

# Environmental Social Governance Report

Schneller

2024

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## Environmental Responsibility

In the face of pressing global challenges such as pollution, resource scarcity, and climate-related risks, Schneller is deeply committed to environmental stewardship across all aspects of our operations. We have adopted a proactive and strategic approach to sustainability, continuously enhancing our environmental initiatives and strengthening oversight throughout our business. We maintain full compliance with federal, state, local, and international environmental regulations, and we actively monitor evolving legal frameworks to anticipate and address potential impacts on our operations.

Our company-wide environmental policy serves as the foundation for managing key sustainability metrics, including energy consumption, greenhouse gas (GHG) emissions, water usage, and waste management. In 2024, we prioritized efforts to reduce both energy use and emissions, guided by our target to cut absolute Scope 1, Scope 2, and Scope 3 emissions by at least 50% by 2031.

Looking ahead to 2025 and beyond, Schneller remains focused on deploying energy-efficient solutions and investing in technologies that align with industrial best practices and economic feasibility. We have already launched energy conservation projects, including LED lighting upgrades, and HVAC system replacements. These initiatives reflect our commitment to continuous improvement and innovation in environmental performance. As we advance aerospace technology, we remain equally dedicated to protecting the planet and contributing to a more sustainable future for the industry and the communities we serve.

## Emissions and Energy Use

Schneller strives to mitigate climate change through increasing energy efficiency in our operations. We continue to work towards our goal of achieving a 50% absolute reduction in Scope 1 and Scope 2 emissions by 2031. Reducing our emissions remains a key priority of Schneller's efficiency initiatives.

Each year, we continue refining our methodology and processes for compiling and calculating our energy and emissions inventories at Schneller.

In FY 2024, we collected and measured our complete GHG inventory of our Scope 1 and Scope 2 emissions to establish a baseline. We continue to make concerted efforts to enhance energy efficiency.

## Efforts to Reduce Energy Use

- Replaced 3 transformer units with one new, more efficient transformer to power the building
- LED lighting
- Motion-sensing lights
- Higher efficiency heating and/or air conditioning units
- Energy-efficient manufacturing equipment
- Programmable thermostats to reduce heating and cooling costs

## Efforts to Reduce and Manage Waste

- Reduce waste through recycling, including recycling metal, paper, cardboard, plastic, ink toner cartridges, fluorescent bulbs, light fixture ballasts, mercury vials, used batteries, and old office equipment
- Elimination of bottled water supplied to employees and setup a touch-free water cooler program in its place
- Implemented system to recycle 55-gallon metal drums
- Solvents used in our manufacturing process are cleaned at a third party and reused
- A Thermal Regenerative Oxidizer captures our processing VOCs (Volatile Organic Compounds) and reduces natural gas usage
- Managing and reducing waste streams, including waste reduction programs and using more environmentally friendly compounds in manufacturing processes
- Dust filtration systems for CNC and other cutting operations to reduce or eliminate dust and particulate matter

## Water Management

Our goal is to be responsible stewards of water and waste from our operations. Our primary water consumption is driven by facility utilities, such as boilers and cooling towers, along with employee-related activities like restroom and kitchen use. In addition, annual water testing is performed by the city.

## Hazardous Materials Improvements

Schneller does not use POPs, including flame retardants such as decabromodiphenyl ether. In addition, Schneller has:

- Reduced the footprint of flammable solvents in production work centers to lower the amount of VOCs.

- Converted from a High Quantity Generator of Hazardous Waste to a Very Small Quantity Generator

## Water Efficiency Projects

Schneller is committed to handling natural resources, like water, by implementing actions that will reduce our water consumption. Specific initiatives include:

- Recirculating water cools our heated products and processes
- Water cistern
- Switching to a closed loop chiller system

Based on our assessment, we have identified limited possibilities for additional significant, economically viable water efficiency improvements. As a result, we have not established specific quantitative or time-bound water conservation targets. However, we remain committed to enhancing our water efficiency and adopting best practices across our operations. We will continue to collect and disclose water consumption data and prioritize accordingly.

## Sustainable Products

Schneller is dedicated to advancing sustainability in aviation by helping customers reduce their carbon footprint by offering innovative solutions. We are developing lightweight interior products that reduce fuel consumption and environmental impact during their use. Through innovative materials and design, the company ensures its solutions meet both performance and eco-conscious standards. This commitment reflects Schneller's broader goal of supporting a greener future for air travel.

### EvoFilm RCC and EvoTrim RCC

Eco-friendly manufacturing and fostering sustainability in our production process is important to us at Schneller. We strive to minimize the environmental impact from use of raw materials and substituting raw materials with more sustainable alternatives.

Our RCC (recycled content) line is the first of many solutions to reduce our environmental impact on aircraft interiors. It also establishes a framework for sustainable end-of-life management approaches and promotes circularity in the industry.

- RCC products contain recycled content using only certified recycled polymer

- Reduces landfill waste by 60,000-120,000 lbs (27,000-54,000 kg) each year
- Recycled polymer is collected and transported to a local facility for mechanical processing
- 100% mechanical recycling process converts recycled polymer into usable format without the use of harmful chemicals
- Our finished product meets or exceeds aviation standards through rigorous quality checks
- Reduces Scope 3 CO<sub>2</sub> emissions by up to 26 tons of CO<sub>2</sub> annually compared to conventional use of virgin materials



**EvoFilm RCC** revolutionizes sustainable aircraft interior construction by incorporating at least 18% locally sourced recycled content into our innovative AerFilm material. Customers can transform their aircraft interiors with EvoFilm, offering unmatched versatility in form, color, and texture while championing environmental responsibility



**EvoTrim RCC** incorporates at least 10% locally sourced recycled content into its construction. Like its predecessor, AerTrim, EvoTrim features a fiberglass reinforced design engineered for high-impact areas. It ensures durable, eco-friendly solutions with unlimited color and texture choices.



## EvoTrim LWT

EvoTrim™ LWT is a breakthrough innovation shaped by market demand and customer insights from Schneller’s 2024 Next in Sustainability workshop. Designed to push the boundaries of lightweight construction, emissions reduction, and material innovation, EvoTrim LWT redefines what’s possible in aircraft interiors – all while maintaining the same durability, performance, and design versatility as its predecessor.

### Key Features

- 30% lighter than predecessor
- Reducing aircraft weight means less fuel consumption and lower CO<sub>2</sub> output
- Replacing fiberglass reinforcement layer with a polymer paves the way for product recyclability

## Long-Lasting Products

Schneller is committed to providing durable, long-lasting products to reduce the amount of material used over an aircraft’s lifetime. Key product properties include:

- Cleanable: Our products are inherently stain-resistant and can often be cleaned easily with mild soap and water. Solvents can remove more severe stains without fading or streaking, meaning airlines can use our products longer without replacing them
- Removable: Our decorative laminates can be removed from composite panels when they need to be replaced at the end of their lifespan
- Durable: Schneller’s products are built to withstand day-to-day wear and tear
- Maintainable and repairable: In addition to the aspects above, our products can be repaired if they are damaged significantly. This can save airlines from having to remove and replace entire panels within an aircraft.

## Product End-Of-Life

We commit to helping our customers collect and recycle or reuse their waste after processing.



As part of our sustainability program, Schneller is pleased to announce we have partnered with Aircraft Interior Recycling Association (AIRA) to provide information essential to finding more sustainable uses for our products.

As the aviation industry continues to pursue the development of recyclable materials, it is imperative that we find more environmentally friendly methods of disposing of existing aircraft interior materials. We partnered with AIRA to calculate Waste to Energy (WtE) or Energy from Waste (EfW) calculations for a range of Schneller products.

This information is also available on our website as we work with external partners for more sustainable disposal methods of excess material during our customers' production process.



## Product Safety

Schneller is proud to commit to releasing products that are safe for our customers. We continue to have zero customer safety incidents related to our products, and supply safety data sheets to customers upon request.

## Sustainable Packaging

Schneller uses 100% recyclable packaging materials for all products.

## Other sustainability initiatives

At Schneller, we strive to reduce other air emissions, including noise, odor, light, road congestion, and traffic. We work closely with local government and EPA officials to reduce the impact of alternative air emissions.

## Commitment to Health, Safety, and Quality

Delivering safe, high-quality products starts with a strong commitment to the health and safety of the people who design, engineer, and produce them. Schneller prioritizes maintaining a safe work environment that promotes employee well-being. This foundation allows us to consistently meet—and strive to exceed—customer expectations.

## Health and Safety Practices

Our workplace is managed with a strong focus on process safety and proactive risk management. We encourage a culture where employees are empowered to identify and report risks, potential hazards, incidents, and near misses. These reports are thoroughly investigated, and preventive measures are implemented to continuously improve safety. We regularly review environmental, health, and safety matters to ensure accountability and ongoing progress.

Our initiatives include:

- Routine noise level audits
- Annual air quality checks to identify harmful emissions and odors
- Use of muffler systems for air equipment to reduce noise
- Use of sound blankets throughout the building, as needed
- Emergency First Response Program which consists of a team of employees on each shift that are trained and certified in CPR, AED, First Aid, and Bloodborne Pathogen Safety
- Proactive planned visits and audits by governing bodies such as the Bureau of Worker's Compensation, local Fire Department, and Township Fire Prevention to help in risk identification and remedy

## Employee Benefits and Support

At Schneller, commitment to employees goes beyond competitive pay. We offer a comprehensive benefits package designed to support their overall well-being and professional development.

To promote financial security, we offer retirement savings plans and tax-advantaged options such as flexible spending accounts and health savings accounts. Compensation programs are structured to fairly reward hard work and dedication. Schneller also recognizes the importance of work-life balance by offering paid time off and designated holidays.

Professional growth is encouraged through both formal and informal development programs, including a tuition reimbursement initiative. By partnering with local colleges, we offer training that enhances employee skills—benefiting not only the business but also the customers and community.

## Employee Wellbeing Benefits

- Multiple medical plans to serve the various needs of employees
- Dental and vision coverage
- Life, survivor, and accidental death and dismemberment insurance
- Short and long-term disability benefits
- Tuition assistance programs
- Various voluntary benefits, including legal insurance, identity theft protection plan, critical illness insurance, accident insurance, and an employee assistance program

## Employee Development

The strength of Schneller lies in the talent and dedication of our employees, which is why we invest in programs that drive career growth and long-term success. We leverage a blend of structured and informal initiatives—such as formalized training, stretch assignments, and mentoring relationships with defined check-in points and timelines—to help identify, nurture, and retain exceptional talent across both corporate and operating units.

Programs like tailored development assessment tools, tailored training plans for new hires and new positions, and development goals support meaningful conversations between

employees and their supervisors or managers. In addition, we provide opportunities for advancement through internal position postings, ensuring that employees are empowered to grow and succeed within the Schneller organization as well as other TransDigm companies.

## Commitment to a Strong and Vibrant Workforce

At Schneller, we deeply value the unique perspectives, fresh ideas, and diverse experiences that each team member brings to our organization. Our commitment to building a workforce that reflects the communities we serve is more than a goal, it's a guiding principle that fuels innovation, strengthens our business, and leads to better outcomes for our customers and partners.

We regularly review our workforce initiatives and key metrics to ensure we're making meaningful progress and continuously improving.

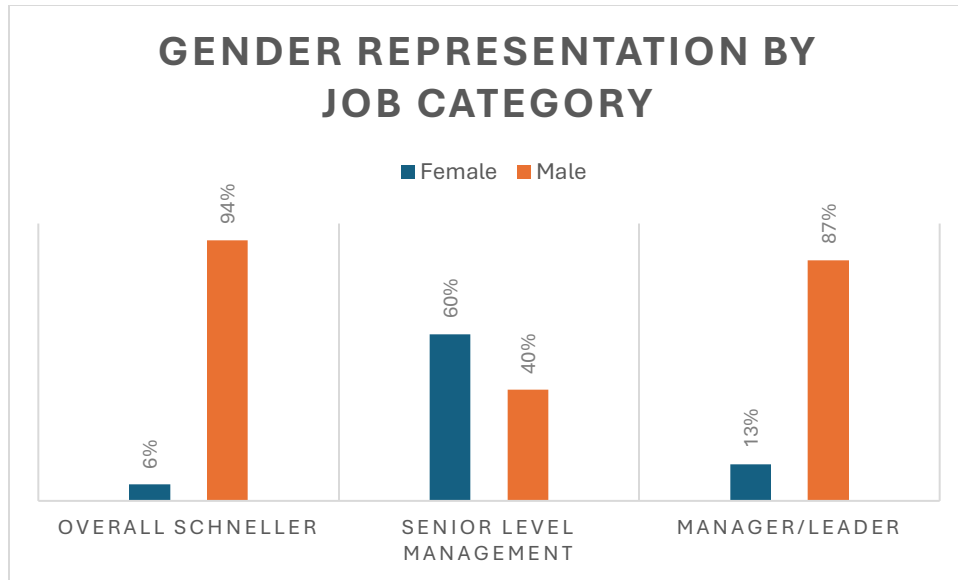
## Embedding Representation in Our Culture

Representation is woven into the fabric of Schneller's culture. Through inclusive training programs, open communications, surveys and collaborative events, we ensure that every voice is heard and respected.

Our leadership team actively supports these efforts, with regular discussions focused on enhancing diversity—especially in senior roles—and fostering an environment where everyone can thrive.

## Transparency and Accountability

Schneller is committed to fairness, transparency, and compliance. In addition to meeting regulatory requirements, we voluntarily share workforce data to provide deeper insights into our representation efforts.



## Zero Tolerance for Discrimination

We maintain a strict zero-tolerance policy toward discrimination. We provide equal treatment, fairness and respect for all of our employees. Schneller upholds high ethical standards and ensures equal employment opportunities for all, regardless of race, color, religion, gender, national origin, citizenship status, age, marital status, gender identity or expression, sexual orientation, disability, or veteran status.

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Thank you for reading our 2024 ESG Report.

We remain committed to sustainability, innovation, and transparency.

For more information, please visit our website or contact us directly.