



# Corporate Social Responsibility and ESG report

2022 COP Report for RTX Group

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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.

Letter from the CEO

# Acting for the Future

At RTX, we strive to act responsibly in all we do, and by doing so we want to contribute to a sustainable future for our society. We base our approach on our commitment to the ten principles of the UN Global Compact, the UN's 17 Sustainable Development Goals and assessment of where and how we can make the largest difference.



Peter Røpke  
President & CEO

RTX develops and delivers wireless communication solutions that help people perform at their best. In addition to the direct benefits of wireless interconnectivity, such solutions can contribute to a sustainable global development by reducing the need for travel and the need for physical infrastructure such as cables etc. But we recognize that our impact on people, environment and communities across the globe is broader than the direct impact of our wireless solutions. We therefore constantly strive for reducing any potential harm, while at the same time maximizing the benefits for our stakeholders.

We always prioritize to adhere to our stated values and policies and to act responsibly - in terms of our

environmental footprint, supporting the wellbeing of our employees, promoting human rights and ethical behavior. We believe that RTX's CSR and ESG focus areas and activities will benefit all our stakeholders, strengthen our attractiveness as an employer as well as be a part of paving the way for a better future for the global community.

We work with the UN's 17 Sustainable Development Goals (SDG) with a focus on the goals most relevant for RTX. We are committed to the ten principles of the UN Global Compact which we adopted in 2014 and we expect the same from our partners and through our Code of Conduct require them to work with the principles of the UN Global Compact. Our Code of Conduct for suppliers and our work with our suppliers are essential for our sustainability efforts. Internally, our ISO 9001 certified management system, our standardized product development process and our central Quality and Compliance function are important for managing various CSR requirements including product safety compliance (REACH, RoHS and other regulations) and the sustainability of our products.

During 2021/22, we have taken a variety of actions to continue to advance our sustainability agenda. We have decreased our electricity consumption and have focussed on LED lighting, motion sensors and innovative lighting to reduce the consumption. We have continued our work on making our packaging more sustainable. We are preparing for the EU's new/updated Ecodesign directive, which will enter into force in

the coming years, to advance the work with ensuring increased environmental friendliness and circularity of products. We increased the female share of board members elected by the annual general meeting to 33% and thus met our target for the representation of the under-represented gender on our Board of Directors. We have now set a new and more ambitious target. Regarding corporate governance, we adopted an updated tax policy and a new data ethics policy.

We have also increased focus on the wellbeing and development of our employees. We have instituted an all staff full-day seminar and interactive workshop on the RTX purpose and strategy, the way we work with customers, suppliers and product development and with a special focus on the cooperation across RTX. The social activities for our staff has also been ramped up in 2021/22 after the pandemic.

I believe that the personal engagement of myself and my team is key to ensure a sustainable future and to further increase RTX's responsibility aspirations. Through our focus on sustainability issues which are most material to RTX, we aim to support the proliferation of the principles in the UN Global Compact. It is my hope that this CSR and ESG report will introduce our approach to act responsibly when we conduct our business and how this approach is manifested into our specific sustainability actions.

# CSR and Sustainability at RTX

- ④ Introduction
- ④ Our purpose and values
- ④ Our business model
- ④ Our CSR and sustainability approach
- ④ Our stakeholders and materiality assessment
- ④ UN Sustainable Development Goals
- ④ Legislation and standards for CSR reporting



# 1. CSR and Sustainability at RTX

Our sustainability approach builds on the values and business model of RTX supplemented by our policies for CSR and our assessment of materiality of various CSR issues. Behind it all is our aim to always act responsibly and to help build a better future.

## 1.1 Introduction

Corporate social responsibility (CSR) is an integral part of the way we work at RTX. We have aligned our business priorities and values with the ten principles of the United Nations Global Compact (UNGC). Since 2016, we have reported on CSR by way of a Communication of Progress (COP), and we report in compliance with sections 99a, 99b and 107 of the Danish Financial Statements Act, this CSR and ESG report is for the financial year 2021/22 and covers the RTX Group companies in Denmark, Hong Kong and the United States. Unless otherwise explicitly stated, the reported information reflects CSR practice at RTX group level.

## 1.2 Our purpose and values

At the core of RTX, are our purpose, mission, vision and values which act as guides for our actions and aim to create a joint external and internal understanding

of what RTX fundamentally is and does. Wireless communication is an integral part of all our lives. It seamlessly helps us connect and communicate – in our work as well as in our spare time. RTX's purpose is to help people perform at their best by providing our customers with the best possible wireless communications solutions. We do so through long-term partnerships with our customers aiming at strengthening our customers positioning in their markets.

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

### Our Purpose

Helping people  
perform at their best



### Our Mission

To help our customers make  
a difference in their markets



The core  
of RTX



### Our Vision

To be the preferred partner  
for wireless technology solutions



### Our Values

**Commitment:**  
to build long-lasting relationships

**Ingenuity:**  
to create the best solution for each customer

**Openness:**  
to build trust and act with efficiency

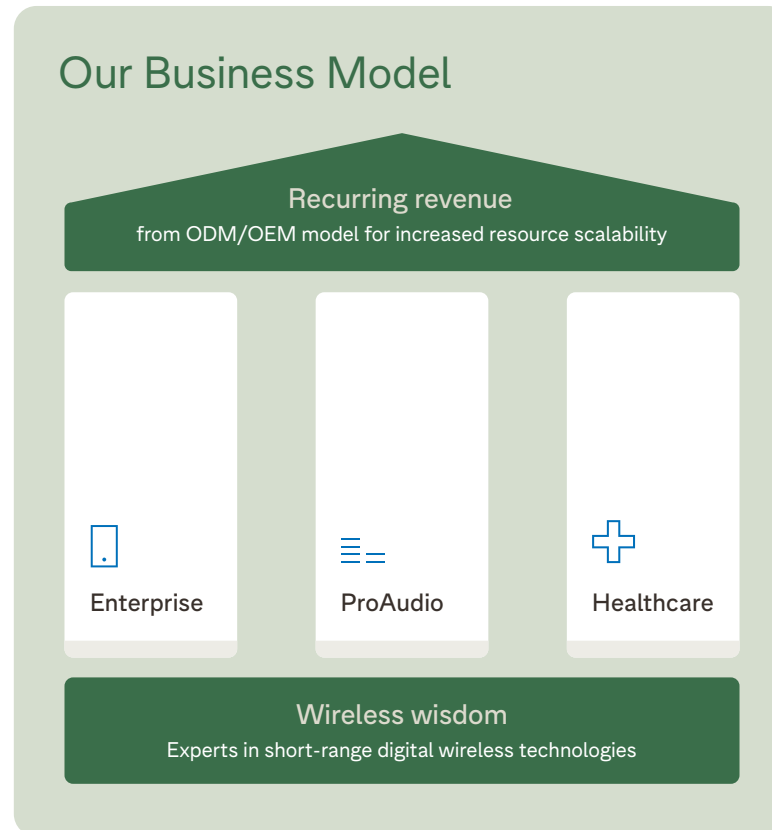
### 1.3 Our business model

In line with our vision, the RTX business model and value chain is based on RTX as the preferred partner for the design, development and production of wireless communication solutions. For our B2B target market segments in Enterprise, ProAudio and Healthcare, RTX conducts development projects either targeted to individual customers within different market segments or development projects funded by RTX. These development projects typically result in subsequent deliveries of ODM/OEM products or customized modules to customers – with RTX outsourcing physical production to suppliers (EMS). This business model is now uniform across all the Group's target segments.

The business model builds on our unique core capabilities within short-range digital wireless and audio technologies by deploying these in attractive B2B markets thereby securing recurring revenue via ODM/OEM offerings. To ensure that RTX can unfold our business model, we therefore rely on the specialized skills of our employees.

To maintain our position as a preferred supplier of specialized wireless products and solutions within the Enterprise, ProAudio and Healthcare B2B markets, it is essential that RTX's employees have a broad insight into the engineering disciplines required to carry out complex technology development projects from the design and planning phase to delivery of wireless communication services and products. The structure of the organization enables prompt integration of additionally skilled employees. With our locations near

Aalborg University in Denmark and in the industry environments in Hong Kong and the US, RTX has access to an international pool of resources in terms of e.g. development, logistics and quality assurance.



## How We Work



### Specification and Design

Turning user needs and customer requirements into solutions



### Development and Integration

From software and hardware into fully integrated products



### Testing and Certification

Ensuring and validating performance



### Production and Supply Chain Management

Delivery throughout the entire product life-cycle via certified manufacturers

## 1.4 Our CSR and sustainability approach

Guiding our approach to CSR and sustainability is the belief RTX, as a business, influences and impacts people, environments and communities around the globe, and that we have a responsibility for reducing any potential harm while maximizing benefits for our stakeholders. The starting points for our CSR approach and efforts are our commitment to the UN Global Compact – of which we have been a member since 2014 – to the UN Sustainable Development Goals most relevant for RTX as well as to an assessment of which CSR issues and risks are most material to RTX and to our stakeholders.

Materiality is a key underlying principle of legislation and standards within the CSR and sustainability field. Since 2017/18, we have based our proactive management of CSR issues on assessments of the materiality of CSR issues for RTX's stakeholders and for our business. We periodically revisit the materiality assessment and have also since added CSR / ESG reporting on selected KPIs as well as worked on defining and living our purpose. The assessment of materiality for RTX and our stakeholders forms the basis for defining our policies, actions and risk management for CSR and for selecting our UN SDG focus areas. Our materiality assessment can be found in section 1.5 of this report.

### Policies for CSR

As mentioned, RTX is committed to the ten principles of the Global Compact and to implementing the principles in our business – as is also summarized in the Global Compact Principle Index in the appendix to

this report. As displayed in the index, the principles are categorized into the areas: human rights, labor, environment and anti-corruption. These areas are similar to the ones companies are required to report under section 99a of the Danish Financial Statements Act, specifically concerning their policies on these areas and the action taken.

Our approach to CSR is integrated into how we do business and is described in our policies and guidelines including our staff policy, our supplier code of conduct, our remuneration policy, our whistleblower reporting program, our tax policy etc. Herein, RTX has defined policies for human rights, environment and labor. These areas are considered highly material to our business and stakeholders as reflected in the materiality matrix in section 1.5. At present, RTX has no defined policies for anti-corruption as this area is not considered highly material to our business and stakeholders. Should this area become highly material to RTX, we will define specific policies for it. Nonetheless, RTX is taking action on all four areas in the Global Compact as listed the Global Compact cross-referencing index in the appendix to this COP – including a whistleblower reporting program which can help in counteracting potential corruption or bribery issues.

### Policy action and due diligence for CSR

RTX has taken and continues to take action not only on our policies, but on all of the areas in section 99a of the Danish Financial Statement Act and on all the ten principles of the Global Compact. However, as not all CSR issues are equally material to RTX's stakeholders

## 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 nationality, gender, social status and political opinion. 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

"RTX supports a precautionary approach to environmental challenges and initiatives to promote greater environmental responsibility. We commit all business units of the RTX Group to collaborate only with individuals, companies or organizations, which support a precautionary approach to environmental challenges. Furthermore, RTX supports the development and diffusion of environmentally-friendly technologies. RTX Group therefore encourages all business units to engage with customers and other relevant stakeholders who wish to develop or apply such technologies."

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.

and our business, we do not apply due diligence to the same extent on every CSR issue.

In sections 2 to 5 we describe the actions and due diligence approach taken on the CSR risks and issues most important to RTX, and in the appendix to this report, we connect these to the ten Global Compact principles in a cross-referencing index. In section 1.6, we describe our UN SDG focus areas and in section 6 we report on the results of CSR/ESG activities by reporting on selected KPIs.

**Risk management**

As documented by the materiality matrix in section 1.5 and given RTX’s business model with outsourced production, our supply chain is the central risk to our business from a CSR point of view. Further, product safety has been identified as a highly material CSR issue and risk for RTX. Thus, RTX has established our Code of Conduct for suppliers and other supply chain specific requirements including REACH, RoHS, conflict minerals and further requirements as risk management measures – as further described in sections 2.1 and 3.1. Hence, robust management processes have been set up to ensure compliance by RTX Group and its suppliers, thereby addressing the most common risks associated with supply chain and product safety.

In addition, RTX has management procedures that include maintaining constant awareness of upcoming or potential bans of substances used in our products. Our agile approach allows us to react swiftly to such new requirements and we have zero tolerance towards

suppliers, who do not engage properly with us on this matter. Our central Supply Chain and Quality & Compliance functions are pivotal for this work. The Supply Chain function supervises and engages with suppliers and the Quality & Compliance function monitors new regulatory developments and educates the RTX organization on how to implement these.

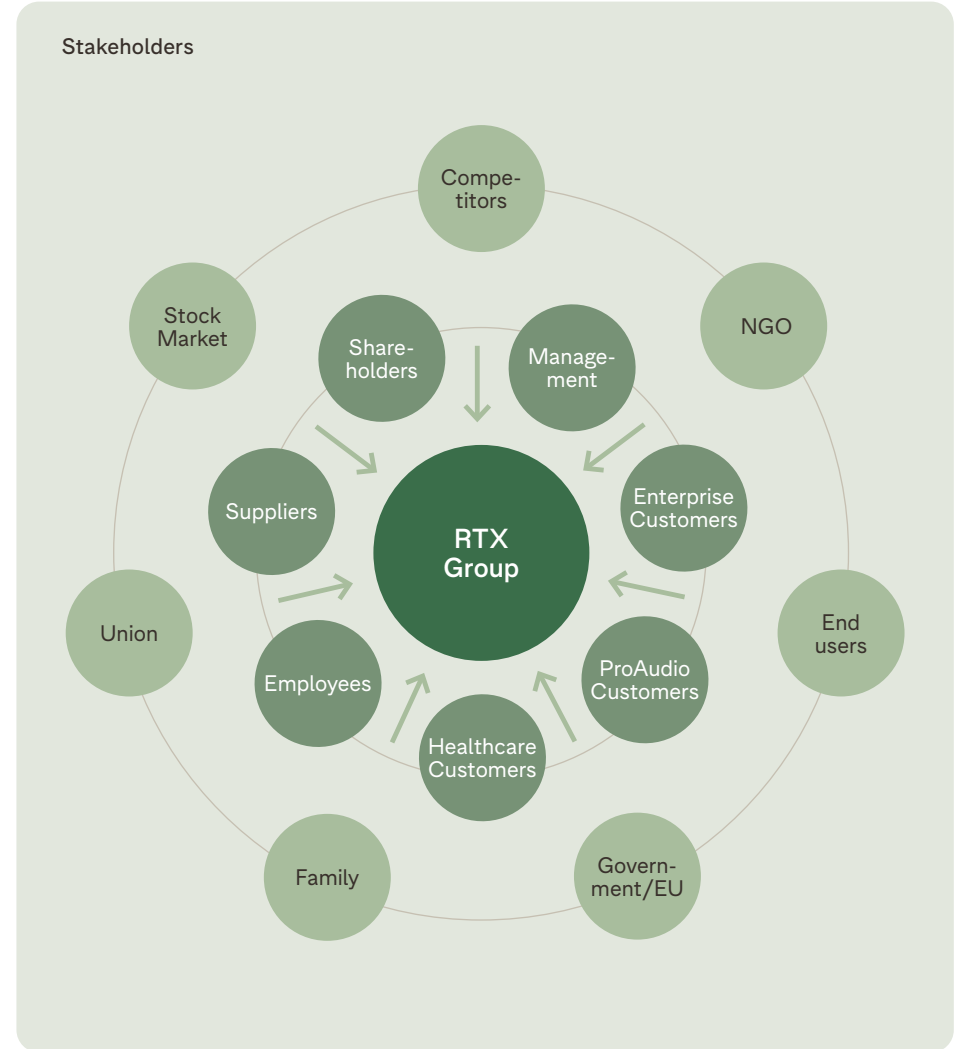
Employee working conditions are also highlighted as a CSR risk and issue, as the employees are the backbone of RTX’s critical core capabilities and thus of the business model. RTX monitors and manages this risk through employee satisfaction surveys and various other KPI measurements.

**Measuring and following-up on CSR performance**

In order to follow-up on our CSR approach and to institute corrective actions and further improvements where needed, we measure and report on certain KPIs related to all ESG areas. Since 2020/21, we have added measurements of our scope 1 and 2 carbon emissions according to the Greenhouse Gas Protocol to the list of KPIs measured and we also report these measurements to CDP (Carbon Disclosure Project). Our CSR and ESG reporting and performance on selected KPIs can be found in section 6 of this report.

**1.5 Our stakeholders and materiality assessment**

RTX is committed to conduct our business responsibly and sustainably, but the continued development of our CSR practice is also driven by our stakeholders





and the expectations they express to us. First and foremost, our customers in all business segments, including Enterprise, ProAudio and Healthcare, drive us in various ways to engage on CSR in general and with extra emphasis on particular issues. Hence, our customers are material to RTX in the sense that their expectations to our CSR practice have a direct impact on our business.

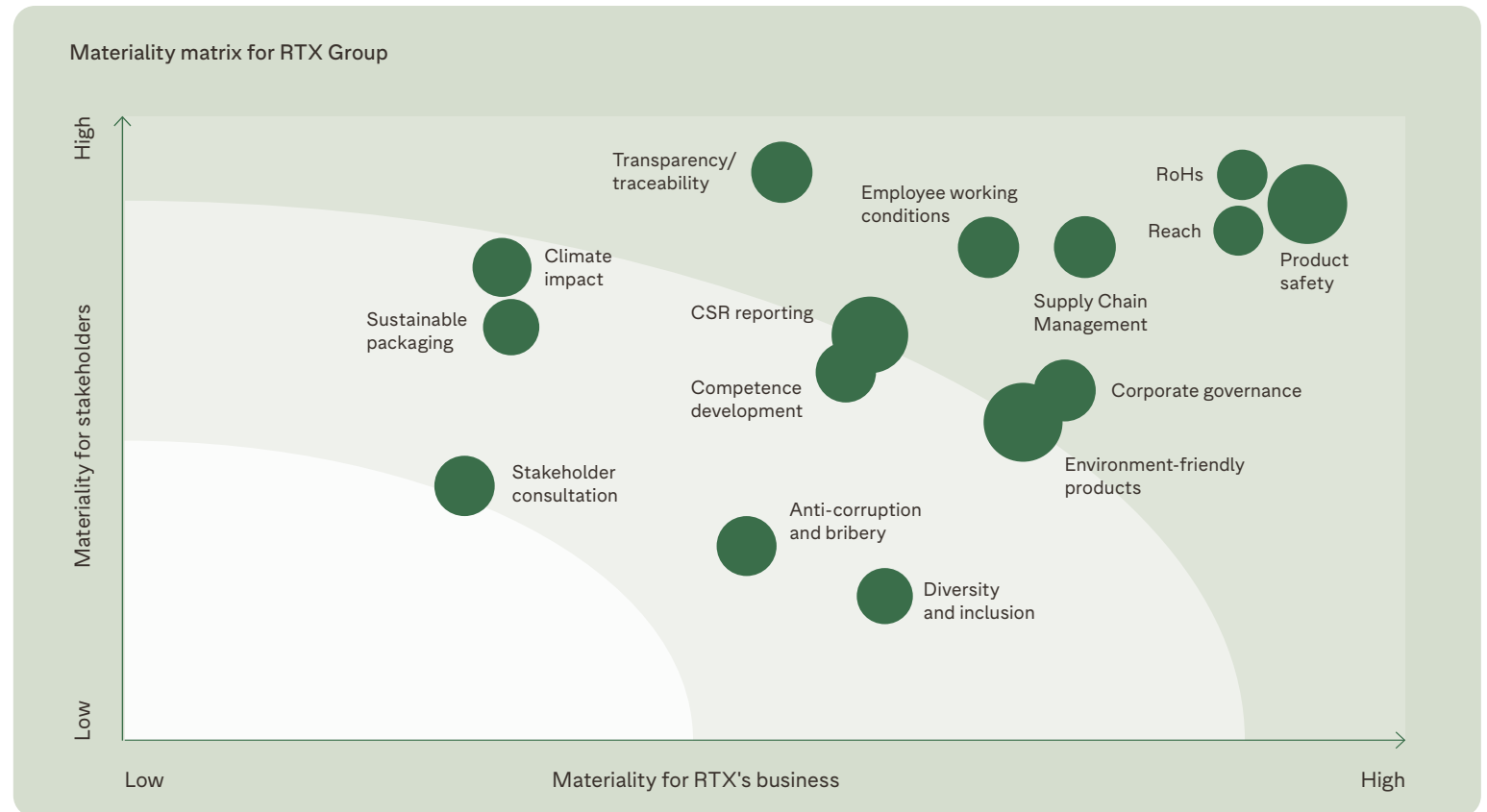
In addition to customers, our material stakeholders include our employees, shareholders and our suppliers. Regulators also play an important role for RTX – for example in terms of regulations on product safety, on wireless spectrums, and on international trade. We do have other stakeholders of importance, but their impact on our business is often more indirect and less tangible and thus not our primary consideration in terms of the materiality assessment.

The outset for the materiality assessment of CSR issues and risks for RTX is the mapping of the expectations of our key stakeholders to our CSR practices in terms of specific CSR issues and risks. The CSR risks and issues identified were then evaluated to assess the impact they have or potentially could have on our business in the near to medium term. This approach facilitates the establishment of the materiality matrix for RTX as depicted here. We update the assessment periodically and add new issues and risks when relevant.

The materiality matrix illustrates the degree of materiality of certain CSR risks and issues to RTX's business and our stakeholders, respectively, and thus the CSR

risks related to RTX's business. The larger the dot representing a CSR issue, the more comprehensive it is in terms of sub-issues covered by the CSR issue. The CSR issues placed in the top right part of the matrix have the highest level of materiality to RTX and

are therefore also the issues that will be reported on in more detail in the following sections of this report, while other, less material, CSR issues in the matrix will be reported on in a more compact format.





### 1.6 UN Sustainable Development Goals







The 17 Sustainable Development Goals (SDGs) are at the heart of UN's 2030 agenda for sustainable development. The ambition of RTX is to contribute to promoting and fulfilling this UN agenda. To this end, and building on the materiality matrix above and on RTX's business model, we have assessed which SDGs RTX can influence and promote and thus are the most relevant for RTX. It is the guiding principle of RTX to support the achievement of these goals, where RTX primarily has a role to play, either by mini-

mizing our negative impact or maximizing our positive contribution.

Based on the assessment, RTX has chosen to focus our CSR and ESG efforts on targets within the UN SDGs nos. 4, 5, 9, 10, 12 and 13. More specifically, RTX has highlighted certain specific targets within the SDGs which RTX through its conduct especially can influence and advance. These UN targets are listed below together with examples of our activities within these targets.

#### UN Sustainable Development Goals and RTX Focus Areas

<p>1 NO POVERTY</p>	<p>2 ZERO HUNGER</p>	<p>3 GOOD HEALTH AND WELL-BEING</p>	<p>4 QUALITY EDUCATION</p>	<p>5 GENDER EQUALITY</p>	<p>6 CLEAN WATER AND SANITATION</p>
<p>7 AFFORDABLE AND CLEAN ENERGY</p>	<p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p>	<p>10 REDUCED INEQUALITIES</p>	<p>11 SUSTAINABLE CITIES AND COMMUNITIES</p>	<p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>
<p>13 CLIMATE ACTION</p>	<p>14 LIFE BELOW WATER</p>	<p>15 LIFE ON LAND</p>	<p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p>	<p>17 PARTNERSHIPS FOR THE GOALS</p>	<p>SUSTAINABLE DEVELOPMENT GOALS</p>

SDG	Target	Examples of activities
	<b>4.4:</b> 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.	At RTX, we believe in the value of education and the continuous development of skills throughout one's life. Specifically, we engage with education institutions in various ways. We participate in specifying the educations of the future as well as adjudicating on the Danish universities, and we are engaged in an industrial Ph.D. programme. This programme which is expected to complete during 2023 has a focus on speech enhancement and intelligibility together with Aalborg University. A new industrial Ph.D. programme is being planned when the current one is completed. As a new initiative in 2021/22 a student project in collaboration with Århus University is now also in progress – the focus here is among others to study how to avoid hearing damage in noisy environments without dampening wanted sound too much.
	<b>5.5:</b> Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.	While this is a challenge for RTX operating in a heavily male-dominated industry, we set objectives for the inclusion of women in the Board of Directors. In 2022, we grew the female share of members of the Board of Directors elected by the annual general meeting from 0% to 33% thereby reaching our target and subsequently setting a new and more ambitious target as described in section 4.2.
	<b>9.1:</b> 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.	Together with our customers – most of which are international leaders in their respective fields – we strive to develop and deliver quality infrastructure for wireless communication in various fields. This includes infrastructure for communication reducing the need for travel, intercom systems making critical communication possible, and equipment making the efficient and safe monitoring of patients in critical care possible. Many of our customers operate globally.
	<b>10.2:</b> 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.	RTX's diversity policy emphasizes that everyone is treated equally irrespective of nationality, gender, social status and political opinion. We have 13 different nationalities employed at RTX (up from 10 last year) and we adhere to the UN Global Compact including labour and human rights. As detailed in section 4.2, RTX A/S has instituted a seniority policy allowing employees aged 60+ to influence the planning of their senior work life to ensure a managed transition to the third age – if so desired by the employee – and thereby to keep them active in the work force for as long as they desire.
	<b>12.2:</b> By 2030, achieve the sustainable management and efficient use of natural resources.	We measure our electricity consumption and strive to reduce consumption per employee. In 2021/22, we reduced our electricity consumption slightly both in absolute and relative (per FTE) terms. During 2022, we have finalized the installing LED lighting and have installed further with motion sensors and other ways to minimize less needed lighting at our HQ in Denmark. Refer also to section 2.2.
	<b>13.1:</b> Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.	RTX measures our greenhouse gas emissions according to scope 1 and 2 in the Greenhouse Gas Protocol and we report our carbon footprint to the Carbon Disclosure Project (CDP). We also work with several of our customers on the mutual carbon footprint. While we have reduced our electricity and heating consumption in the year, our scope 1 and 2 emissions (location-based) have increased slightly due to worse emission factors for providers of electricity and heating compared to last year. Refer also to section 2.2.

## 1.7 Legislation and standards for CSR reporting

### The Danish Financial Statements Act

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 CSR and ESG report for 2021 is aligned with the requirements of section 99a while also serving as our COP report for 2021. Further, the report includes reporting in compliance with sections 99b and 107d of the Danish Financial Statement Act regarding the underrepresented gender and diversity (refer to section 4.2).

One of the central requirements of section 99a is the comply or explain principle. Hence, if RTX does not have a policy for one of the four main CSR areas addressed in section 99a, for example, we would be required to explain why not. Having a policy for a particular CSR area most often means that it has some level of materiality to the company. Therefore, choosing to conduct a materiality analysis is both a good way of determining the policy need and conversely to explain why a specific policy is not needed.

Another element of section 99a is the requirement to report on any due diligence processes implemented to follow up and take action on particular CSR issues. RTX has due diligence processes in place for CSR issues, and they are reflected throughout this COP. Sec-

tion 99a offers different format options for reporting and as a Global Compact signatory, RTX has chosen to continue its COP reporting to the Global Compact standard applicable for 2022.

### The Global Compact standard and COP reporting

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 and as such, there is for 2022 no official requirement to the format for the reporting on this progress. A commonly used approach, however, is to report an index, which connects the principles with relevant sections in the report, as we have done in the appendix to this COP. For 2023, a new approach for reporting Communication on Progress under the Global Compact will be implemented.

Furthermore, we have continued our work on assessing the SDG’s most material to RTX building on the materiality analysis prepared for this COP to provide an assessment of the SDGs material to RTX. This assessment is included in section 1.6 in this report, which contains the information needed to report on the SDGs when submitting the COP.



# A Sustainable Future

🕒 Safe and sustainable products   🕒 Use of resources and climate impact



## 2. A Sustainable Future

The safety and environmental soundness of the products delivered are significant focus areas for RTX as is the management of environmental resources used in RTX's activities.

### 2.1 Safe and sustainable products

#### Product safety

Product safety is of key importance to RTX in general and in all our business areas as well as to our stakeholders. The term product safety here encompasses both environmental and technological aspects of products as described below.

REACH, RoHS and WEEE are abbreviations for EU directives, which regulate environmentally safe and sound production and handling of electronic equipment. Today, the overriding and paramount requirement of our customers is that RTX is compliant with these directives. This expectation is formalized as a requirement in most of our contracts with customers, which typically also requires RTX to ensure compliance by our suppliers, which are the de facto manufacturers of the products sold by RTX to our Enterprise, ProAudio and Healthcare customers. RTX's central Supply Chain and Quality & Compliance functions are

essential for managing these requirements and document compliance. Our EMS suppliers are obligated contractually and/or via annual or bi-annual declarations to ensure compliance with the requirements.

In addition to compliance with the directives, 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 a health aspect of product safety.

#### Traceability and conflict materials

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 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.

Moreover, RTX maintains – through our supply chain – traceability on key components and materials which facilitates remedial actions should issues regarding product safety, environment or conflict minerals occur.

### Environmentally friendly products

Circularity and longevity considerations when designing products and deciding components are of growing importance. Many of the products and services provided by RTX include environmentally friendly features beyond compliance with the environmental aspects of product safety. During 2022, we have continued to make energy usage an important consideration when deciding on the use of electronics components (such as semiconductors).

RTX operates as an ODM/OEM supplier which means that the products we design are designed in close

cooperation with and under certain specifications from our customers. Therefore, the design of environmentally friendly products must be done in agreement with our customers, and RTX cannot act unilaterally in product design. RTX is working on integrating environmental product aspects into both our development practices and into our continuous customer dialogue.

Looking ahead, the EU's new/updated Ecodesign directive will enter into force in the coming years and will further accelerate the work with ensuring increased environmental friendliness and circularity, through e.g. substance reporting and management, reparability, spare parts availability etc.

### Sustainable packaging

All products from RTX are packaged in brown boxes from recycled cardboard, which has not been exposed to chlorine or other chemical substances. We strive for the most compact packaging possible, with a minimum of surplus space, allowing for smaller packages and more efficient packaging in transport. This reduces transport costs per unit and results in a more environmentally friendly delivered product with less CO<sub>2</sub> emitted per unit. During 2021/22 we have optimized this for one of our high-runner products thereby transporting 7% more of the product on the same pallet improving the transportation carbon footprint of the product.

We have further identified ways to substitute plastic bags used inside the recycled cardboard boxes



We strive for the most compact packaging possible, with a minimum of surplus space. We have further identified ways to substitute plastic bags used inside the recycled cardboard boxes and continue to implement these substitutes in new products.

and continue to implement these substitutes in new products – during 2021/22, we implemented this in five new product variants. Sustainable packaging is an area where we expect increased customer interest, and we work with our customers to find new and improved packaging solutions.

## 2.2 Use of resources and climate impact

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. This is an aspiration we share with our customers and many of our other stakeholders. To support the ambition, we conducted measurement of RTX's emissions according to scope 1 and 2 of the Greenhouse Gas Protocol to serve as a baseline for measurements and actions regarding our carbon footprint going forward. We report the emission measurement to the Carbon Disclosure Project (CDP). The measurement and reporting of our CO<sub>2</sub> emissions supplements the measurement of our electricity consumption which we have reported and followed-up on for several years.

### Electricity consumption

Although the direct stand-alone impact of RTX's in-house electricity consumption is limited due to production being outsourced, we do consider it a measure that helps to direct the awareness of the organization to sustainable development. As can be seen below,

### Electricity Consumption

	2021/22	2020/21	% change
Electricity consumption (MWh)	707	723	-2.2%
Consumption per employee	2.51	2.53	-0.8%

our electricity consumption at RTX sites in 2021/22 decreased slightly both in relative (per employee) terms and absolute terms compared to last year. This decrease came despite an increased presence at offices and less working from home compared to 2020/21 where the COVID-19 pandemic had a larger impact. Increased awareness and energy efficient solutions, including LED lights, motion sensors and reduced lighting in certain areas in 2021/22, aids the improvement.

### Carbon emissions

We began measuring RTX greenhouse gas emissions last year as a baseline for our future measurements and actions in managing and reducing our carbon footprint. We report our emission data to the Carbon Disclosure Project. At present, we focus on measuring our scope 1 and 2 emissions according to the Greenhouse Gas Protocol (GHG). Medium-term we will also initiate measurement of scope 3 emissions together with our supply chain.



The electricity consumption of RTX decreased slightly in 2021/22 both in absolute and relative terms.

The scope 1 emissions of RTX only consists of company cars owned and leased by RTX as we do not directly use fossil fuels in a production, heating or any other capacity. We include both owned and leased vehicles in scope 1 emissions as we consider the choice of financing irrelevant for the purposes of calculating direct emissions. RTX owned and leased a total of six vehicles in 2021 (the year of emission measurement) up from five cars in 2020. Four of the six cars are cars granted to employees under the company car scheme. Most of the fuel consumption under the company car

scheme relates to the employee’s private usage of the cars and should therefore, strictly speaking, not be part of the GHG scope emissions of RTX. However, for full transparency, we have chosen to report on the total fuel consumption regardless of whether business or private usage.

Our scope 2 emissions relate to RTX’s electricity usage and heating at our premises in Denmark and Asia. All premises are rented and the electricity and heating agreements are thus part of our landlords’ agree-

### Scopes of Emissions According to the GHG Protocol

**Scope 2**  
Indirect emissions from the generation of purchased electricity, heating and cooling.

**Scope 1**  
Direct emissions, typically from the burning of fuels, from owned or controlled sources (e.g. facilities and vehicles).

**Scope 3**  
Indirect emissions (not included in scope 2) occurring in the downstream and upstream value chain as well as business travel.





ments. The main contributor to our scope 2 emissions is the heating of our premises in Denmark, followed by electricity for our premises.

The scope 1 emissions increased this year compared to last year due to one more company car owned/leased by RTX than last year. The scope 2 emissions (location-based) increased slightly, however, the electricity and heating consumption actually decreased slightly and the reason for the emissions increased were higher emission factors (than last year) for the providers of heating and electricity. The additional company car in 2021 compared to 2020 and the higher emissions factors for providers of heating and electricity cause higher per employee emissions in 2021 despite the lower consumption of electricity and heating.

Scope 2 emissions make up 95% of our scope 1 and 2 emissions in 2021 (2020: 96%). Scope 1 emissions only make up 5% of the total scope 1 and 2 emissions. Our presence in Denmark accounts for 82% of scope 1 and 2 emissions in 2021 (2020: 81%) while our presence in Asia accounts for 18% (2020:19%) of scope 1 and 2 emissions.

#### Scope 1 and 2 Emissions

	Unit	2021	2020
Scope 1 emissions	CO <sub>2</sub> e tons	26.8	22.9
Scope 2 emissions (location-based)	CO <sub>2</sub> e tons	523.8	519.6
Scope 2 emissions (market-based)	CO <sub>2</sub> e tons	648.4	677.8
Per employee total scope 1 and 2 emissions	CO <sub>2</sub> e tons per average FTE	1.93	1.84

# Supply chain management

🔗 Supplier code of conduct   🔗 Suppliers' (EMS') CSR activities and reporting



# 3. Supply chain management

The suppliers of RTX are of key importance for our handling of CSR issues and risks given the RTX business model with outsourced production.

## 3.1 Supplier code of conduct

With production outsourced to EMSs, a large part of RTX's CSR footprint occurs via our suppliers, and therefore supply chain management is of high importance for handling CSR issues and risks.

High quality products and services is an RTX hallmark and with manufacturing outsourced, our robust supply chain management practice is vital to meeting our customers' high expectations to quality as well as to CSR issues. Processes concerning the REACH, RoHS and WEEE directives are already an integral part of our core supply chain management, which includes processes for obtaining and validating the information requested from suppliers.

RTX has staff at hand very frequently, if not daily, at major EMS providers and other key suppliers. COVID-19 permitting, RTX also performs site visits



Our expectations to suppliers are reflected in the RTX Supplier Code of Conduct which is based on the principles of the UN Global Compact.

at its EMS providers' production plants and conducts scheduled audits, sometimes together with customers. Such visits are also used to monitor any non-compliance with RTX's Code of Conduct with respect to Human Rights, Labour, Environment and Anti-Corruption and the suppliers' CSR practices thus is an important part of assessing and selecting EMS providers.

RTX's expectations to suppliers on the broader range of CSR 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 with suppliers selected require them to adhere to the Code of Conduct with respect to Human Rights, Labour, Environment and Anti-Corruption and in accordance with RTX's applicable policies in these areas.

## 3.2 Suppliers' (EMS') CSR activities and reporting

The largest suppliers utilized by RTX have their own CSR programs, are signatories to the UN Global Compact and prepare CSR and ESG reporting.

One of the two largest suppliers to RTX is a global EMS who prepares an extensive annual corporate-wide sustainability report. This report highlights the supplier's CSR and ESG focus areas and actions which are based on a materiality assessment and

which are aligned with the principles of the UN Global Compact and the UN Sustainable Development Goals. The focus areas within environmental sustainability (emissions, waste and water), employees (health & safety, diversity and labor practices), communities (volunteering), and governance/integrity.

The latest sustainability report of this supplier includes a significant number of KPIs. The report showed, compared to last year, a decrease in scope 1 and 2 GHG emissions relative to activity (however, absolute scope 1 and 2 emissions increased), an improvement in the relative number of health and safety incidents, average hours of training per employee increased as did the participation in company's community outreach and volunteering activities. The gender diversity at management level was largely unchanged while the share of renewable energy used decreased. The share of new suppliers screened on social and environmental criteria remained at 100%.

In the latest CSR reporting from the other of our two largest suppliers, the sustainability related focus areas are defined as: a) employees, b) environmental impact of production and c) supply chain. The report includes performance on certain defined KPIs. The number of workplace-related injuries is low but increased slightly from the previous year. The employee absence due to illness is largely unchanged on a group-wide basis with an improvement in Asia and a worsening across sites in Europe. The power consumption increased significantly in absolute terms due to significantly higher activity level and therefore decreased relative to the activity level. Also, the proportion of waste recycled increased over last year.

# Our People

🕒 Working conditions and competence development   🕒 Diversity and inclusion





## 4. Our People

For RTX, our employees are essential and their working conditions and competence development are important focus areas. Also, RTX has defined policies and actions to ensure diversity and sets targets for the underrepresented gender at management level.

### 4.1 Working conditions and competence development

As a fundamentally knowledge-based company, our employees are essential to our performance and to the development of the innovative products and services that enable us to uphold and expand our market share. Therefore, it is important to RTX that our employees thrive and that their working conditions support this ambition.

A further important foundation for RTX's business is the ability to master various short-range digital wireless technologies – our Wireless Wisdom – as well as audio technologies. Therefore, RTX supports and encourages continuous professional development. We engage in various research projects and partnerships with academia both on Ph.D. and master level. During the year, we have offered several lectures and presentations on a variety of subjects relevant for development of wireless solutions. Further, we have run

a management skills training program for our project managers and R&D team leads. Our annual employee development dialogue between the individual employee and hers or his manager is the basis for the identification and prioritization of individual competence development.

RTX relies on three primary sources of information to facilitate the continuous improvement of the working conditions for our employees. One is RTX's annual employee satisfaction survey covering all group employees. Another is the statutory workplace assessment for employees based in Denmark. Finally, RTX monitors certain further employee-related KPIs regarding absence and retention.

#### Employee satisfaction

The annual satisfaction survey conducted in 2021/22 confirmed the results from prior years. RTX employees are highly motivated and committed, and the satisfac-

tion ratings are generally at a high level. RTX employees generally are appreciative of their colleagues and the team spirit, the challenges their work offers, the working conditions in general and with the ability to flex their working schedule and the dining opportunities provided by RTX. The employees are less appreciative of the challenges that certain product development tasks and projects entail in terms of structuring work. Over recent years, RTX has initiated and is implementing a general training program for managers and a specific training program for project managers and R&D team leads among other things to address these issues.

Individual departments follow up on the employee satisfaction survey, which is conducted anonymously, by using it as a basis for a discussion regarding employee satisfaction and specific improvement areas.

During 2021/22, all RTX employees from all regions were invited to participate in a full-day seminar and interactive workshop on the RTX purpose and strategy, the way we work with customers, suppliers and product development and with a special focus on the cooperation across RTX. We also have an active staff club with many staff events, outings and gatherings with a social focus.

**Workplace assessment**

RTX conducts a workplace assessment (APV) at HQ in Denmark every three years. Compared to the employee satisfaction survey, the workplace assessment targets specific aspects of our employees’ physical and mental work environment. The most recent assessment was done during 2021.

Overall, the new workplace assessment done in 2021 complements the positive impressions of the employee satisfaction survey with the vast majority of our employees being either very satisfied or satisfied with their physical and mental work environment respectively. However, the details of the workplace assessment also reveal that some employees experience challenges in terms of their surroundings (noise level, indoor climate) or uncertainty regarding the expectations to their work because of changes. The workplace assessment is followed up by an action list and periodic follow-up questionnaires between full assessments are used to monitor developments.

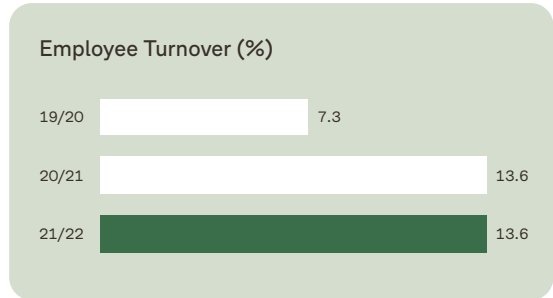
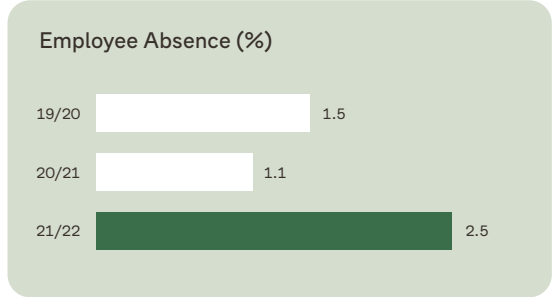
**Employee-related KPIs**

RTX measures and periodically follows up on employee absence and on employee retention. Both measures act as indicators for employee satisfaction. Equally important, performance in these areas is directly linked to RTX’s overall success as it builds on attracting, retaining and developing people with the right skill set not least within our core wireless and audio areas.

The health of our employees is very important to us, as is keeping the number of days of absence to a minimum. The target for the employee absence KPI is <2.5% on Group level. The actual employee absence level for 2020/21 was 2.5% and therefore just met this target. However, after a positive development in recent years the absence rate increased in 2021/22 with increased return to offices after the COVID-19 induced lockdowns and with some absence due to COVID-19.



RTX is fundamentally a knowledge-based company and our knowledge primarily resides with our people.



Employee absence in 2021/22 met the target level, however increased compared to the previous years with increased return to offices.

In continuation of employee absence, our ability to retain the right staff is also highly important to the development and performance of RTX. During 2021/22, our employee turnover (and retention) was at the same level as last year which is a relatively high level for RTX in a historic context. This reflects continued heated job markets, not least for engineers. While there are signs towards the end of 2021/22 that job markets are becoming less heated, RTX also has continued a strengthened focus on the well-being of our people and on the development of the leadership competences throughout the organization.



## 4.2 Diversity and inclusion

RTX has defined policies and actions to ensure diversity and sets targets for the underrepresented gender at management level. This section is the statutory report on gender distribution and diversity 2022 in accordance with sections 99b and 107d of the Danish Financial Statements Act.

### Diversity policy

As stated in RTX's diversity policy: "RTX finds it important that everyone is treated equally irrespective of nationality, gender, social status and political opinion". The policy applies to all parts of the organization including the Board of Directors and Group Executive Management. Based on this policy, RTX is conducting various diversity-related activities, measures gender diversity and sets targets for the gender composition in management.

RTX's staff policy aims to attract and maintain highly qualified and motivated employees. Regarding gender composition in relation to employment and recruitment, RTX strives to have both male and female candidates, despite operating in a male dominated industry. 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.

In our recruitment process RTX therefore encourages qualified female applicants to seek vacancies as they arise. The general split between male and female employees in the Group is 20% female and 80% male and the share of female employees increased by 3 %-points in 2021/22. Regarding nationality, our



The split between female and male employees in the Group as a whole is 20% female and 80% male. The female share increased by 3 %-points in 2021/22.

team of employees is diverse and includes 13 different nationalities. In our Board of Directors one-third of the shareholder-elected board members are female while all members are of Danish background.

#### Objective for the underrepresented gender

Last year, the Board of Directors defined the ambition that the female share of board members elected by the annual general meeting should be at least 17% by 2024. The aim of the adopted ambition is to increase the number of female board members elected by the annual general meeting and thus to increase the diversity in a male dominated industry.

At the Annual General Meeting in 2021/22, two new board members were elected and one board member did not seek re-election. The two new board members recommended by the Board of Directors and subsequently elected are both female and they widen the set of competences on the board. With this election the female share of the board members elected by the annual general meeting is now 33% (two of six) and the objective of at least 17% is now therefore met. The Board of Directors has therefore adopted a new ambition that the female share of board members elected by the annual general meeting should increase and be at least **40% by 2026**.

In order to promote, facilitate and increase the number of women in management level positions at RTX, management has defined an objective to increase the percentage of females at management level as vacancies arise. During 2021/22, an addition within Group

Executive Management was made to prepare for the future retirement of one of the members. Despite the recruiters engaged having been made aware of the importance of presenting strong female candidates, the position as COO had a recruiting base heavily skewed towards males in a technical position in an engineering heavy industry. Therefore, all members of Group Executive Management continue to be male.

#### Activities

RTX strives to focus on increasing the share of women at management level as vacancies arise. Thus, when hiring at managerial level through external recruitment agencies, the agency is explicitly asked to identify and present female candidates. In connection with employment at management level, an elaborate assessment is conducted as to which skills, background and experience is needed to best match the needs of the company and to contribute to the overall skill set and efficiency of management.

During 2021/22, the overall share of women in the RTX employee base increased. We also conducted targeted leadership training programs for project managers and R&D team leads. This group primarily consists of males, however there was also female participation in this training program as we continue to attempt to build an internal pipeline of female candidates for further managerial positions as well as the ambition to cultivate such female candidates.

To promote diversity and inclusion, and to ensure a balanced composition of skills and experience, RTX has



Two female members were elected to the Board of Directors in 2021/22. With this election the female share of the board members elected by the annual general meeting is now 33% and the objective of at least 17% is now met. A new and more ambitious objective has now been set by the Board of Directors.

instituted a seniority policy. Thereby, employees aged 60+ can influence the planning of their senior work life to ensure a managed transition to the third age – if so desired by the employee. This is done in the annual employee development dialogue and can result in, for instance, modified tasks, reduced working hours over time, as agreed between company and employee. Also, RTX has instituted a disability policy to promote inclusion of people with disabilities in the work force.

It is the aim of RTX that the Board of Directors and Group Executive Management reflect diversity, not only regarding gender but also in terms of age, educational background and nationality as well as competences and experience as relevant for the company. In practice, this means that the recruitment for the Board of Directors and Group Executive Management is driven by this objective, and that our policies regarding seniority and disability (and of course gender) also apply to the Board of Directors and Group Executive Management.

#### Follow-up and reporting

To increase awareness regarding diversity (including gender diversity), the Board of Directors discusses reporting on progress against the objectives set at least once annually on a board meeting. This year, the Board of Directors, as mentioned, set a new target for the underrepresented gender in the board after having realized the previous target earlier than targeted. Annually, RTX also publishes our report on diversity through our COP report and submitted in our Annual Report. Further, the annual report details the gender, age and background of individual members of the Board of Directors and the Executive Board.



# Governance and Integrity

🕒 Corporate governance   🕒 Anti-corruption and anti-bribery



## 5. Governance and Integrity

RTX has a well-defined corporate governance and has separate reporting on corporate governance. We also have zero tolerance towards corruption and bribery and have a whistleblower reporting system in place.

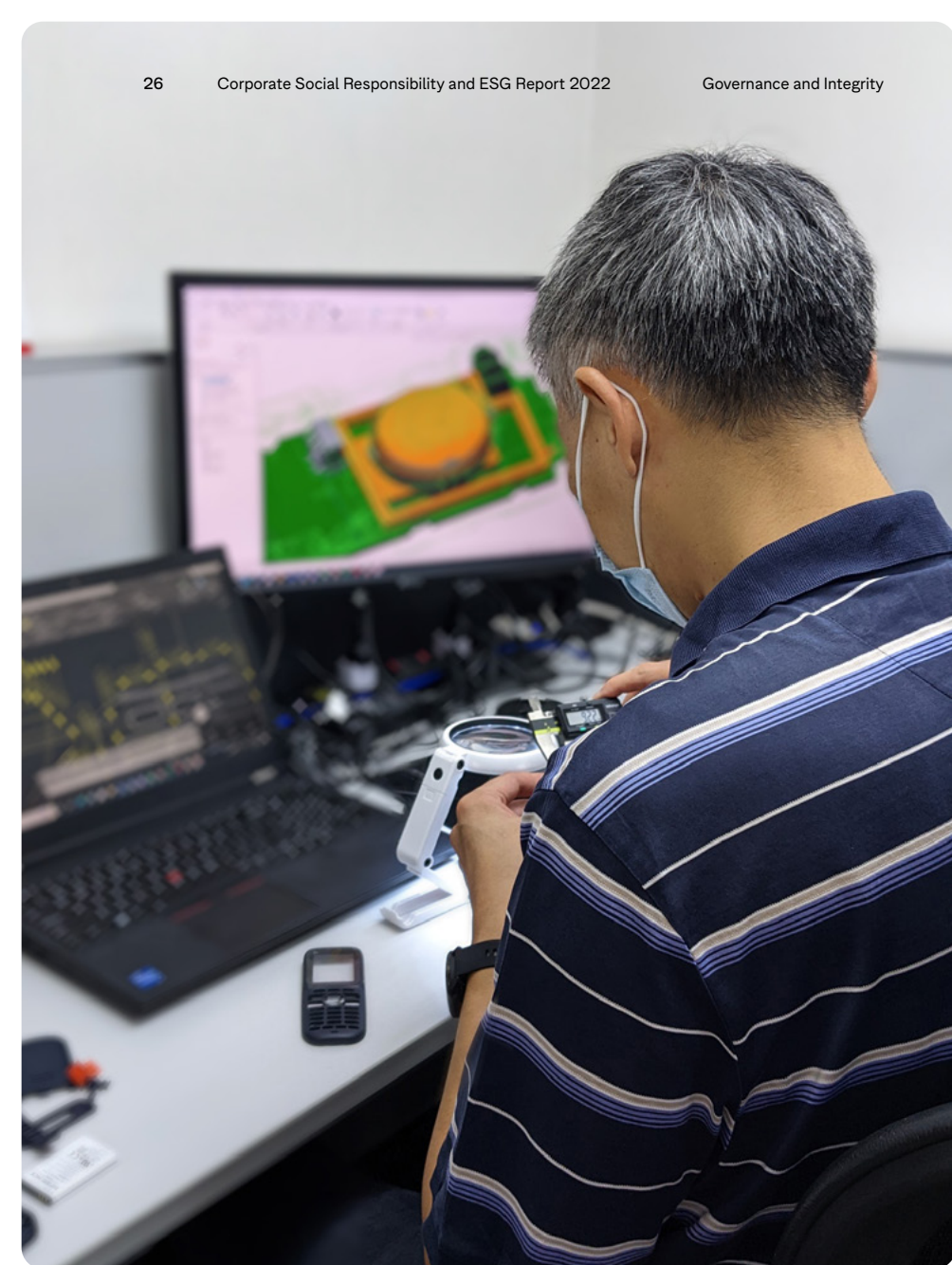
### 5.1 Corporate governance

Through its governance model, RTX aims to ensure an active, transparent and accountable management of the Group. Transparency and constructive stakeholder dialogue are cornerstones of good corporate governance and are vital to any company and is required by all stakeholders, although they might differ in their specific expectations. 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 and are described in the preceding sections in this report.

At the end of the 2021/22 financial year, the RTX Group employed 294 people: 194 in Denmark and 100 outside Europe. We strive in all aspects to manage the company in a professional manner and to be as open and transparent about our management approach as

possible. The Executive Management of RTX regularly invites all employees to internal employee briefings, where an open and constructive dialogue is encouraged and, as mentioned above, we have an annual full-day seminar and interactive workshop with all employees from all regions on the RTX purpose and strategy as well as the cooperation internally and with key stakeholders. We believe that a good working environment and a high level of job satisfaction leads to higher efficiency levels, lower staff turnover, low absenteeism and contributes to the general well-being of the people in our society.

Every four years, RTX A/S employees elect three members to the Board of Directors pursuant to the Danish Companies Act. The current employee representatives were elected to the Board of Directors in January 2019. Employee representatives are elected for four-year terms. The next election of employee representatives to the Board of Directors will therefore take place in 2023. In addition to these board members elected by employees the Board of Directors



at present have six members elected annually for one-year terms by the annual general meeting.

RTX A/S is a publicly listed company and the Executive Board meets quarterly with investors and analysts for a business update and to discuss the financial results of the quarter. Also, the company participates in investor presentations throughout the year and make all presentations publicly available via the company's website.

During 2021/22, our corporate governance practices ensured a swift response to the deplorable Russian

invasion of Ukraine. All business in Russia and Belarus was discontinued immediately after the invasion. Russia and Belarus have in no way been important markets for RTX, accounting for less than 0.1% of revenue over the latest years.

RTX's practices regarding corporate governance are further described in our Annual Report and in a separate Corporate Governance Report both also published on our website. The separate report describes our compliance with the Danish recommendations on good corporate governance. During 2021/22, we updated our tax policy and adopted a new policy on data ethics.



No reports of wrongdoing or other incidents were reported through RTX's whistleblower system in 2021/22.

Corporate governance also concerns the governance of CSR issues, which follows a distributed governance approach with responsibilities anchored at different levels and functions of the organization. The overall responsibility for CSR reporting resides with the Executive Management, which also has the overall responsibility for the working conditions of RTX employees. The ongoing management of specific CSR issues is handled by our Enterprise, ProAudio and Healthcare specialists in sales and R&D as well as by our central Supply Chain and Quality & Compliance functions. On behalf of the Board of Directors, the Audit Committee monitors the CSR approach and reporting of RTX.

## 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 2021/22.



# Data and Reporting

- ① CSR and ESG performance
- ② Future plans and expectations



# 6. Data and Reporting

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

## 6.1 CSR and ESG performance

A central aspect of our corporate governance approach is to define relevant key performance indicators (KPIs) that can help us deliver robust performance and development. The actions and results related to our CSR practice are described in sections 1 to 5, which accounts for our progress on CSR issues material to RTX. In this section, we further illustrate the progress and development by reporting in full on the select set of KPIs used to facilitate our CSR and ESG work.

### Accounting practice - environment

Energy consumption includes electricity consumed at the Group's facilities and the underlying data is extracted from invoices of electricity suppliers as provided either to landlords or directly to the Group.

Scope 1 and scope 2 carbon emissions are measured using the ISO standards 14064 1-3 as well as the GHG Protocol. Scope 1 emissions includes direct emissions

### ESG Reporting Table

KPI	Unit	2021/22	2020/21
<b>Environment data</b>			
Energy consumption (absolute)	MWh	707	723
Energy consumption (relative)	MWh/average FTE	2.51	2.53
Scope 1 carbon emissions (absolute) <sup>(1)</sup>	CO <sub>2</sub> e tons	26.8	22.9
Scope 2 carbon emissions (location-based, absolute) <sup>(1)</sup>	CO <sub>2</sub> e tons	523.8	519.6
Scope 2 carbon emissions (market-based, absolute) <sup>(1)</sup>	CO <sub>2</sub> e tons	648.4	677.9
Scope 1 and 2 carbon emissions (relative) <sup>(1)</sup>	CO <sub>2</sub> e tons/average FTE	1.93	1.84
<b>Social data</b>			
Employee absence ratio	%	2.5	1.1
Employee turnover ratio	%	13.6	13.6
<i>Gender diversity</i>			
Women as share of all employees	%	20	17
Women as share of Group Executive Management	%	0	0
Women as share of Board of Directors (elected by AGM)	%	33	0
<b>Governance data</b>			
Whistleblower reports	no.	0	0
Attendance at ordinary board meetings	%	98	98
Attendance at extraordinary board meetings	%	88	100

<sup>(1)</sup> Measured for 2021 and 2020 respectively

from sourced owned and controlled by the Group as well as leased vehicles controlled by the Group. The Group's scope 1 emissions stem from a total of six owned and leased vehicles and have been calculated based on litres of fuel used and using the emission/conversion factors for greenhouse gas reporting for international organizations for 2021 as published on [www.gov.uk/government/collections/government-conversion-factors-for-company-reporting](http://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting). Scope 2 includes indirect emissions from the use of purchased energy (electricity, heating etc. in own facilities). Scope 2 emissions have been calculated using the emission factors reported by the relevant providers of electricity and heating in the various countries. For practical purposes regarding reporting emissions to the CDP, the scope 1 and 2 emissions are measured for calendar years 2021 and 2020 respectively.

#### Accounting practice - social

Employee absence is based on average absence due to illness from 1 October 2021 to 30 September 2022 for employees in Denmark and Hong Kong (i.e. covering 99% of Group employees). Employee turnover is calculated as the number of staff having left RTX (in Denmark and Hong Kong, i.e. covering 99% of Group employees) relative to the average number of employees as recorded by the Group's HR function. The female shares of the entire workforce, of Group Executive Management and of the Board of Directors are based on registered headcounts at the end of the 2021/22 financial year.

#### Accounting practice - governance

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

send. 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.

## 6.2 Future plans and expectations

In 2022/23, we plan to re-assess the materiality to RTX of CSR issues and intensify the work in areas where we assess we can have the largest impact. RTX will maintain a strong focus on supply chain management, product safety, traceability including conflict minerals and employee working conditions. We will also continue to work on the selected Sustainable Development Goals identified as those most relevant for RTX.

We will prepare for the EU's new/updated Ecodesign directive and further accelerate our work with ensuring increased product and packaging environmental friendliness and circularity. We also plan to strengthen our central "Quality & Compliance" function to ensure compliance with these and others relevant regulations and standards. We will continue to measure our carbon emissions in scope 1 and 2 against the baseline now established and medium term we will also prepare for measuring scope 3 emissions.

As potential longer-term development areas, we continue to envision an updated supplier Code of Conduct as well as introducing a corporate (internal) Code of Conduct supplementing the external (supplier) Code of Conduct.



# Appendix: Global Compact Principle Index

🔗 [UN Global Compact principle index](#)



# Appendix: Global Compact Principle Index

## UN Global Compact principle 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.

Additionally, section 1 and 5 further elaborate how RTX works with the principles in terms of policies, due diligence, risk management, KPIs and future plans.

### United Nations Global Compact ten principles

#### Human rights

##### Principle 1

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

*Refer to section 1.4, and 3.1*

##### Principle 2

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

*Refer to section 1.4 and 3.1*

#### Labour

##### Principle 3

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

*Refer to section 1,4, 3.1 and 4.1*

##### Principle 4

The elimination of all forms of forced and compulsory labor;

*Refer to section 1,4, 3.1 and 4.1*

##### Principle 5

The effective abolition of child labor; and

*Refer to section 1,4, 3.1 and 4.1*

##### Principle 6

The elimination of discrimination in respect of employment and occupation.

*Refer to section 1,4, 1.6, 3.1, 4.1 and 4.2*

#### Environment

##### Principle 7

Businesses should support a precautionary approach to environmental challenges;

*Refer to section 1,4, 1.6, 2.1 and 2.2*

##### Principle 8

Undertake initiatives to promote greater environmental responsibility; and

*Refer to section 1,4, 1.6, 2.1 and 2.2*

##### Principle 9

Encourage the development and diffusion of environmentally friendly technologies.

*Refer to section 1,4, 2.1 and 2.2*

#### Anti-corruption

##### Principle 10

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

*Refer to section 1.4 and 5.2*





Head office

RTX A/S  
Stroemmen 6  
9400 Noerresundby  
Denmark

Phone: +45 9632 2300  
Fax: +45 9632 2310  
VAT no: 17 00 21 47

rtx.dk

Subsidiaries

RTX Hong Kong Ltd.  
8/F Corporation Square  
8 Lam Lok Street  
Kowloon Bay  
Hong Kong

Phone: +852 2487 3718  
Fax: +852 2480 6121

rtx.hk

RTX America, Inc.  
10620 Trenea St, Suite 230  
San Diego  
CA 92131  
USA

Phone: +1 858 935 6152

rtx.dk