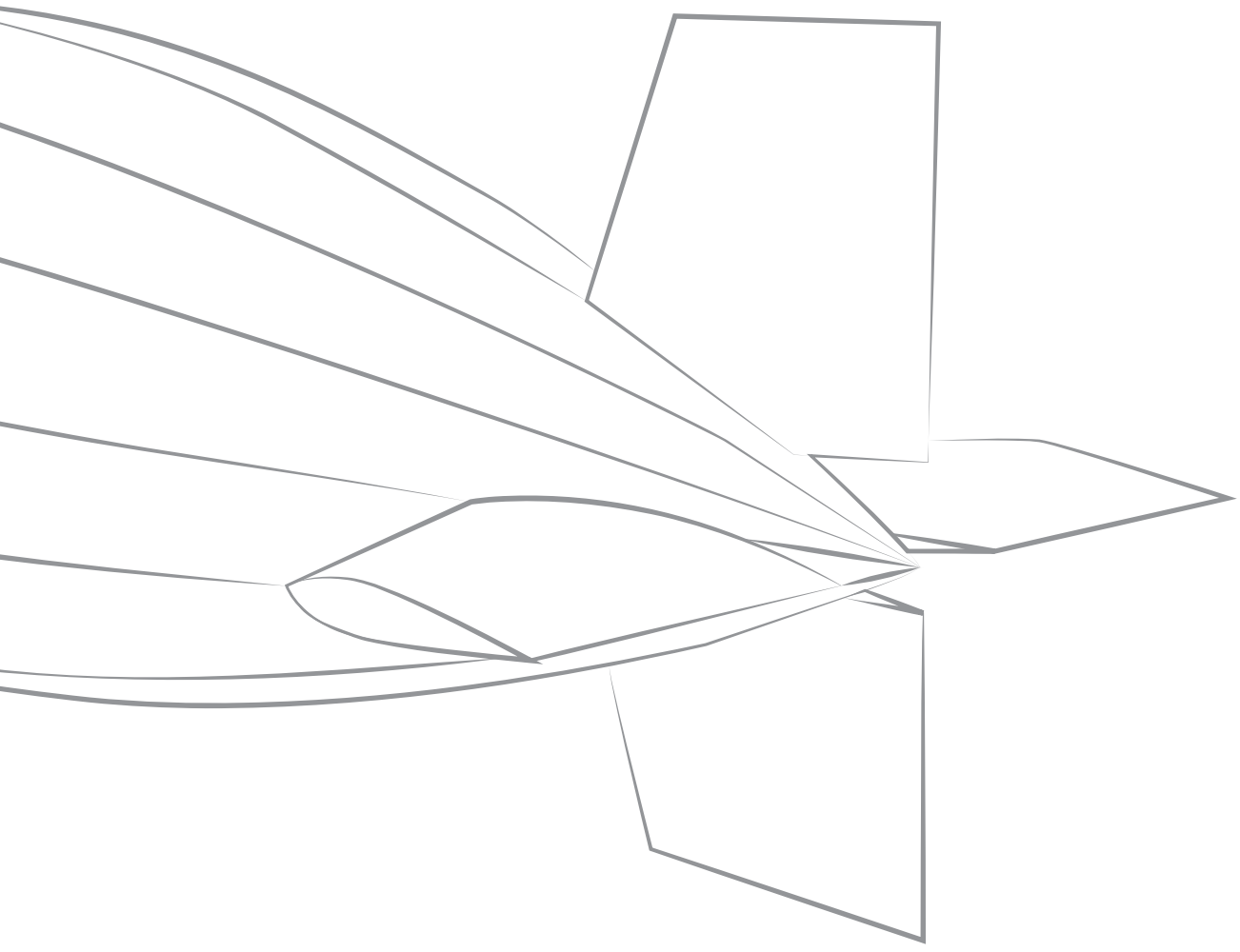
CSR REPORT

2023



FLYING WHALES

A WORD FROM OUR PRESIDENT

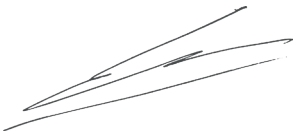
We are proud to present our third **Corporate Social Responsibility (CSR) Report.** Our commitment to contributing to the United Nation's sustainable development goals with the development and operation of the LCA60T airship is stronger than ever. **The year 2023 brings significant changes for FLYING WHALES. The preparation of FLYING WHALES SERVICES's spin-off** marks a pivotal moment in our development. It was also a year in which we intensified our collaboration with public authorities to further progress towards the construction of our future plant in Laruscade, Nouvelle Aquitaine Region, France.
Our team is growing as well. We now have **more than 150 employees** working directly on the engineering and development phase of our LCA60T cargo airship project. Additionally, indirect jobs are being supported through our technical consortium. FLYING WHALES is expanding and becoming more structured each day.

In 2023, we were delighted to present our solution worldwide at conferences such as the One Forest Summit in Gabon, and to participate in events that extend our influence, including the Paris Airshow in France and COP 28 in Dubai. These events allow us to assert our values and our commitment to leading the **aeronautics and cargo transport industries towards greater social and environmental responsibility.** This responsibility is encapsulated in our purpose statement:

> *Our aim is to provide the world with a solution which will:*
>
> *— Contribute to the expansion of economic development by unlocking land-locked territories lacking in infrastructure and*
>
> *— Contribute to the significant reduction of cargo transport's environmental impact.*

To achieve our ambitious goals, our CSR team has been diligently conducting on our comprehensive CSR roadmap, formalized in 2022. The team has also explored new areas of development and innovative approaches, which we will detail in this integrated report. A major innovation this year was the creation of the Audit and CSR Committee. This committee, composed of shareholders, supports the company and the CSR team, helping us collectively achieve our social and ecological ambitions.
I would like to conclude by thanking all of you – employees and stakeholders – who, by supporting FLYING WHALES, are helping to make the future of cargo transport and the airship industry a reality.

SÉBASTIEN BOUGON



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INTRODUCTION

Welcome to the 2023 Corporate Social Responsibility (CSR) Report of FLYING WHALES. This report encapsulates our unwavering dedication to sustainability, social responsibility, and our commitment to creating a positive impact on both the environment and society.

As we navigate the challenges and opportunities of the modern world, our efforts are more focused than ever on contributing to the ecological transition. We are proud to share our progress, initiatives, and future goals through this comprehensive report.

We have taken significant strides in **reducing our carbon footprint and developing a zero-carbon propulsion roadmap.** Our dedication extends to integrating CSR principles into our Final Assembly Line project, ensuring that every step we take is aligned with our environmental objectives.

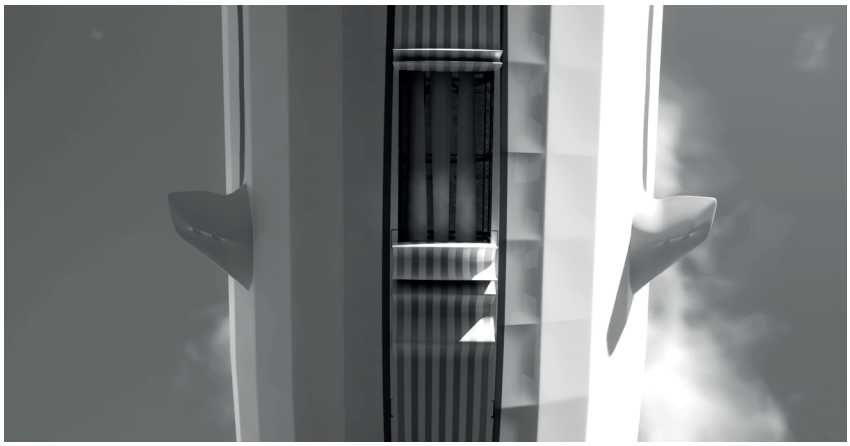
Our responsibility towards our employees and society is paramount. This year, we have **enhanced our associative commitments, prioritized health and safety, and reinforced our equal opportunities agreement.** We have also engaged in public consultations to ensure transparency and inclusivity in our assembly line project.

Our collaboration with the **World Food Program** and the development of the FLYING CARE Project exemplify our dedication to positive-impact markets. We are **opening up isolated communities, such as in French Guiana,** and continuously analyzing our markets to maximize our positive contributions.

Building and maintaining strong relationships with our stakeholders is crucial. We are committed to **fostering open communication** through initiatives like FLYING WHALES Day.

As we look towards 2024 and beyond, our mission remains clear: to lead the way in sustainable and socially responsible innovations in the aeronautics and cargo transport sectors. We invite you to explore the details of our journey and join us in making a lasting impact on the world.

Thank you for your support and interest in FLYING WHALES.



FLYING WHALES, A COMPANY COMMITED TO ECOLOGICAL TRANSITION

1.1 CARBON FOOTPRINT ASSESSMENT

FLYING WHALES is committed to reducing the environmental footprint of its design office activities. The first step towards reduction is to measure and quantify office-related emissions so that the CSR team may identify and prioritize related reduction actions.

The company followed the recommendations of the United Nations Global Compact and of the Benefit Corporation movement and evaluated its carbon footprint for the year 2022.
The carbon footprint evaluation was achieved for Scope 1, 2 and 3 using the internationally recognized GHG Protocol[1] .

- *Scope 1 : Direct emissions (Heating, emissions from vehicles company)*
- *Scope 2 : Indirect from electricity (Purchasing and consumption of electricity)*
- *Scope 3 : Indirect emissions (Purchase of goods and services, employee commuting, furniture and machinery, it equipment, purchased electricity)*

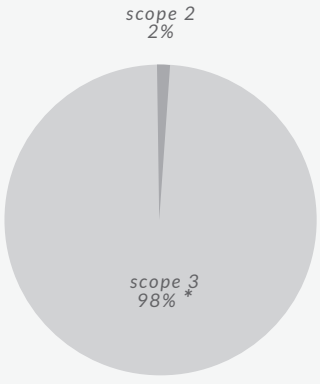
This calculation aims to set emission reduction targets and to develop CO2 emissions reduction action plan to reduce our footprint as a company. We have designed a tool to calculate our carbon footprint year by year, based on GHG Protocol the following calculation principle:

GHG Emissions (gCO_2e) =
Physical or financial data (unit) x Emission Factor (gCO_2e/unit)

For the first time, FLYING WHALES has calculated its Carbon Footprint for the year 2022.
The emission factors used come from the following databases:

- *Base Carbone – ADEME*
- *CEDA database*
- *Ecoinvent*
- *IEA*
- *Carbone4*

SCOPE BREAKDOWN



** 96% goods & services, 4% others (business travel, employee commuting...)*

FLYING WHALES' emissions in 2022 will amount to 3,712 tCO2e.

As shown in the graph below, 98% of our carbon emissions are related to Scope 3. These are emissions linked to our services providers, to research and development carried out by partners and to the coverage of FLYING WHALES activities and employees. We do not account for emissions on Scope 1 as we rent our facilities. We do not account for emissions on Scope 1 as we rent our facilities and do not own a vehicule fleet.Consequently, the calculation of direct emissions does not apply to us.

To ensure that these findings lead to meaningful change, we have presented the results of our carbon footprint assessment to our collaborators, emphasizing the major sources of emissions identified. By raising awareness of these key emission drivers, we are fostering a collective understanding of our environmental impact. Additionally, we are implementing a comprehensive reduction strategy aimed at mitigating our carbon footprint, focusing on significant areas of concern (e.g. green mobility allowance). This approach reflects our ongoing commitment to sustainability and our determination to continuously reduce our environmental impact.

[1] The GHG Protocol (Greenhouse Gas Protocol) is a widely used global framework for measuring, managing, and reporting

1.2 ZERO-CARBON PROPULSION ROADMAP

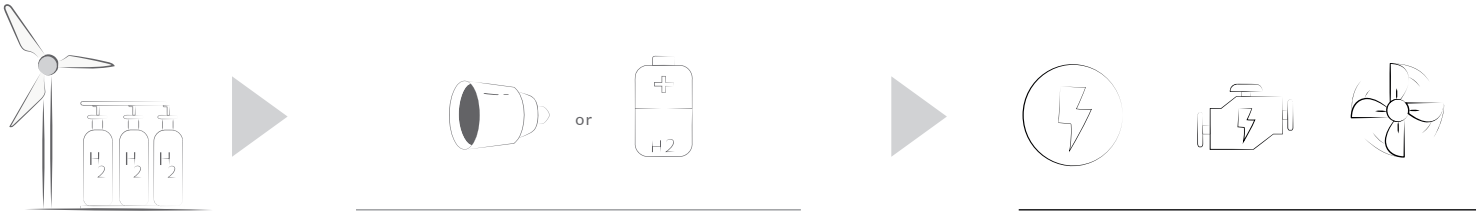
In line with our mission to maintain a low environmental footprint during our operations, FLYING WHALES has decided to transition to fully electric, zero-carbon propulsion. Our implementation strategy consists of two steps:

— 1. Hybrid Propulsion Configuration: This involves using fossil fuels and batteries for electrical generation, which in turn is dispatched in the LCA60T for electric propulsion.

Fossil Fuel elec generation

Electrical propulsion

— 2. Full Hydrogen Propulsion Configuration: This involves using fuel cells for electrical generation, which in turn is dispatched in the LCA60T for electric propulsion



H2 electrical prod

Electrical propulsion

The transition to the 2nd step requires a dedicated research program covering all phases from hydrogen storage to system certification, leveraging new technologies tailored for aerospace applications. FLYING WHALES' research department, FLYING WORKS, is currently leading this program and has outlined the various work packages for the hydrogen propulsion roadmap. These work packages are being addressed through international collaborative research projects with key players in the aerospace industry, considering the specific features of the LCA60T.

Storage and distribution

WORK PACKAGE 1: HYDROGEN STORAGE AND DISTRIBUTION

Liquid cryogenic hydrogen, selected for its optimal storage solution, is the focus of this package. The goal is to create a lightweight storage solution suited for aerospace applications. This requires examining the design features, key influencing factors, and production methods of cryogenic storage. FLYING WHALES has joined a three-year collaborative research project, «NOMADE,» led by the Institute for Technological Research (IRT) Jules Verne, with partners such as Airbus, Naval Group, Faurecia, Aresia, CEA Tech, IRT Saint Exupéry, and Ecole Centrale Nantes.

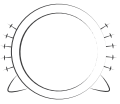
Energy generation

WORK PACKAGE 2: POWER GENERATION FROM FUEL CELLS

This package focuses on generating power from fuel cells using stored liquid hydrogen. It is essential to numerically and experimentally evaluate the performance of new high-power fuel cell generations under aeronautical constraints. FLYING WHALES is part of the five-year collaborative research project “HeMoWHY,” led by IRT Saint Exupéry and Laplace laboratories, with partners including Airbus, Liebherr, and Aerostack.

Flying Works

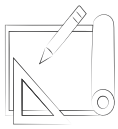
This department prepares for technological developments and innovations.
FLYING WORKS brought rigor, organization and a consolidated budget to the hydrogen program allowing to start several collaborative research projects.



Adaptation to LCA60T

WORK PACKAGE 3: LCA60T POWER DISTRIBUTION

This package addresses power distribution for the LCA60T. FLYING WHALES has developed for a hybrid power distribution architecture to achieve an efficient, reliable, and optimized power generation system. This approach requires an advanced real-time Energy Management System to manage the transition between the high-power fuel cell and the integrated batteries. FLYING WHALES is participating in the three-year collaborative project “OYANA,” led by the Hydrogen Research Institute at the University of Quebec in Trois-Rivières, with Pratt & Whitney Canada and MTLS Aerostructure (aerospace engineering services).



System architecture

WORK PACKAGE 4: UNIFIED PARAMETRIC MODEL

FLYING WHALES has initiated an additional internal project to consolidate the first three work packages into a unified parametric model to evaluate system performance.

Safety and certification

To ensure the safe implementation and certification of these technologies, FLYING WHALES is actively involved in an international International Civil Aviation Organization Working Group. This group includes aeronautical stakeholders such as Original Equipment Manufacturer (Airbus, Embraer, ZeroAvia), hydrogen fuel cell and turbine suppliers (Honeywell, Safran, Rolls-Royce, Pratt & Whitney, Ballard, HyPoints), research centers (National Research Council (NRC), Netherlands Aerospace Center (NLR), certification agencies (EASA, FAA), and experts (Air Liquide, MTU Aero Engines, ZEV station). FLYING WHALES’ role is to ensure that the specific requirements of airships are reflected in foundational documents guiding the regulatory certification of hydrogen systems for aviation. Establishing a strong regulatory framework is crucial for the successful deployment of decarbonized technologies in the aviation industry.

1.3 INTEGRATING ENVIRONMENTAL CRITERIA IN FAL CONSTRUCTION

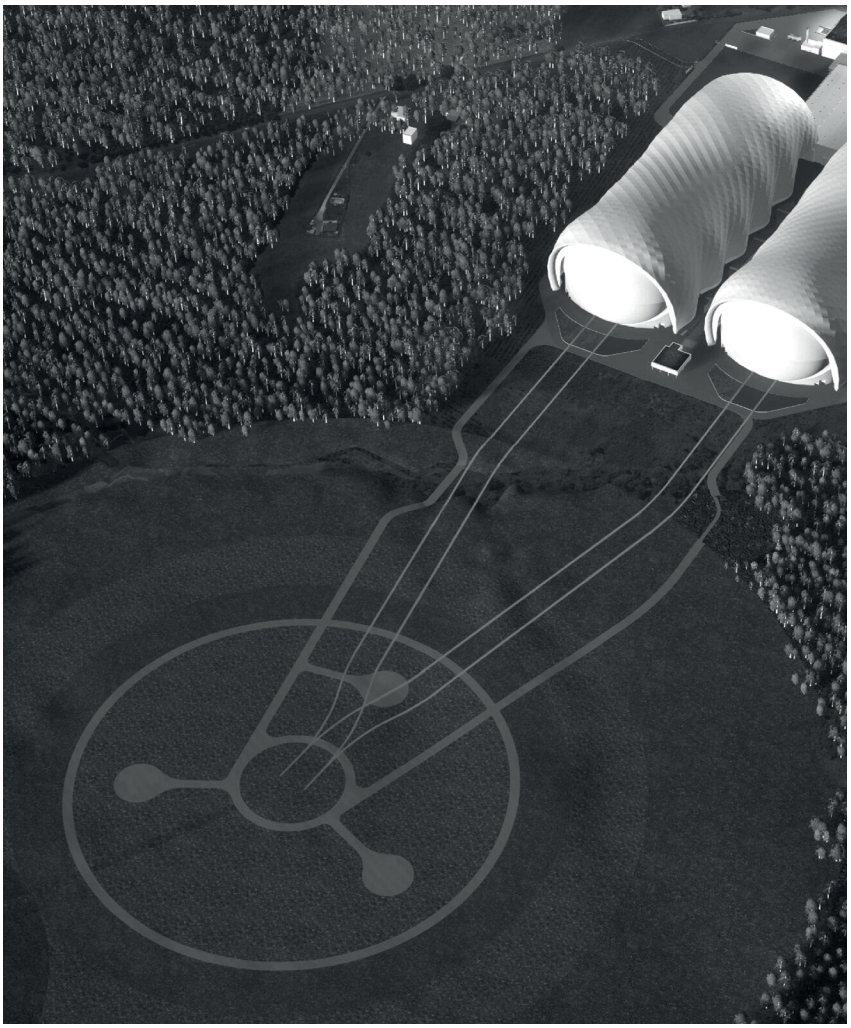
For its final assembly line (FAL), FLYING WHALES recognized the need to reduce its impact right from the outset, beginning with the selection of the project management team. During the consultation phase, the respondents to the call for tenders were evaluated based on several weighted criteria, ensuring that environmental and social factors were integral to the decision-making process.

The estimated carbon footprint of each proposed project accounted for 10% of the overall score. Another 10% of the score was dedicated to employee safety during construction, and an additional 10% was related to the architectural approach, particularly regarding living comfort, certifications, and landscape integration. These criteria led to the selection of a project with a carbon footprint halved compared to the competing proposal (18,945 teq CO2 vs. 37,757 teq CO2). The chosen project increased construction works safety by reducing the size of long-length parts preferred curved designs for better landscape integration.

Throughout 2023, further studies and refinements were made to the FAL's definition, with a continued focus on minimizing the project's impact. From the impact study phase, the architectural creation process applied scientific methods to achieve:

- Perfect landscape integration,
- Rationalization of material use and local resource utilization: the aim was to use materials sparingly, particularly steel and concrete. The Gridshell-type solution and the use of genetic algorithms helped rationalize the steel structure, reducing the overall steel tonnage by 5,000 tons (a more than 55% decrease of steel used). A lighter structure required a lighter foundation system, thus decreasing the need for concrete by 35%.
- Commitment to sustainable building practices: FLYING WHALES specified complex thermal insulation for the industrial building, exceeding regulatory requirements and increasing the amount of natural light, even at the expense of financial performance.

In managing the project definition, FLYING WHALES is also supporting local authorities in the environmental authorization process, in collaboration with the Nouvelle-Aquitaine Region and the Communauté de Communes Latitude Nord Gironde. This process adheres to the Avoid, Reduce, Compensate (ERC) approach. To minimize the environmental impact on the site, FLYING WHALES has made several adjustments to its initial plans. These include reducing the number of artificial surfaces by limiting parking spaces, designing a compact building layout, and creating a non-artificial take-off area with vegetation to support the site's biodiversity.
These efforts reflect FLYING WHALES' commitment to minimizing its environmental footprint.



FLYING WHALES, A COMPANY COMMITTED TO ITS EMPLOYEES AND SOCIETY AS A WHOLE

2.1 ASSOCIATIVE COMMITMENT

2.1.1 Partnership with Imagine for Margo

Each year, the employees of FLYING WHALES are invited to support a cause close to their hearts. In 2023, we once again renewed our commitment to the association Imagine for Margo. As a reminder, the association continues Margo's initiative by raising awareness and funds to accelerate research to better understand and treat childhood cancers.

Imagine for Margo organizes a race at the end of September each year. To participate, each entrant must raise at least 200 euros. These funds accelerate research on pediatric cancers, leading to better understanding and improved treatments. This event is a significant moment for our company as it unites us around a meaningful cause.

Participants set challenges to boost their fundraising efforts, creating a joyful and collaborative atmosphere among FLYING WHALES. This year, we surpassed our fundraising goal thanks to everyone's dedication and the generous donations. The amount raised by each employee is matched by the company, effectively doubling the total funds raised.

This commitment to supporting an association will continue next year.

	2019	2020	2021	2022	2023
Employees & FLYING WHALES contribution	*X 8*	*X 29*	*X 18*	*X 25*	*X 25*
	5 000€	*29 000€*	*21 000€*	*30 530€*	*32 250€*

2.1.2 Student Contest: The Float, Lift & Fly Contest

The Float, Lift & Fly Contest is an event organized by Planète Sciences and FLYING WHALES, bringing together teams of students from various engineering schools. Throughout the year, these teams design and develop a 6-meter airship capable of transporting scaled-down versions of wooden logs.

Each team is responsible for creating a piloting system, a ballast system, and a payload system to be installed on a blank airship envelope provided by the organizers. Three general meetings are held with experts from Planète Sciences and FLYING WHALES, offering feedback and guidance on design choices, including correct sizing, risk reduction, system improvement, and optimization. These meetings help students

determine the next steps in their development process. The final competition spans two days, where all teams compete in a course and various challenges to determine which team has created the best airship.

The primary goal of this contest is to share our passion for aeronautical engineering with the next generation, in the same way as an aeronautical program. A secondary goal is to rekindle interest in airships by teaching the underlying principles and science behind them.

In 2023, the contest's third edition, the ESTACA Siera team earned the highest score and ultimately won. They distinguished themselves through precise piloting and their speed in lifting and delivering the wooden logs. Their payload-lifting system, featuring three claws, allowed them to grasp and store up to three wooden logs at once, proving highly efficient given the system's simplicity.

2.1.3 Partnership with Emmaüs France

We have also launched a new initiative in collaboration with Emmaüs, an association dedicated to supporting the most vulnerable and socially deprived populations.

Since 2007, Emmaüs has organized the "Super Noël" ("Super Christmas") event each Christmas with one objective: "To enable everyone to give their loved ones high-quality gifts (toys, clothes, books, new and/or second-hand items) at low prices, so they can enjoy Christmas under the best possible conditions."

FLYING WHALES and its employees have actively participated in this initiative.
This year, we managed to collect 80 kilos of toys.

2.2 HEALTH AND SAFETY (H&S)

Ensuring the health and safety of our employees is the company's number one priority. This commitment is reflected in our stringent safety protocols, continuous training programs, and proactive health measures, all designed to create a secure and healthy work environment for everyone at FLYING WHALES.

HS ROADMAP – MAIN ACTIONS ACHIEVED IN 2023:

AXES	PROGRESS BY 2023
AXIS 1 **Executive management commitment**	HS organization : — *On-going work with FLYING-WHALES Quebec to evaluate H&S ROADMAP in light of Canadian labour regulations.*
AXIS 2 **Skills et qualifications**	HS training : — *Mapping done to identify the needs of H&S habilitation for each technical functions.* Guests - Customer — *H&S rules drawn up for access to the LAB - Training and information session organized before each visit to the simulators.*
AXIS 3 **Work organization**	Workspace Security — *Definition of the access rules at the LAB[2] due to the integration of this workshop inside our premises at Suresnes* —*LAB access rules* —*Work organization and access to dangerous tools* — *Safety rules for the simulators*
AXIS 4 **Management effectiveness**	Addition of a specific question to BLEEXO's monthly survey to gather employee feedback on managers' safety communication.
AXIS 5 **Continuous improvement**	Work carried out to reduce the resolution time of H&S actions when work is required. — *Contract with a maintenance company allowing several levels of intervention depending on the importance of the work.*

[2] The LAB, located on the 1st floor of our Suresnes offices, contains several workshops as well as a complete LCA60T flight simulator.

SAFETY RESULTS 2023:

OBJECTIVES	RESULTS
OBJECTIVE N°1 **Zero work accident**	— 0 work accident occurred in 2023, 3 commuting accidents occurred in 2023.
OBJECTIVE N°2 **Enable each employee or or stakeholder to play an active role in safety**	— A quarterly presentation of H&S topics at the company's monthly "All of us"[3] meeting: H&S topics do not need to be addressed systematically every quarter, but are presented whenever necessary at the "All of Us" meetings — Introduction of an indicator to monitor the level of information employees have about H&S management: indicator created thanks to the bi-monthly BLEEXO survey.
OBJECTIVE N°3 **Train and qualifications to cope with the risks involved**	— This objective aims to complement the skills of FLYING WHALES employees in first aid and fire safety, as well as to train people whose job requires them to have a driving license, certificate or authorization • *First aid: 6 new employees trained to reinforce our first aid team at Suresnes and Bordeaux. 18 first-aiders trained in Suresnes (12% of the workforce) – 5 first-aiders trained in Bordeaux (25%).* • *Fire-fighting: 19 employees trained in the use of fire extinguishers at both sites. 25 people trained in Suresnes (16,7% of the workforce) – 9 people trained in Bordeaux (45%).* • *Habilitation: 2 training courses in 2023 to certify employees at Suresnes and Bordeaux:* - *Use of aerial work platforms: 2 employees trained in CACES and 2 driving authorizations issued.* - *Electrical clearance: 3 employees trained, and 3 electrical clearances issued.*

[3] All of Us meetings are monthly gatherings where the entire company comes together in person to discuss current topics and share important updates. These meetings serve as a forum for open communication and collective engagement.

OBJECTIVE N°4 **Develop a «Stop and solve» culture**	— DUERP (occupational risk assessment documents) are in place at French sites - risk is assessed at over 6%. > 6 are covered by an action plan • *DUERP updated for both site – no risk > 6* — H&S field audit: 2 HS field audits per site / floor •*1 H&S field audit per site / floor but many actions carried out as part of identified action plan.* — Tests / Mock-up: All tests or Mock-up are subject to a safety check list • *Origami test engaged in 2023 -> Safety checklist completed.*
OBJECTIVE N°5 **Develop prevention and continuous improvement**	— 100 % of work accidents with work stoppage are subject to an 8D analysis • *No work accident in 2023* — H&S roadmap: Achieve 100 % of the identified levels by 2023 • *7 elements identified in the H&S roadmap to pass a level in 2023 – 3 elements have been validated to reach the next level. These elements have passed the level after completion of the following actions:* • *Visitors and customers + Risk areas: Safety rules are defined, distributed and posted.* • *H&S training: Mapping of HS clearance requirements for each technical function.*

2.3 EQUAL OPPORTUNITIES AGREEMENT

Last year, we introduced an equal opportunities agreement project as the cornerstone of our commitment to exemplary working conditions in terms of inclusivity and diversity. Over the past year, top management, the human resources department, the CSE (Social and Economic Committee), and the internal working group WEBE (which stands for “Work Environment Based on Equality”) have collaboratively refined and strengthened this initiative.

Following the drafting of the agreement at the end of 2023, the CSE and WEBE focused on developing the associated action plan. With clear objectives identified, the operational work now begins to ensure compliance with the agreement through various actions to be implemented in the coming years.

As inclusivity and diversity concern all of us, every employee will have the opportunity to express their opinions on the agreement and, more importantly, to contribute voluntarily to the action plan’s implementation and the journey towards an inclusive work environment.

The agreement and action plan will significantly enhance our ability to welcome employees from diverse backgrounds, maintain high-quality working conditions and work-life balance for all, and ensure equal compensation and opportunities for advancement within the company, without discrimination.

[4] 8D analysis (Eight Disciplines) is a problem-solving methodology used primarily in the automotive and manufacturing industries to identify, correct, and prevent issues. It involves a structured, step-by-step approach that starts with forming a cross-functional team, defining the problem, and implementing short-term containment actions. 8D analysis is often used to address complex, recurring problems and improve overall quality and reliability

2.4 PUBLIC CONSULTATION ON THE FAL SITE

Between February 15 and March 15, 2023, a preliminary consultation took place in Laruscade and other nearby municipalities regarding the creation of an economic activity zone (ZAE) dedicated to the airship industry. This consultation was organized by the Communauté de Communes Latitude Nord Gironde (CCLNG), which is responsible for the ZAE project within its territory..

The preliminary consultation, a legal provision, allows the public to discuss the opportunity, objectives, and main features of a project, as well as its impact on the environment and local development. The consultation included two plenary sessions and two public workshops, attracting 300 participants in total, along with informal meetings at St. Yzan College and the Cavignac marketplaces. This provided an opportunity to inform residents and discuss all aspects of the creation of this zone, including noise and visual pollution, traffic, environmental impact, jobs, and training.

While the overall response was positive, some criticisms were voiced, and both FLYING WHALES and the involved public bodies made proposals to mitigate the negative impact on residents and the environment.

Following this consultation and its favorable outcome, the CCLNG, supported by the Nouvelle-Aquitaine Region, has decided to proceed with the ZAE “Filière Dirigeables” (Airship Industry) project.

MAINTAINING OUR COMMITMENT TO POSITIVE-IMPACT MARKETS

3.1 COOPERATION WITH THE WORLD FOOD PROGRAM

Following preliminary discussions in 2021 and the signing of the Technical Cooperation Agreement in 2022, FLYING WHALES has finalized its first coordinated studies with the UN World Food Program (WFP) aimed at improving current humanitarian operations.

For this initial comprehensive study with the WFP, South Sudan was chosen as the focus. The capabilities of the LCA60T airship in this region could prove particularly effective in delivering large quantities of food assistance to remote areas.

South Sudan has been plagued by internal conflict since 2013. Although a peace agreement in September 2018 significantly reduced violent clashes between government and opposition forces or local militias, the stabilization remains fragile, with the social, political, and security environment still highly volatile due to the continued circulation of weapons. The WFP has been operating in the Republic of South Sudan since the country's creation in 2011. Despite high levels of aid, more than one million people have recently been impacted by unprecedented, multi-year flooding, exacerbating the already high levels of hunger caused by ongoing conflict and the global food crisis.

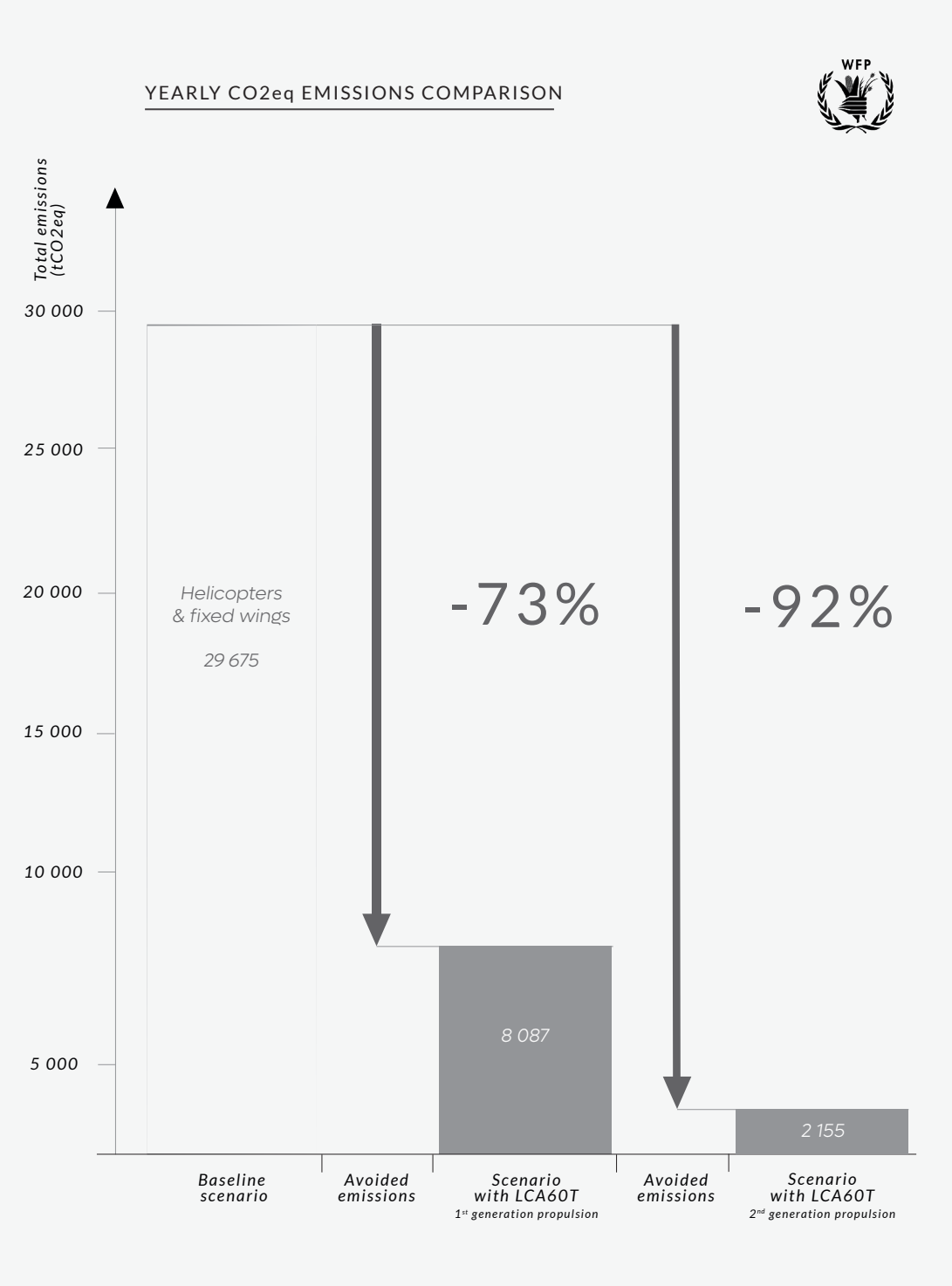
Through this study, FLYING WHALES is exploring the potential for transporting a significant share of food aid with the LCA60T:

— Cost and carbon emissions comparisons: The LCA60T was found to be up to four times less expensive than helicopters, with 73% savings on CO2 emissions, enabling year-round food deliveries to optimize the logistics chain. Discussions on potential improvements to further reduce costs are ongoing, including the possibility of more daily rotations or increased operational days in collaboration with other stakeholders such as industrial companies and construction firms.

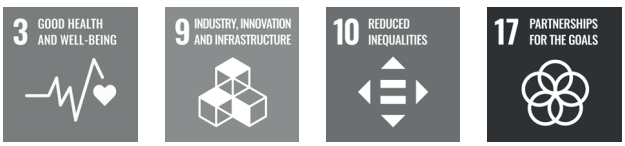
— Ballast management: Initial findings revealed that ballast management is a challenge, as water is a sensitive resource in these areas. To address this, certain types of solid ballast that promote a sustainable circular economy were identified, while others, such as minerals, were discarded. For water ballast, many locations could potentially offer water points, and the storage of non-drinkable water for future filtration and use by local populations is being considered.

— Communication roadmap: A communication roadmap was established to appropriately engage different entities, key stakeholders, local communities, and authorities. This will be particularly relevant as field technical assessments are completed. Initial assessments in Juba during the dry season will involve meeting local entities to discuss the communication package in detail. Further assessments will occur during the wet season in two pre-identified locations where future LCA60T missions are under discussion, addressing logistics issues that arise with traditional transport methods.

The South Sudan study will progress in 2024. Its outcomes will be crucial for researching scalable options for adopting airship technology in the humanitarian air transport sector in coordination with entities such as the WFP, thereby maximizing the LCA60T's positive impact.



3.2 FLYING CARE PROJECT



A solution aligned with the Sustainable Development Goals of the United Nations

FLYING CARE is an energy self-sufficient mobile hospital transported by the LCA60T airship. Once deployed, the mobile hospital will be staffed by medical professionals and provide essential, recurrent, preventive, and curative health services. These services include dental care, ophthalmology, pediatric care, advanced diagnostics, prevention of non-communicable diseases, and even surgical interventions.

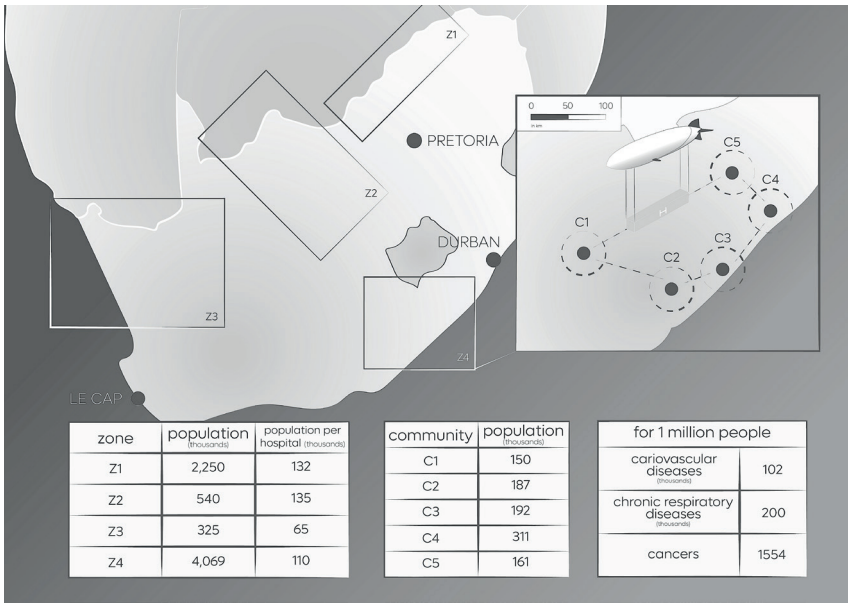
The FLYING CARE project was initiated through collaboration between FLYING WHALES and INGEROP Health Department. Currently, the consortium comprises seven distinct entities with complementary expertise:

— INGEROP: Designer of the hospital solution
— FLYING WHALES: Project leader, responsible for hospital/airship integration and operations.
— Dr. Xavier ATTRAIT: Former Head Doctor of the French Civil Security mobile hospital.
— Roland Berger: Responsible for geographical development studies and project strategy.
— SIEMENS SMART INFRASTRUCTURE: In charge of medical equipment evaluation.
— ADOPALE: Supports hospital operational functionality.
— PRAESENS CARE: Developer and operator of mobile laboratories in remote areas of Africa.

Preliminary global studies have initiated the characterization of the overall architecture, internal systems, and subsystems of the FLYING CARE mobile hospital, including the medical equipment necessary for healthcare campaigns. Basic Design studies are currently underway, and the release of a 3D prototype is imminent. The hospital design process must incorporate new methods and address unusual constraints, primarily focusing on maintaining the project's feasibility by keeping the weight under 60 tons.

Additionally, part f the consortium won a European-funded grant through the Eureka-Eurostars call for Project to research and develop FLYING CARE hospitals for South Africa. This 3-year program will be managed by a partnership involving experts in the health, industrial, and logistics sectors in South Africa, including AFRISHORE and the UNIVERSITY OF CAPE TOWN.

FLYING CARE SOUTH AFRICA aims to conduct successful experiments in South Africa to validate business models and establish a new standard for mobile hospitals and complementary airborne medical services. The goal is to develop the technologies and systems needed to deliver a full-scale FLYING CARE mobile hospital, consisting of several specialized healthcare and support modules. The outputs of this South African project will include a complete 3D model of the mobile hospital modules and a full-scale module prototype.



zone	population (thousands)	population per hospital (thousands)
Z1	2,250	132
Z2	540	135
Z3	325	65
Z4	4,069	110

community	population (thousands)
C1	150
C2	187
C3	192
C4	311
C5	161

for 1 million people	
cariovascular diseases (thousands)	102
chronic respiratory diseases (thousands)	200
cancers	1554

3.3 OPENING UP ISOLATED COMMUNITIES: THE CASE OF FRENCH GUIANA

The essence of our airship technology lies in its ability to transcend geographical barriers, reaching remote and isolated communities that traditional transportation methods cannot easily access. According to SDG indicator 9.1.1, the term “isolated” refers to any rural population living more than 2km from an all-season road, encompassing approximately one billion people worldwide.

In recent years, we have worked closely with local governments and organizations across various regions to understand the specific needs of diverse communities and ensure consistent and cost-effective deliveries. Our efforts have focused on tailoring solutions to address these unique requirements, whether they involve delivering medical supplies, educational materials, vital infrastructure components, or general goods.

In French Guiana, our partnership with local governments and municipalities has been instrumental in developing a solution aimed at improving the living conditions of around 30,000 individuals within the Amazonian forest. Currently, the supply chain for reaching these communities relies mainly on slow, dangerous, and costly river transportation by pirogues.

The challenges faced by these communities are evident in the soaring local costs of daily products, exacerbating difficulties for households already struggling with unemployment. For instance, a bottle of mineral water costs €7, and a gas cylinder is priced at €60, three times the conventional price on the coastline. These additional transport costs significantly impact local construction expenses, making it challenging to develop vital infrastructure like houses, schools, or dispensaries.

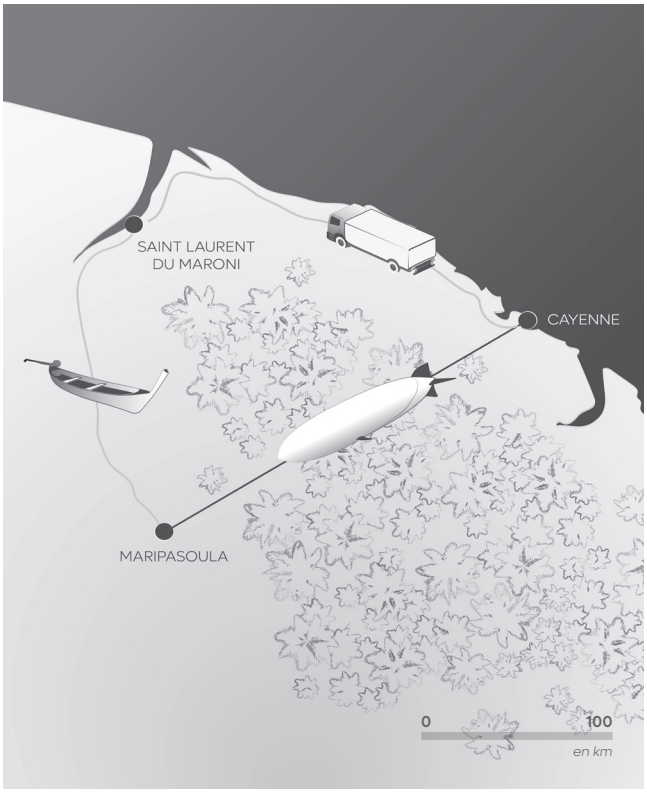
The use of the LCA60T will enable the regular transportation of up to 60 tons of various freight to any inland community in less than three hours, offering a cost-effective and environmentally friendly solution. Through collaborative efforts with construction companies, local municipalities, and relevant agencies, we have successfully demonstrated a 40% reduction in transport costs and a 60% decrease in emissions compared to pirogues, and even more so compared to air solutions.

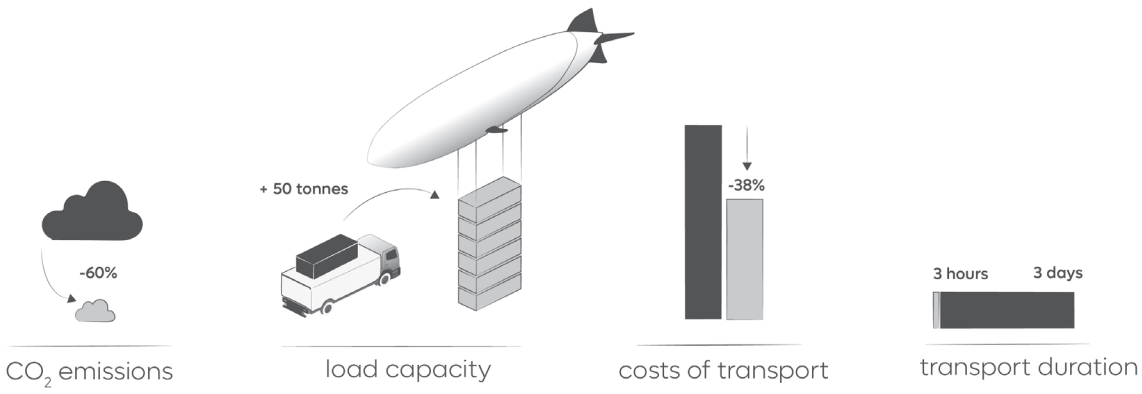
The airship’s large capacity also facilitates the transportation of indivisible loads, such as turbines for hydropower plants and construction machinery, which current aircraft or pirogue options cannot accommodate. Additionally, the implementation of regular supply deliveries contributes to the establishment of local sales points, including grocery stores and dealerships, and enhances tourism facilities.

Furthermore, we are actively working on establishing a waste transportation system for these communities, redirecting the generated waste to facilities on the coastline for recycling or processing. Currently, waste in these communities is deposited in legal and illegal dumps, posing environmental hazards, especially during the rainy season when floods frequently wash away waste, leading to local pollution and contaminating water and food sources.

Similar challenges are experienced by various communities globally, whether situated in mountainous regions, archipelagos, or desert areas. Our airship technology will not only overcome these geographical barriers but also actively contribute to the sustainable development and improved well-being of the communities we serve.

OPENING-UP ISOLATED COMMUNITIES : THE CASE OF FRENCH GUIANA





TRUCK + PIROGUE

LCA60T

3.4 MARKET ANALYSIS OF FLYING WHALES

2023 marks the conclusion of the first market risk analysis that began in 2022. We have examined several FLYING WHALES markets to evaluate the various CSR risks that could emerge.
The criteria used for this assessment are as follows:

— The quantity of CO2 emissions produced by activities, companies, or markets
— Impacts on biodiversity
— Enabling ecosystem restoration and protection
— Respect for human rights principles
— Promoting the economic development of communities
— Frequency of corruption
— Continuity of the studied contract (are there sufficient resources to forecast a reliable return on investment for a contract?)
— Possibilities for contract renewal
— Perceptions of CO2 emissions in certain markets

The markets studied include wind power, forestry, oil and gas, remote community development, construction, aerospace, mining, and humanitarian aid.

To conduct this analysis, the Corporate Social Responsibility and Marketing teams developed a tool to ensure the objectivity and relevance of their final recommendations. This study enabled us to identify and prioritize the markets with the most positive impact.

STRENGTHENING OUR RELATIONSHIPS WITH OUR STAKEHOLDERS

4

4.1 FLYING WHALES DAY

Transparency is a cornerstone of our stakeholder relationship strategy, and it plays a vital role in fostering trust and collaboration with all those involved in our journey. One of the key events that exemplify this commitment is the FLYING WHALES Day, our annual gathering where shareholders, technical consortium partners, commercial and strategic partners, and FLYING WHALES employees come together.

During this event, we go beyond simply providing updates on our business performance, strategic initiatives, and corporate responsibility activities. We engage in open dialogues, share insights, and celebrate our collective achievements. By doing so, we ensure that our stakeholders are not only well-informed about our activities and progress but are also actively involved in shaping the future of our company.

The FLYING WHALES Day serves as a unique platform where transparency and engagement come to life, reinforcing our dedication to maintaining strong, trusting relationships with all who contribute to our success.

The inaugural FLYING WHALES Day took place on June 15, 2023, in the heart of Paris. The program included an information session in the auditorium, followed by a cocktail reception in an exhibition area where each of the company's teams showcased their work alongside their technical partners.

4.2 COLLABORATIVE PROJECT

We actively seek opportunities to collaborate with our stakeholders on projects that benefit both parties. This includes joint ventures with technical partners, community development projects, and sustainability initiatives. By working together, we can achieve common goals and strengthen our mutual interests.

4.3 TRAINING AND DEVELOPMENT

We offer training and development programs for our employees and partners to enhance their skills and knowledge. These programs include workshops, seminars, and online courses covering a range of topics such as governance, compliance, and sustainability. By investing in our people, we can build a stronger, more capable workforce and foster a culture of continuous improvement.

Climate Fresk

The Climate Fresk is a collaborative and educational workshop designed to raise awareness about climate change. Participants work together to create a large mural (fresk) that visually maps out the causes, consequences, and interconnected effects of climate change. Using a set of cards representing scientific facts, they discuss and connect these elements, fostering a deeper understanding of the climate crisis and encouraging collective action. The workshop emphasizes critical thinking, creativity, and teamwork to help participants grasp the complexity of climate issues.

After top management in 2022, all employees were invited to take part in a “Climate Fresk” workshop during the 2023 annual seminar. From 2024 onwards, newcomers will be systematically invited to participate to a “Climate Fresk”, which is led internally by trained employees.

CONCLUSION : TOWARD 2024 AND BEYOND

2024 promises to be a year of significant milestones for FLYING WHALES.

In terms of our environmental commitments, we will present the second version of our life cycle analysis, reflecting the advancements made in the LCA60T design. This will provide a more comprehensive understanding of our environmental impact and the improvements we have achieved.

The creation of FLYING WHALES SERVICES marks a significant step forward for our Sales, Marketing, and Communication team. They are committed to implementing a business ethical charter that embodies our dedication to environmental and social responsibilities. This initiative will be a key focus throughout 2024 as we prepare for our future commercial activities and build relationships with prospects and clients.

Additionally, in 2024, we will engage in an even more ambitious and robust roadmap for FLYING WHALES's CSR department. This roadmap will carry on existing actions or further deepen new activities related to wide range of topics, from reducing the company's environmental impact to enhancing ethics and governance. It will also include initiatives to strengthen partnerships with our internal and external stakeholders. Doing so, we are ensuring our CSR efforts are strategic, well-coordinated, and aligned with our overall mission and values.

Our ultimate goal is to foster a shared commitment between FLYING WHALES and our future clients, ensuring that our actions contribute to a more sustainable future. We believe that through collaboration and adherence to our ethical principles, we can achieve meaningful progress towards our environmental and social goals.

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CSR REPORT
2023

FLYING WHALES