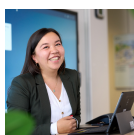
In 2023, the proportion of our employees in Germany with disabilities was 4.6%. We have been able to recruit many new employees for MTU in recent years, but we still see potential to attract even more candidates and thus comply with the statutory quota of 5% employees with severe disabilities.

## Cultural diversity

As a globally active company, we consider internationalization to be a key dimension of DE&I. Our engine business has a global outlook, and having an intercultural workforce helps us to succeed in different markets. We promote internationality and intercultural understanding, e.g. through intercultural training, cross-site dialogue formats, and postings to sites abroad. Secondments to our international sites form an important part of our HR policy for promoting intercultural skills. Apprentices are also given the opportunity to gain international professional experience.

### DIVERSE CULTURAL BACKGROUNDS

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# 88

is the number of nationalities represented by our workforce, their unique cultural backgrounds making our teamwork successful.

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We have strong roots in Germany, but our character draws on a variety of cultural backgrounds: In 2023, our employees represented 88 different nationalities. We take an active stand against xenophobia and discrimination and in favor of diversity and equality of opportunity, for instance as part of the International Day for the Elimination of Racial Discrimination.

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## Cross-generational collaboration

Cross-generational collaboration makes it possible to combine valuable experience and new impetus in a productive way. We believe in good relations between young and old, and we take age diversity into consideration in our company. At our company, four generations work hand in hand—from baby boomers to Gen Z, the youngest generation to enter the job market. We are meeting certain challenges such as knowledge management that are associated with our aging workforce in Germany and the fact that people are working longer from career entry to retirement. To secure the long-term performance of our employees, we operate a company health management system (→ [Occupational health and safety](#)). Employees in every age group receive equal access to training and development. We offer a variety of career opportunities geared toward younger generations: apprenticeships, dual work-study programs, trainee programs, and development programs for high-potential employees (→ [Employee development](#)). The interests and needs of young employees in particular are also represented by an elected youth and apprenticeship council. New recruits and young talent can exchange information via the informal in-house “Young Professionals” network.

### Age groups

GRI 405-1

	2023	2022	2021
< 30 years	17.5%	17.3%	16.2%
30 - 50 years	57.1%	55.8%	55.1%
> 50 years	25.4%	26.9%	28.6%

Measured in terms of active workforce, at year-end in each case; for composition of workforce sizes, see the [GRI Index](#)

GRI: 2-7, 3-3, 401-1, 405-1