

Welcome to your CDP Climate Change Questionnaire 2022

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Textron Inc. is a multi-industry company that leverages its global network of aviation, defense, industrial and finance businesses to provide customers with innovative solutions and services. Textron is known around the world for its powerful brands such as Bell, Cessna, Beechcraft, Jacobsen, Kautex, Lycoming, E-Z-GO, Arctic Cat and Textron Systems. What began as a small New England business in 1923 has grown into today's \$12.4 billion company with 33,000 employees. We serve customers in a variety of industries including aerospace and defense, specialized vehicles, turf care and automotive systems. Throughout our history, Textron's businesses have been a source of ground-breaking technologies and industry-firsts. Major steps in the evolution of aircraft, rotorcraft, armored vehicles, electrical vehicles and automotive systems have emerged from our product development pipelines.

During 2021, we conducted our business through five operating segments: Textron Aviation, Bell, Textron Systems, Industrial, and Finance.

- **Textron Aviation** is home to the Beechcraft and Cessna aircraft brands and a leader in general aviation. Textron Aviation manufactures, sells and services business jets, turboprop and piston aircraft and special mission and military aircraft.
- **Bell** is one of the leading suppliers of military and commercial helicopters, tiltrotor aircraft and related parts and services in the world.
- **Textron Systems'** product lines consist of air systems, land and sea systems, and other defense, aerospace and general aviation mission support products and services.
- Our **Industrial** segment offers two main product lines: fuel systems and functional components produced by Kautex and specialized vehicles manufactured by the Textron Specialized Vehicles businesses.
- The **Finance** segment provides financing primarily to purchasers of new and pre-owned Textron Aviation aircraft and Bell helicopters.

The day-to-day operations of our businesses are conducted through various subsidiaries and operating divisions (sometimes referred to as "business units") while oversight, direction and assistance are provided by Textron's Corporate Office consistent with sound governance practices.

Textron is headquartered in Providence, Rhode Island, U.S.A. and is ranked 265th on the FORTUNE 500 list of largest U.S. companies.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Reporting year	January 1, 2021	December 31, 2021	Yes	3 years

C0.3

(C0.3) Select the countries/areas in which you operate.

- Australia
- Belgium
- Brazil
- Canada
- China
- Czechia
- France
- Germany
- India
- Japan
- Mexico
- Romania
- Singapore
- Spain
- Sweden
- Switzerland
- United Kingdom of Great Britain and Northern Ireland
- United States of America

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

- USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C-T00.7/C-TS0.7

(C-T00.7/C-TS0.7) For which transport modes will you be providing data?

Light Duty Vehicles (LDV)

Aviation

C0.8

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, a Ticker symbol	TXT

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Board-level committee	Textron Board of Directors Nominating and Corporate Governance Committee - As stated in its charter, the Board of Directors (BOD) Nominating and Corporate Governance Committee assists the full BOD in fulfilling its oversight responsibilities relating to the Company's policies and practices regarding environmental, social and governance (ESG) matters (including climate change) that are significant to the Company. ESG matters, including climate-related issues, are included as an agenda item at all Nominating and Corporate Governance Committee meetings. In 2021, the Nominating and Corporate Governance Committee recommended to the Textron BOD that the company disclose data consistent with the Task Force on

	climate-related Financial Disclosures (TCFD) and the Sustainable Accounting Standards Board (SASB) frameworks beginning in 2022. Textron's full BOD subsequently approved the recommendation of the Nominating and Corporate Governance Committee to disclose data consistent with the TCFD and SASB frameworks in 2022.
Board-level committee	Textron Board of Directors Audit Committee - Textron's Audit Committee is responsible for oversight of management's evaluation of the company's major risks, including those related to climate change, in the period between the full Board's risk oversight reviews. Climate-related risks generally are first communicated to the Audit Committee of the BOD through Textron's Enterprise Risk Management (ERM) process. This process specifies that designated leaders at Textron's businesses provide quarterly updates on potential operational and strategic risks, including climate-related risks, to a corporate Enterprise Risk Management Review Team which reports to the Executive Vice President and Chief Financial Officer who in turn provides the information to the Audit Committee for review and discussion on a quarterly basis. Management reviews key risks with the full BOD at an annual dedicated risk management session and as part of the BOD's annual review of the Company's strategy.
Chief Executive Officer (CEO)	Textron's CEO has management responsibility for all company matters, including climate related issues. In 2020, Textron's CEO approved a new set of 5-year sustainability goals that seek to improve the use of resources at our facilities and reduce greenhouse gas emissions by 20% by 2025. In addition to resource improvement goals, Textron has also set a 5-year goal centered around facility resiliency to improve our ability to respond to and mitigate risks to our facilities from natural disasters including those related to climate change. Textron's CEO also serves as Board Chair.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
Scheduled – all meetings	<ul style="list-style-type: none"> Reviewing and guiding strategy Setting performance objectives Monitoring implementation and performance of objectives Monitoring and overseeing progress 	As stated in its charter, Textron's Board of Director's Nominating and Corporate Governance Committee has oversight responsibilities relating to the Company's policies and practices regarding environmental, social and governance matters (including climate change) that are significant to the Company. Climate-related issues are included as an agenda item at all Nominating and Corporate Governance Committee meetings.

	<p>against goals and targets for addressing climate-related issues</p>	<p>EHS policies and strategies are guided by the Environment, Health and Safety Council (EHSC) comprised of the EHS Leaders from each Business Unit. This Council meets once a month and face to face twice a year to review Textron's EHS strategies and performance.</p> <p>Sustainability strategy and goals are reviewed by the EVP & General Counsel and approved by the CEO. The EVP & General Counsel reviews these matters periodically with the Board and its Nominating and Corporate Governance Committee.</p> <p>In 2020, the CEO approved a new set of 5-year sustainability goals that seek to improve the use of resources at our facilities and reduce our greenhouse gas emissions by 20% by 2025. In addition to resource improvement goals, Textron has also set a 5-year goal centered around facility resiliency to improve our ability to respond to and mitigate risks to our facilities from natural disasters.</p>
--	--	---

C1.1d

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues
Row 1	Yes	A member of Textron's BOD (this BOD member is also a part of the BOD Nominating and Corporate Governance Committee) serves as the Massachusetts Institute of Technology (MIT) Vice President of Research and leads MIT's Climate Action Plan.

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on climate-related issues
Chief Executive Officer (CEO)	Managing climate-related risks and opportunities	Quarterly
Chief Financial Officer (CFO)	Other, please specify Assessing and managing climate risks	Quarterly

Other C-Suite Officer, please specify Executive Vice President and General Counsel	Both assessing and managing climate-related risks and opportunities	More frequently than quarterly
Safety, Health, Environment and Quality committee	Both assessing and managing climate-related risks and opportunities	More frequently than quarterly

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

The responsibility for addressing climate change issues resides with the Textron EHS Council (EHSC); note that the Safety, Health, Environment and Quality committee listed above in the CDP question C1.2 dropdown menu options is the same functional body as Textron's EHSC. Each business unit is represented on this Council by the EHS leader within that respective business. The EHSC also includes subject matter experts from Textron's corporate EHS and legal staff. The Council is led by the Executive Director of EHS for Textron, who reports to the EVP/General Counsel for Textron who in turn reports directly to the CEO who is Chairman of the Board. In 2020, Textron's CEO approved a new set of 5-year sustainability goals that seek to improve the use of resources at our facilities and reduce greenhouse gas emissions by 20% by 2025. In addition to resource improvement goals, Textron has also set a 5-year goal centered around facility resiliency to improve our ability to respond to and mitigate risks to our facilities from natural disasters. The EVP/General Counsel also reports on EHS matters, as they relate to ESG matters that are significant to the company, to the BOD Nominating and Corporate Governance Committee. In addition, Textron manages climate-related risks as part of our Enterprise Risk Management (ERM) process. The ERM process is designed to proactively identify, assess and mitigate Business Unit and Enterprise risks to acceptable levels to protect Enterprise performance and shareholder value. Designated ERM Risk Coordinators at each of Textron's businesses provide quarterly updates on potential operational and strategic risks which include sustainability and climate-related risks to a corporate Enterprise Risk Management Review Team which reports to the Executive Vice President and Chief Financial Officer who in turn provides the information to the BOD Audit Committee for review and discussion on a quarterly basis.

Because a number of the factors associated with climate-related issues heavily overlap areas that members of the EHSC are intimately familiar with given their area of expertise (Greenhouse Gas emissions, energy consumption, waste generation, water consumption, loss prevention, etc.), climate-related issues are monitored and discussed regularly among EHSC members. Climate-related issues surfaced by the EHSC are reviewed by the Executive Director of EHS for Textron on a monthly basis with the EVP/General Counsel, who in turn informs the other members of the leadership team and Board of Directors as appropriate. In addition, climate-related issues are monitored at each business unit as a direct result of feedback and questions from customers. Issues include regulatory impacts and risks, product and market risks, and performance to greenhouse gas reduction targets.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	Textron incentivizes employees to achieve strategic goals that are identified to be critical to the overall success of the company. Goals centered around the identification and management of climate related issues fall into this category for select individuals within the company that are directly involved with this area of expertise.

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive	Type of incentive	Activity incentivized	Comment
Environment/Sustainability manager	Monetary reward	Emissions reduction target	Achieving energy, waste and greenhouse gas program milestones (i.e., annual reduction targets) is part of overall performance award.
Business unit manager	Monetary reward	Emissions reduction target	Achieving energy, waste and greenhouse gas program milestones (i.e., annual reduction targets) may be part of overall performance award based on specific business unit.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
--	--------------	------------	---------

Short-term	0	2	Business disruptions associated with increasing extreme weather events around the world presents short-term risks. Certain Textron businesses have seen increased demand for products supporting a lower carbon environment in the short-term.
Medium-term	2	5	Medium term risks may include reputational risk related to the contributions by the commercial aviation and automobile sectors contribution to global greenhouse gas emissions. Medium term risks also include new or more restrictive laws and regulations on greenhouse gas emissions due to increased public awareness and concern regarding global climate change. Example of opportunities include our ability to gain market share by investing in R&D focused on efficiency and alternative fuels to meet market demands for lower carbon emitting products.
Long-term	5	50	Long-term risk include supply chain and business continuity disruption do to changing weather patterns and sea level rise. We also consider risks related to transitioning our aircraft products to a lower carbon environment long term. Opportunities include increased market demand for products which support a lower carbon environment. An example of a long-term climate-related opportunity is our April 2022 acquisition of Pipistrel, maker of the Velis Electro, the world's first, and currently only, electric aircraft to receive full type-certification from the European Union Aviation Safety Agency (EASA) and has received UK Civil Aviation Authority (UK CAA) type certification. Pipistrel is now part of Textron's newly formed business segment, Textron eAviation, which will pursue Textron's long-term strategy to offer a family of sustainable aircraft for urban air mobility, general aviation, cargo and special mission roles.

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

Substantive financial, operational or strategic impact on our business is defined within Textron's Enterprise Risk Management (ERM) process. More specifically, substantive financial or strategic impact is evaluated at both the enterprise and business unit levels based on internally assessed dollar amounts for impact to Net Operating Profit (NOP) and Discounted Cash Flow (DCF). These internally assessed values for NOP and DCF are net of potential mitigation activities (i.e. insurance) and vary based on size of the respective business unit.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

.....

Value chain stage(s) covered

Direct operations

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term

Medium-term

Long-term

Description of process

Textron manages climate-related risks as part of our Enterprise Risk Management (ERM) process. The ERM process is designed to proactively identify, assess and mitigate business unit and enterprise risks to acceptable levels to protect company performance and shareholder value. Designated ERM Risk Coordinators at each of Textron's businesses provide quarterly updates on potential operational and strategic risks, which include climate-related risks, to a corporate Enterprise Risk Management Review Team which reports to the Executive Vice President and Chief Financial Officer who in turn provides the information to the BOD Audit Committee for review and discussion on a quarterly basis.

In addition to the ERM process, risks are continually identified, assessed and responded to at the business level as part of standard business activities. These would include risks and opportunities related to climate change.

Risks, including transitional risks, associated with climate change have been identified through the process described above and included within our annual 10-K and quarterly 10-Q filings with the U.S. Securities and Exchange Commission. As stated in our 2021 Annual Report dated February 17, 2022:

"Increased regulation and stakeholder expectations related to global climate change could negatively affect our operating results.

Increased worldwide public awareness and concern regarding global climate change has resulted and is likely to continue to result in more legislative and regulatory efforts to address the negative impacts of climate change. Such laws and regulations may include more restrictive or expansive standards, such as stricter limits on greenhouse gas emissions by our facilities or our products that produce carbon emissions, more prescriptive reporting of environmental, social and governance metrics and/or other compliance requirements....Laws and regulations addressing climate change, and our efforts to meet the expectations of our stakeholders, could lead to the necessity of additional investment in product development, change to our manufacturing processes, sourcing from new suppliers, changes to our facilities and/or equipment and greater internal resources, all of which could increase our costs and negatively impacts our

business, results of operations, financial condition and competitive position."

Business Opportunities associated with climate change are assessed within our Strategy and Business Development function. This function, which is led by Textron's Vice President of Mergers & Acquisitions and Strategy at the Corporate level continually assesses opportunities for business growth. Strategy leaders from each of Textron's businesses comprise the Strategy Council which is chaired by Textron's Vice-President of Mergers & Acquisitions and Strategy.

An example of how a climate-related risk and opportunity was identified, assessed and responded to is how our Kautex business has adapted product lines to support the growing hybrid electric and fully electric automobile market as customers move away from traditional gasoline and diesel-powered vehicles. Kautex traditionally manufactured plastic fuel tanks for automotive OEMs for gasoline and diesel-powered vehicles. The continued focus on carbon-dioxide (CO₂) reduction is driving many automotive OEMs to look at the electrification of vehicles in response to customer demand. In response, Kautex developed a plastic tank solution that met requirements for higher internal pressures in hybrid electric vehicles. Kautex also is developing a plastic battery casing for fully electric vehicles that is lighter than traditional metal cases, and is designed to increase the range of the vehicles and reduce carbon emissions.

Another example of how a climate-related risk and opportunity was identified, assessed and responded to is our April 2022 acquisition of Pipistrel, maker of the Velis Electro, the world's first, and currently only, electric aircraft to receive full type-certification from the European Union Aviation Safety Agency (EASA) and has received UK Civil Aviation Authority (UK CAA) type certification. Pipistrel is now part of Textron's newly formed business segment, Textron eAviation, which will pursue Textron's long-term strategy to offer a family of sustainable aircraft for urban air mobility, general aviation, cargo and special mission roles.

Our loss prevention programs continually assess the resiliency of our operations to withstand climate-related physical risks. For example, we assess the vulnerabilities of our physical locations relative to severe weather events. Natural disasters, including hurricanes, fires, tornadoes, floods and other forms of severe weather, the intensity and frequency of which are being exacerbated by climate change, have in the past and could in the future disrupt our operations and adversely affect our businesses. Any of these events could result in physical damage to and/or complete or partial closure of one or more of our facilities, temporary or long-term disruption of our operations or the operations of our suppliers by causing business interruptions or by impacting the availability and cost of materials needed for manufacturing or otherwise impacting our ability to deliver products and services to our customers. We look to mitigate the potential impacts of acute physical impacts through insurance products and engineering support from outside loss prevention specialists.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	<p>We continually assess compliance with environmental laws and regulations. Textron businesses are subject to laws and regulations in the U.S. and other countries in which we operate. This is further addressed in Textron's Business Conduct Guidelines and is clearly stated as follows:</p> <p>"We are committed to being an environmentally responsible company and to providing a safe and healthful workplace for our employees. We will comply with all applicable environmental, health and safety (EHS) laws and regulations in every country in which Textron does business as well as all Textron EHS policies and standards."</p> <p>Only in a few isolated cases are our operations currently subject to climate related laws such as in the EU and in no cases are the impacts material. For example, all of our facilities in the UK report greenhouse gas emissions through the UK's Streamlined Energy and Carbon Reporting (SECR) system.</p>
Emerging regulation	Relevant, always included	<p>We continually monitor emerging regulations and their impact on our operations and markets. For example, we monitor and participate in committees working on aircraft emissions regulations and other environmental impacts.</p> <p>In addition, both U.S. and international laws and regulations applicable to us have been increasing in scope and complexity. For example, both U.S. and foreign governments and government agencies regulate the aviation industry, and they have previously and may in the future impose new regulations for additional aircraft security or other requirements or restrictions, including, for example, restrictions and/or fees related to carbon emissions levels. Changes in environmental and climate change laws and regulations, including laws relating to greenhouse gas emissions, could lead to the necessity for new or additional investment in product designs or manufacturing processes and could increase environmental compliance expenditures, including costs to defend regulatory reviews.</p>
Technology	Relevant, always included	<p>The Textron business units continually evaluate their technologies relative to emerging trends in the marketplace. Those with climate-related market risks include more specific focus on lower emissions technologies. For example, our Kautex automotive business is working with partners to support transition away from combustion</p>

		<p>engines toward hybrid and battery electric technologies. Another example is Textron Aviation's commitment to renewable resources as demonstrated by its offering to customers taking delivery of new aircraft of the option to fuel their aircraft with Sustainable Aviation Fuel (SAF). SAF refers to non-conventional aviation fuel that results in a reduction of CO2 emissions when evaluated over its life cycle as compared to traditional aviation fuel. Textron Aviation customers that have their aircraft serviced at the Wichita, Kansas service center are also provided with the option of fueling aircraft with SAF. Furthermore, in March 2021 Textron launched a new initiative to focus on the research and development of electrically powered aircraft. While the company is in the early stages of evaluating the viability of the technology required to create electrically-powered aircraft (fixed wing or rotor craft) that would meet the needs of customers, the environmental benefits of such technology would mirror the impacts that hybrid electric or battery electric technology is having on the automobile market. To further build on this sustainable aviation initiative, Textron acquired Pipistrel in April 2022. Pipistrel's Velis Electro is the world's first, and currently only, electric aircraft to receive full type-certification from the European Union Aviation Safety Agency (EASA) and has received UK Civil Aviation Authority (UK CAA) type certification. As a Textron company, Pipistrel will have access to greater resources, technical and regulatory expertise and a global aircraft sales and support network, enabling it to accelerate its development and certification of electric and hybrid electric aircraft. Pipistrel is now part of Textron's newly created business segment, Textron eAviation, which will pursue Textron's long-term strategy to offer a family of sustainable aircraft for urban air mobility, general aviation, cargo and special mission roles.</p>
<p>Legal</p>	<p>Relevant, sometimes included</p>	<p>Through our ERM process and various internal councils and working groups we continually monitor and assess impacts from a legal perspective. We have not identified any material impacts from climate-related litigation such as legal action for non-compliance with customers' changing climate-related requirements. However, as stated in our 2021 annual report, "Laws and regulations addressing climate change, and our efforts to meet the expectations of our stakeholder, could lead to the necessity of additional investment in product development, changes to our manufacturing processes, source from new suppliers, changes to our facilities and/or equipment and grater internal resources, all of which could increase our costs and negatively impact our business, results of operations, financial condition and competitive position." However, we continually monitor and assess impacts related to new or changing laws and regulations or related interpretation and policies.</p>

Market	Relevant, sometimes included	<p>We continually assess our traditional operating markets and do not anticipate any material impacts. We strive to stay ahead of market changes with robust investments in research and development at our businesses. An example of our response to market drivers related to climate change is Bell's research and development for electrically powered aircraft such as the Bell Autonomous Pod Transport (APT) to move people and materials in an environmentally friendly manner in response to growing demand for more environmentally efficient air transportation.</p> <p>Another example would be Textron Aviation providing the option beginning in September 2020 for customers taking delivery of new aircraft to have their aircraft fueled with Sustainable Aviation Fuel (SAF). Also beginning in September 2020, customers servicing their aircraft at Textron Aviation's Service Center in Wichita, Kansas have had the option to fuel their aircraft with SAF. The option for customers to fuel their aircraft at Textron Aviation's Service Center in Wichita, KS continued throughout 2021.</p>
Reputation	Relevant, sometimes included	<p>We continually assess our reputation and do not anticipate any material impacts related to climate-related impacts. At Textron Specialized Vehicles, our ELiTE lithium-ion battery vehicles have benefited from positive reputational effects amongst current and potential customers based on superior performance and energy efficiency metrics as compared to our competitors' products.</p>
Acute physical	Relevant, always included	<p>Our loss prevention programs continually assess the resiliency of our operations to withstand climate-related risks. For example, we assess the vulnerabilities of our physical locations relative to severe weather events. Natural disasters, including hurricanes, fires, tornadoes, floods and other forms of severe weather, the intensity and frequency of which are being exacerbated by climate change, have in the past and could in the future disrupt our operations and adversely affect our businesses. Any of these events could result in physical damage to and/or complete or partial closure of one or more of our facilities, temporary or long-term disruption of our operations or the operations of our suppliers by causing business interruptions or by impacting the availability and cost of materials needed for manufacturing or otherwise impacting our ability to deliver products and services to our customers. We look to mitigate the potential impacts of acute physical impacts through insurance products and engineering support from outside loss prevention specialists.</p>
Chronic physical	Relevant, always included	<p>Our loss prevention programs continually assess the resiliency of our operations to withstand climate-related risks. Chronic physical risks include changing weather patterns and rising sea levels which might impact our suppliers, facilities, and employees. We look to mitigate the potential impacts of chronic physical impacts through insurance</p>

		<p>products and engineering support from outside loss prevention specialists. As an example of our efforts around facility resiliency to the effects of Climate Change, in 2020 Textron set a 5-year goal centered around facility resiliency to improve our ability to respond to and mitigate risks to our facilities from natural disasters and the impacts of potential chronic physical risks due to climate change.</p>
--	--	---

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Acute physical
Cyclone, hurricane, typhoon

Primary potential financial impact

Increased direct costs

Company-specific description

In this scenario we consider a severe weather event impacting a critical manufacturing location. Natural disasters, including hurricanes, fires, tornadoes, floods and other forms of severe weather, the intensity and frequency of which are being exacerbated by climate change, have in the past and could in the future disrupt our operations and adversely affect our business. Any of these events could result in physical damage to and/or complete or partial closure of one or more of our facilities, and temporary or long-term disruption of our operations impacting our ability to deliver products and services to our customers. While it is unlikely this scenario will have a material financial or strategic impact on Textron Inc. as a whole, it has the potential to have such an impact on the affected business unit.

An example were the impacts to a Textron plant in Louisiana, USA that were caused by Hurricane Ida in 2021. The roof and siding of the building were damaged by the hurricane which, along with storm surge resulted in water damage to the interior of the

facility. The facility was shutdown for approximately 1 week following the hurricane while power restoration and facility restoration activities were completed.

Time horizon

Short-term

Likelihood

About as likely as not

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

1,000,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

The potential financial impact figure, of \$1,000,000 is selected based on Textron's property insurance coverage deductible for physical loss or damage and business interruption.

Cost of response to risk

1,000,000

Description of response and explanation of cost calculation

Acute physical risks are managed by Textron's cross functional teams consisting of Environmental Health and Safety, Crisis Management, Business Continuity and Risk Management. Textron has a strategic framework allowing prompt mobilization of responsibilities to protect employees and assets during and after an incident.

An example were the impacts to a Textron plant in Louisiana, USA that were caused by Hurricane Ida in 2021. The roof and siding of the building were damaged by the Hurricane which, along with storm surge resulted in water damage to the interior of the facility. Pre-planning activities that included communication plans with employees, suppliers and customers along with pre-arranged protocols with restoration companies and insurers ensured the safety of our employees and a shortened time frame to repair the facility and restart operations (approximately 1 week of downtime). Cost of management and response to this risk would be included as part of insurance premiums, and is estimated at \$1,000,000.

Comment

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Chronic physical

Sea level rise

Primary potential financial impact

Increased direct costs

Company-specific description

Here we contemplate the vulnerability of our facilities to inundation due to rising sea levels. Rising sea levels could result in physical damage to and/or complete or partial closure of one or more of our facilities, temporary or long-term disruption of our operations or the operations of our suppliers by causing business interruptions or by impacting the availability and cost of materials needed for manufacturing or otherwise impacting our ability to deliver products and services to our customers. While it is unlikely this scenario will have a material financial or strategic impact on Textron Inc. as a whole, it has the potential to have such an impact on the affected business unit.

A specific example of a facility that could be impacted by sea level rise due to increased temperatures is our Textron Systems Marine and Land shipyard facility located within the Mississippi River Delta Region east of downtown New Orleans, Louisiana, USA. This facility produces a variety of marine products and therefore has direct water access for product testing and delivery. Sea level rise could increase the number of flooding events in the future for this facility.

Time horizon

Long-term

Likelihood

Likely

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

1,000,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

There are only a small percentage of our facilities we currently consider susceptible to inundation given facility locations and current sea level rise estimates. We have not developed a detailed cost model to estimate the potential financial impact figure as this impact due to rising sea levels would be realized over time. The value provided above represents an estimated value to respond to short-term impacts from sea water inundation due to hurricanes (the effects of which will increase over time with rising sea levels).

Cost of response to risk

15,000,000

Description of response and explanation of cost calculation

The cost provided above represents a rough estimated value to relocate the Textron Marine and Land Systems facility to a location that is more resilient to sea level rise and less susceptible to sea water inundation during hurricanes.

Comment

This is an estimated value and it will be refined over time; we do not consider this cost of response to be material to Textron.

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Emerging regulation
Enhanced emissions-reporting obligations

Primary potential financial impact

Increased indirect (operating) costs

Company-specific description

Under this risk we assess the impact of new emissions reporting obligations on our existing operations. This would include any new carbon schemes introduced in the EU or regulations in Asia as well as the proposed rule for climate change disclosure requirements that was introduced by the United States Securities and Exchange Commission in 2022. We monitor these risks through our participation in industry associations and within our own EHS and Legal organizations. Significant impacts would be captured in and escalated through our Enterprise Risk Management Process.

For example, both U.S. and foreign governments and government agencies regulate the aviation industry, and they have previously and may in the future impose new regulations for additional aircraft security or other requirements or restrictions, including,

for example, restrictions and/or fees related to carbon emissions levels. Changes in environmental and climate change laws and regulations, including laws relating to greenhouse gas emissions, could lead to the necessity for new or additional investment in product designs or manufacturing processes and could increase environmental compliance expenditures, including costs to defend regulatory reviews.

While it is unlikely this scenario will have a material financial or strategic impact on Textron Inc. as a whole, it has the potential to have such an impact on the affected business unit.

Time horizon

Medium-term

Likelihood

About as likely as not

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

0

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Based on past experience and current expectations we do not believe that any new regulations would have a significant financial impact for which we would be able to estimate an impact figure. Regardless of potential future regulations, the critical services and efficiencies created by the use of aircraft built by Textron companies for the movement of goods and people in addition to humanitarian and defense related activities are expected to continue in the future.

Cost of response to risk

6,105,000

Description of response and explanation of cost calculation

The estimated cost of responses to this risk is based on approximately 0.5% of Textron's 2021 selling and administrative spending amount. This value shown above is not based on actual estimates.

Comment

In 2021, Textron spent \$1.2 Billion USD on selling and administrative expenses. The exact scope of the effort to address this risk is not known at this time, so a nominal

value of 0.5% of the selling and administrative annual spending total was used as an estimate.

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resource efficiency

Primary climate-related opportunity driver

Other, please specify

Improved operational efficiency resulting in reduced resource consumption

Primary potential financial impact

Reduced indirect (operating) costs

Company-specific description

In 2020, Textron launched an enterprise-wide sustainability initiative that created a new set of 5-year goals centered around four areas of focus - Health & Safety, Well-being, Resilient facilities and Sustainable Footprint. The Sustainable Footprint goals are specific to resource efficiency and state that by the year 2025, Textron facilities will reduce Greenhouse Gas Emissions by 20%, Energy Use by 10%, Waste Generation by 10% and Water Consumption by 10%. These goals are applicable to all worldwide Textron locations that have more than 25 employees (both manufacturing and office locations).

Time horizon

Short-term

Likelihood

Virtually certain

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

14,000,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

The estimated potential financial impact figure of \$14,000,000 provided above represents the average annual savings for similar types of resource efficiency projects completed at Textron locations over the proceeding 5-year period.

Cost to realize opportunity

19,000,000

Strategy to realize opportunity and explanation of cost calculation

These goals will be achieved by a combination of activities including: procurement of renewable energy, partnership with the U.S. Department of Energy Better Plants Program, internal resource efficiency evaluations, etc. The estimated cost to realize figure of \$19,000,000 above represents the estimated costs to implement the resource efficiency projects at Textron facilities over the past five years that are the basis of this opportunity. In other words, resource efficiency projects at Textron locations over the past five years have had an implementation cost of \$19,000,000 and resulted in an estimated annual savings of \$14,000,000 (Average payback period of 1.35 years).

In 2021, renewable electricity accounted for approximately 30% of Textron's overall electricity consumption, an increase of almost 30% as compared to 2020 when renewable electricity consumption accounted for less than 1% of Textron's overall electricity consumption. We anticipate a greater percentage of renewable electricity will be used at Textron facilities by the end of the 5-year goal period in 2025 based on both onsite generation and an increased amount of procured renewable electricity generated offsite.

In 2021, a representative from the U.S. Department of Energy supported an energy efficiency assessment at a Textron Systems facility in Hunt Valley, Maryland, USA. This assessment identified several potential energy savings opportunities totaling over 4,000 mmBTU, or roughly 9% of the facility's energy consumption.

Comment

Identifier

Opp2

Where in the value chain does the opportunity occur?

Upstream

Opportunity type

Energy source

Primary climate-related opportunity driver

Use of lower-emission sources of energy

Primary potential financial impact

Reduced indirect (operating) costs

Company-specific description

2021 marked the first year that Textron Aviation benefited from an agreement with its electricity provider (Eversource, Inc.) that will provide the business with Renewable Energy Credits (RECs) associated with renewable electricity generated at Eversource's Soldier Creek Wind Energy Center located in Nemaha County Kansas. Textron Aviation's 55 megawatt allocation from the Soldier Creek Wind Energy Center corresponded to over 180,000 RECs in 2021. In early 2022, Textron Aviation was able to increase its allocation from the Soldier Creek Wind Energy Center to a total of 59 megawatts. In addition to the environmental benefits it receives in the form of RECs, Textron Aviation is also able to realize cost savings through the terms of its agreement with Eversource.

Time horizon

Short-term

Likelihood

Virtually certain

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

12,000,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

The terms of the agreement will result in an estimated annual savings on electricity invoices of \$600,000 based on electricity rates Textron Aviation incurred in recent years. Over the lifetime of the agreement, Textron Aviation expects to save \$12,000,000. The reputational benefits of using renewable energy to manufacture aircraft is not able to be estimated and therefore isn't included in this estimate.

Cost to realize opportunity

17,000,000

Strategy to realize opportunity and explanation of cost calculation

The agreement has been executed and the Soldier Creek Wind Energy Center began generating renewable electricity in January 2021. Textron Aviation received approximately 180,000 RECs attributable to its 55 MW allocation of the Soldier Creek Wind Energy Center in 2021. The cost to realize figure of \$17,000,000 provided above represents the approximate annual spend for electricity at Textron Aviation facilities in Kansas which it will continue to incur and takes into account the estimated \$600,000 annual savings.

Comment

Identifier

Opp3

Where in the value chain does the opportunity occur?

Upstream

Opportunity type

Energy source

Primary climate-related opportunity driver

Use of lower-emission sources of energy

Primary potential financial impact

Reduced direct costs

Company-specific description

At Kautex's Barcelona, Spain facility, 1350 solar panels were installed on the roof of the facility and became operational in March 2019. Multiple solar panel expansion projects have taken place since the initial 2019 installation activities and there are currently 2,292 solar panels installed on the facility's roof. In 2021 the installed solar panels generated 433,920 kwh of renewable electricity that was used by the facility; additional electricity above and beyond what was used by the facility was generated by the rooftop solar panels during period of minimal plant activities and sent into the grid system for consumption by others. Based on information from the installation company, the solar panels are anticipated to operate for 25 years.

Time horizon

Short-term

Likelihood

Virtually certain

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

1,300,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

The solar panel array installed on the roof of Kautex's Barcelona Spain facility generated over \$52,000 worth of renewable electricity in 2021. Based on information provided by the installation company, the solar panels are anticipated to operate for 25 years. The potential impact figure above is based on the following calculation:
 $\$52,000/\text{yr} \times 25\text{yr} = \$1,300,000$ over the anticipated time the solar panels will operate.

Cost to realize opportunity

360,000

Strategy to realize opportunity and explanation of cost calculation

The cost to realize figure of \$360,000 provided is the approximate direct cost of the 2019 and 2020 solar panel installation projects.

Comment

This project is complete and operational. In addition to the annual savings in procurement of electricity, this project also resulted in the avoidance of over 86 metric tons CO₂e emissions in 2021.

C3. Business Strategy

C3.1

(C3.1) Does your organization’s strategy include a transition plan that aligns with a 1.5°C world?

Row 1

Transition plan

No, but our strategy has been influenced by climate-related risks and opportunities, and we are developing a transition plan within two years

Explain why your organization does not have a transition plan that aligns with a 1.5°C world and any plans to develop one in the future

Textron is positioning itself to be a leader in a future low-carbon economic world by reducing the environmental footprint of our manufacturing operations as demonstrated by our Achieve 2025 Sustainability Goal program and by product development and

business strategy decisions. With respect to our operations, 2021 marked the first year of a 20 year agreement that Textron Aviation has with its electricity provider (Evergy, Inc.) that allowed the business to benefit by receiving Renewable Energy Credits (RECs) associated with renewable electricity generated at Evergy's Soldier Creek Wind Energy Center located in Nemaha County Kansas. Textron Aviation's 55 megawatt allocation from the Soldier Creek Wind Energy Center corresponded to over 180,000 RECs in 2021. In early 2022, Textron Aviation was able to increase its allocation from the Soldier Creek Wind Energy Center to a total of 59 megawatts, thereby increasing its ability to obtain additional RECs from the agreement over the next 19 years. Textron businesses also benefit from renewable electricity at facilities in Germany (purchase of energy attribute certificates), Spain (on-site solar generation), Romania (supplier agreement for renewable electricity) and Brazil (supplier agreement for renewable electricity). Textron is evaluating additional additional opportunities for renewable electricity to benefit other facilities.

With respect to low-carbon economy products, one example is our Kautex business that is investing significant efforts in bringing to market a plastic molded battery casing which is approximately 60% lighter than the current metal casings to support the growing Battery Electric Vehicle (BEV) market. The reduced weight of the plastic battery casing as compared to metal casings improves the range of the BEV, provides an opportunity to adjust chassis components such as suspension and brake systems and also increases payload capacity. In addition to these opportunities, the reduced weight of the plastic battery casings also reduces CO2 emissions as well as energy consumption along the complete supply chain. Kautex's efforts around development of plastic battery casings will ensure long-term revenue within the automotive industry. At this time, Kautex is anticipating market introduction of this product within the next two years.

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

	Use of climate-related scenario analysis to inform strategy
Row 1	Yes, qualitative

C3.2a

(C3.2a) Provide details of your organization's use of climate-related scenario analysis.

Climate-related scenario	Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Physical climate scenarios RCP 8.5	Company-wide		The scenarios pertaining to physical/operational risks presented herein were derived from Representative Concentration Pathway (RCP) models presented in the report - Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report Working Group III Report and Climate Change 2014: Synthesis Report

		<p>Summary for Policy Makers November 2014. It is recognized that there is uncertainty regarding climate change and its impacts. However the assumptions and scenarios presented here are interpreted from consensus models and represent probable future scenarios. Though considered relatively unlikely, to assess physical risks we are applying the RCP 8.5 scenario - which is generally considered the worst-case climate change scenario. Based on these models sea level is projected to rise from between 45 cm to 82 cm by the year 2100. These projections are conservative as they do not include future rapid dynamical changes in ice flow (i.e., rapid melting of Greenland ice sheet). For the purpose of this exercise a rise of 30 cm over the next 30 years was selected. Modeling indicates that globally temperatures are expected to rise from 2.6 to 4.8 degrees C by the year 2100. For the purposes of this analysis an average temperature rise of 2.0 Degrees C was chosen for the likely change over the next 30 years.</p> <p>Climate change models indicate with high confidence that global precipitation patterns will change resulting in change in the amount and intensity of precipitation. Changing precipitation patterns will result in increased risk of wild fires, flooding and drought. Regarding wildfire risks, in North America warmer summer temperatures are projected to extend the annual window of high fire risks by 10 to 30% and increase the areas burned. Regarding droughts, precipitation is expected to decrease globally in the mid to lower latitude areas resulting in drought conditions. The portion of land surface in extreme drought is expected to increase by 10 to 30% by 2090. Heavily used groundwater systems like those in the Southwestern US will become more stressed (example - recharge to the Ogallala aquifer is projected to decrease by 20%). Regarding flooding, climatic models indicate that increased precipitation averages (in the higher latitudes) and intensity (globally) will result in more frequent flooding of river basins.</p>
<p>Transition scenarios IEA SDS</p>	<p>Company-wide</p>	<p>In general terms transition risks are those associated with the transition to a lower-carbon economy. To understand the potential most impactful policy-related transition risks we have chosen to apply the Sustainable Development Scenario (SDS, 1.5-2 deg C). When evaluating the financial impacts of regulatory and policy</p>

			<p>changes which are likely to be adopted the BUs should consider both existing and proposed policies targeting limiting greenhouse gas emissions and also consider specific industry commitments to limit CO2 emissions (e.g., industry goals to improve fuel efficiency by certain dates).</p>
--	--	--	--

C3.2b

(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.

Row 1

Focal questions

How will customer sentiment and demand for more environmentally friendly products impact our business? How will climate change impact our operations from an acute and chronic physical perspective? How will regulatory changes enacted to limit the impacts of climate change effect our manufacturing facilities and our products?

Results of the climate-related scenario analysis with respect to the focal questions

We anticipate climate change will influence customer sentiment and demand for lower GHG emitting products in the future scenario consistent with the Sustainable Development Scenario (SDS, 1.5-2 deg C) . Through our Achieve 2025 goal program, Textron has committed to reducing our GHG emissions and natural resource consumption of our manufacturing facilities; thereby reducing life cycle emissions associated with our products. Some Textron businesses have also developed and/or modified existing products to meet customer expectations for lower GHG emitting products. Examples include our Kautex business that is investing significant efforts in bringing to market a plastic molded battery casing which is approximately 60% lighter than the current metal casings to support the growing Battery Electric Vehicle (BEV) market. Another example is our 2022 acquisition of Pipistrel, maker of the Velis Electro , the world's first, and currently only, electric aircraft to receive full type-certification from the European Union Aviation Safety Agency (EASA) and has received UK Civil Aviation Authority (UK CAA) type certification.. Pipistrel is now part of Textron's newest business segment, Textron eAviation, which will pursue Textron's long-term strategy to offer a family of sustainable aircraft for urban air mobility, general aviation, cargo and special mission roles.

Acute and chronic effects of climate change have the possibility to impact operations due to the increased frequency and intensity of weather-related events such as tornados and hurricanes (acute effects) and increased sea level rise as well as increased need for expanded climate-controlled manufacturing spaces for employee comfort and productivity (chronic effects).

Regulatory changes that could be enacted to mitigate the impacts of climate change consistent with the SDS 1.5-2 deg C scenario may impact operational expenses for our facilities and/or demand for some existing products. To mitigate these potential impacts, Textron has undertaken several measures to ensure resource efficiency within our manufacturing facilities (Achieve 2025 5-year sustainability goal initiative), increased the use of renewable electricity and invested in research and development of new products and technologies that have a lower carbon footprint than prior models and methods.

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	<p>Textron businesses have developed and manufacture numerous products that are directly related to climate-change market drivers. Some of these products include:</p> <p>The continued focus on carbon-dioxide (CO₂) reduction is driving many automotive OEMs to pivot to the electrification of vehicles. These more complex fuel tank applications in hybrid vehicles require closed fuel systems with a higher internal pressure which causes massive deformations on un-reinforced plastic tanks. The first generation of fuel systems hybrid technology was equipped with a thick-wall steel tank because standard plastic tanks could not handle the impact of the pressurization. In 2015, Kautex was first to market with two plastic tank solutions that met the pressurization requirements. These systems boasted a reduction in weight of more than five kilograms when compared to pressurized steel tanks.</p> <p>Nitrogen oxide (NO_x) is the by-product of a diesel-powered engine and is a real concern with regards to environmental sustainability and clear air requirements. To address the Euro-6 NO_x emission requirement, Kautex developed the Selective Catalytic Reduction (SCR) technology. The SCR technology reduces NO_x emissions from diesel engines up to 85% while at the same time improves fuel consumption by 8%.</p> <p>E-Z-GO's ELiTE series vehicles are equipped with high-</p>

		<p>efficiency, zero maintenance lithium ion batteries. These batteries use less power and have an overall smaller carbon footprint than both fossil fuel engines and traditional lead acid battery engines; E-Z-GO's EX-1 engine that is a first of its kind gasoline engine designed for golf vehicles that is more fuel efficient, quieter and less expensive to operate and maintain than traditional golf vehicles engines.</p> <p>In August 2021, Howe & Howe Inc., a subsidiary of Textron Systems Corporation, unveiled its latest innovations for the firefighting community – its next generation Thermite EV2, an all-electric firefighting robot. With the ability to operate several hours on a single charge and capable of moving farther into high-temperature, dangerous environments, the Thermite EV2 extends the capability of firefighters, while enabling them to maintain a safer distance from the fire. Increased frequency of wildfires due to climate change make this product ideal for future firefighting situations.</p>
<p>Supply chain and/or value chain</p>	<p>Yes</p>	<p>Over the past few years, the world's largest automotive OEMs have put an increasing emphasis on reducing their overall value chain carbon footprint to the point of eventual carbon neutrality. As a direct supplier of fuel tanks, camshafts and liquid reservoirs to the automotive OEMs, Kautex has been requested to assess and report its carbon emissions within the Supply Chain module of the CDP climate change questionnaire by several automotive OEMs. Kautex has developed an internal process that is used across 30 world-wide facilities to drive energy-efficient operations. The Kautex Energy Management Action Plan (KEMAP) was produced to serve as a guidebook for the best way to operate our facilities in an energy efficient manner. Lowering the energy intensity and waste streams in the manufacturing of our products is the key target of this system.</p> <p>The KEMAP was built and designed from our experiences with and opportunities identified from energy kaizen/workshop events. The KEMAP has three basic components:</p> <ol style="list-style-type: none"> 1. Process textbooks 2. Analysis sheets 3. Energy scorecard <p>In addition, Kautex has engaged with their own suppliers.</p>

		<p>Kautex presented their sustainable strategy and targets during global supplier informational events in 2020 and 2021 where all strategic suppliers and +100 in total attended. Sustainable requirements were addressed; in 2020 a letter was send out to all suppliers requesting environmental data; however beginning in 2022 Kautex joined the Supply Chain Membership to collect supplier data and conducted a buyer and supplier webinar to engage suppliers; Kautex is in the process of integrating sustainable criteria in their sourcing decision for direct material and indirect suppliers; Kautex includes environmental and CDP related questions in their annual supplier performance questionnaire for new and existing suppliers; Sustainability is addressed in strategic suppliers meetings who are co2 critical for Kautex including resin and metal suppliers to work on solutions for sustainable material.</p> <p>In the short-term, Textron has taken the step to inform our largest suppliers for each of our businesses of our enterprise-wide commitments to greenhouse gas emission reduction initiatives and encouraged these suppliers to set similar reduction goals and report data through the CDP platform.</p>
<p>Investment in R&D</p>	<p>Yes</p>	<p>Over the past few years Technology and Innovation teams at Textron's Bell business unit have been developing the Autonomous Pod Transport (APT) to offer convenient, safe and environmentally beneficial ways to move cargo. This all electric autonomous test vehicle carries a maximum payload of 100 pounds and is designed to be used for business operations, cargo movement and battlefield resource resupply.</p> <p>Relative to our Kautex business, according to J.P. Morgan, OEMs are preparing to phase out cars powered solely by internal combustion engines (ICEs) as governments look to tackle fuel emissions to help combat the effects of climate change. The growth in battery electric vehicles (BEVs) and plug-in hybrid electric vehicles (PHEVs) is climbing and by 2025, BEVs and PHEVs are expected to account for 30% of all vehicle sales.</p> <p>To position itself to be a leader in providing the necessary battery casings to automakers for the growing BEV market, Kautex is currently investing significant efforts in bringing to market a molded plastic battery casing, which is approximately 60% lighter than metal casings. The reduced</p>

		<p>weight of the plastic battery casing improves the range of the BEV, provides an opportunity to adjust chassis components such as suspension and brake systems and also increases payload capacity. In addition to these opportunities, the reduced weight of the plastic battery casings also reduces CO2 emissions as well as energy consumption along the complete supply chain.</p>
<p>Operations</p>	<p>Yes</p>	<p>2021 marked the first year that Textron Aviation benefited from an agreement with its electricity provider (Eversource, Inc.) that will provide the business with Renewable Energy Credits (RECs) associated with renewable electricity generated at Eversource's Soldier Creek Wind Energy Center located in Nemaha County Kansas. Textron Aviation's 55 megawatt allocation from the Soldier Creek Wind Energy Center corresponded to over 180,000 RECs in 2021. In early 2022, Textron Aviation was able to increase its allocation from the Soldier Creek Wind Energy Center to a total of 59 megawatts. In addition to the environmental benefits it receives in the form of RECs, Textron Aviation is also able to realize cost savings through the terms of its agreement with Eversource.</p> <p>At Textron's Lycoming Engines plant in Williamsport, Pennsylvania, crankshafts and cylinder barrels are hardened through a patented ion nitriding technology, rather than traditional caustic chemical processes, to reduce environmental footprint, while still providing the same quality product. This room contains solar tubes to provide supplemental natural light and an HVAC system that recirculates hot air in the room to heat the rest of the facility during the winter. These innovations have allowed Lycoming to reduce water usage by 400,000 gallons, electricity usage by 110,000 kWh and emissions by 1.2 million pounds annually.</p> <p>In March 2019, Kautex's facility in Barcelona, Spain installed 1,350 solar panels on the roof of the facility. In September 2020, a follow-on project was completed at the same Kautex facility in which an additional 288 solar panels were added to the facility roof. In 2021, a total of 434 MWh was generated by the roof top solar panels at the Kautex Barcelona facility which is equal to about 10% of the facility's electricity consumption and a savings of approximately \$52,000.</p> <p>In 2021, Kautex's plant in Guararema, Brazil opted to</p>

		<p>consume electricity generated from 100% renewable sources. This decision resulted in a reduction of almost 400 metric tons of Greenhouse Gas Emissions during the year.</p> <p>In the short-term, Textron is evaluating expanding the use of renewable energy at our facilities by leveraging the relationship with our existing global energy management partner.</p>
--	--	---

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Indirect costs	<p>Textron Aviation signed a 20-year agreement with their energy provider (Evergy, Inc.) that will provide 55 megawatts of renewable energy from the Solider Creek Wind Energy Center located in Nemaha County Kansas to Textron Aviation facilities in Kansas. The amount of renewable energy provided per the agreement is approximately the same amount used by Textron Aviation in its manufacturing facilities within the state. The Wind Energy Center became operational in January 2021. The agreement will not only allow for Textron Aviation aircraft to be manufactured using 100% carbon-free electricity, but it will also save the company an estimated amount of \$600,000 per year of the agreement resulting in a reduction of indirect costs for the company.</p> <p>Relative to our Kautex business, according to J.P. Morgan, OEMs are preparing to phase out cars powered solely by internal combustion engines (ICEs) as governments look to tackle fuel emissions to help combat the effects of climate change. The growth in battery electric vehicles (BEVs) and plug-in hybrid electric vehicles (PHEVs) is climbing and by 2025, BEVs and PHEVs are expected to account for an estimated 30% of all vehicle sales.</p> <p>To position itself to be a leader in providing the necessary battery casings to automakers for the growing BEV market, Kautex is currently investing significant efforts in bringing to market a plastic molded battery casing which is approximately 60% lighter than the current metal casings.</p> <p>The reduced weight of the plastic battery casing as compared to metal casings improves the range of the BEV, provides an opportunity to adjust chassis components such as suspension and brake systems and also</p>

	<p>increases payload capacity. In addition to these opportunities, the reduced weight of the plastic battery casings also reduces CO2 emissions as well as energy consumption along the complete supply chain. Kautex's efforts around development of plastic battery casings will ensure long-term revenue within the automotive industry. At this time, Kautex is anticipating market introduction of this product within the next two years.</p> <p>In response to market demand for low-emission personnel transportation and utility products, Textron Specialized Vehicles has invested to enhance and expand its portfolio of electric vehicles. Some examples are discussed below:</p> <p>E-Z-GO Liberty:</p> <p>The first of its kind golf car with four forward facing seats is powered by the Samsung SDI ELiTE Lithium-Ion battery.</p> <ul style="list-style-type: none"> • Zero greenhouse gas emissions generated during use • IntelliBrake converts speed to electricity, allowing it to repurpose energy. • ELiTE Lithium-Ion batteries produce 95% less harmful waste compared to lead-acid batteries. • ELiTE Lithium-Ion batteries are 15% more energy efficient than lead-acid batteries. <p>Textron Ground Support Equipment (GSE) TUG 660E belt loader and TUG Alpha 1:</p> <p>Designed to meet the green ambitions of the global aviation industry, Textron GSE unveiled the TUG ALPHA 1, a pushback for narrow-body aircraft that is available with lithium-ion electric as well as diesel and gas powertrains. The electric vehicle offers 15% more energy efficiency and zero maintenance, resulting in low cost-of-ownership.</p> <p>Jacobsen Eclipse 360 ELiTE Lithium Mower:</p> <p>The latest Lithium-Ion battery, outstanding technology, and a hydraulic-free design makes the Eclipse 360 electric greens mower the greenest, quietest and highest quality Jake cut available for golf courses.</p> <ul style="list-style-type: none"> • Zero emissions generated during use • Zero maintenance battery • Near-silent technology • Lightweight to protect turf quality <p>Furthermore, in March 2021 Textron launched a new initiative to focus on the research and development of electrically powered aircraft. While the company is in the early stages of evaluating the viability of the technology</p>
--	--

		<p>required to create electrically-powered aircraft (fixed wing or rotor craft) that would meet the needs of customers, the environmental benefits of such technology would mirror the impacts that hybrid electric or battery electric technology is having on the automobile market.</p> <p>To further build on this sustainable aviation initiative, Textron acquired Pipistrel in April 2022. Pipistrel’s Velis Electro is the world’s first, and currently only, electric aircraft to receive full type-certification from the European Union Aviation Safety Agency (EASA) and has received UK Civil Aviation Authority (UK CAA) type certification.. As a Textron company, Pipistrel will have access to greater resources, technical and regulatory expertise and a global aircraft sales and support network, enabling it to accelerate its development and certification of electric and hybrid electric aircraft. Pipistrel is now part of Textron’s newly created business segment, Textron eAviation, which will pursue Textron’s long-term strategy to offer a family of sustainable aircraft for urban air mobility, general aviation, cargo and special mission roles.</p>
--	--	--

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Intensity target

C4.1b

(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).

Target reference number

Int 1

Year target was set

2020

Target coverage

Company-wide

Scope(s)

Scope 1

Scope 2

Scope 2 accounting method

Location-based

Scope 3 category(ies)

Intensity metric

Metric tons CO₂e per unit revenue

Base year

2019

Intensity figure in base year for Scope 1 (metric tons CO₂e per unit of activity)

0.0169

Intensity figure in base year for Scope 2 (metric tons CO₂e per unit of activity)

0.0268

Intensity figure in base year for Scope 3 (metric tons CO₂e per unit of activity)

Intensity figure in base year for all selected Scopes (metric tons CO₂e per unit of activity)

0.0437

% of total base year emissions in Scope 1 covered by this Scope 1 intensity figure

100

% of total base year emissions in Scope 2 covered by this Scope 2 intensity figure

100

% of total base year emissions in Scope 3 (in all Scope 3 categories) covered by this Scope 3 intensity figure

% of total base year emissions in all selected Scopes covered by this intensity figure

100

Target year

2025

Targeted reduction from base year (%)

20

Intensity figure in target year for all selected Scopes (metric tons CO₂e per unit of activity) [auto-calculated]

0.03496

% change anticipated in absolute Scope 1+2 emissions

20

% change anticipated in absolute Scope 3 emissions

0

Intensity figure in reporting year for Scope 1 (metric tons CO₂e per unit of activity)

0.0179

Intensity figure in reporting year for Scope 2 (metric tons CO₂e per unit of activity)

0.0189

Intensity figure in reporting year for Scope 3 (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for all selected Scopes (metric tons CO₂e per unit of activity)

0.0368

% of target achieved relative to base year [auto-calculated]

78.9473684211

Target status in reporting year

Underway

Is this a science-based target?

No, but we anticipate setting one in the next 2 years

Target ambition

Please explain target coverage and identify any exclusions

In 2020, we established a new set of enterprise-wide 5-year improvement goals specific to the following areas of focus: Scope 1 and 2 greenhouse gas emissions, energy use, water use and waste generation. By 2025, Textron's business will strive to achieve the following goals: 1.) Reduce Scope 1 and 2 greenhouse gas emission intensity by 20%; 2.) reduce energy use intensity by 10%; 3.) reduce water use intensity by 10%, and; 4.) reduce waste generation intensity by 10%.

Plan for achieving target, and progress made to the end of the reporting year

The target will be met by continuing to identify and implement energy savings opportunities at our businesses, expanding the procurement of renewable electricity and evaluating and implementing where deemed appropriate, onsite generation activities.

To achieve these goals by 2025, Textron intends to work with our suppliers to carry out resource improvement projects at our facilities and continuously look for more efficient methods in our energy procurement and manufacturing processes. In 2021 Textron operations around the globe were able to complete 121 sustainability projects aimed at energy, waste or water use reduction. In addition to saving Textron over \$2 million, these projects helped Textron improve by increasing energy efficiency and reducing

greenhouse gas emissions, water use and waste generation. Project savings on energy were over 70,000 mmBTUs, which resulted in reducing greenhouse gas emissions by almost 7,000 metric tons.

List the emissions reduction initiatives which contributed most to achieving this target

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

Other climate-related target(s)

C4.2b

(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.

Target reference number

Oth 1

Year target was set

2020

Target coverage

Company-wide

Target type: absolute or intensity

Intensity

Target type: category & Metric (target numerator if reporting an intensity target)

Waste management
metric tons of waste generated

Target denominator (intensity targets only)

unit revenue

Base year

2019

Figure or percentage in base year

4.4452

Target year

2025

Figure or percentage in target year

4.0006

Figure or percentage in reporting year

4.1521

% of target achieved relative to base year [auto-calculated]

65.9244264507

Target status in reporting year

Underway

Is this target part of an emissions target?

No - This goal is centered around reducing waste generation at Textron facilities and although indirectly reduces emissions, is not part of an emissions target.

Is this target part of an overarching initiative?

Other, please specify

This target is part of a company-wide resource efficiency initiative.

Please explain target coverage and identify any exclusions

In 2020, we established a new set of enterprise-wide 5-year improvement goals specific to the following areas of focus: Scope 1 and 2 greenhouse gas emissions, energy use, water use and waste generation. By 2025, Textron's business will strive to achieve the following goals: 1.) Reduce Scope 1 and 2 greenhouse gas emission intensity by 20%; 2.) reduce energy use intensity by 10%; 3.) reduce water use intensity by 10%, and; 4.) reduce waste generation intensity by 10%.

Plan for achieving target, and progress made to the end of the reporting year

To achieve these goals by 2025, Textron intends to work with our suppliers to carry out resource improvement projects at our facilities and continuously look for more efficient methods in our energy procurement and manufacturing processes.

In 2021 Textron operations around the globe were able to complete 121 sustainability projects aimed at energy, waste or water use reduction. In addition to saving Textron over \$2 million, these projects helped Textron improve by increasing energy efficiency and reducing greenhouse gas emissions, water use and waste generation. Our waste minimization efforts helped to reduce our landfill disposal by almost 2,000,000 pounds.

List the actions which contributed most to achieving this target

Target reference number

Oth 2

Year target was set

2020

Target coverage

Company-wide

Target type: absolute or intensity

Intensity

Target type: category & Metric (target numerator if reporting an intensity target)

Energy consumption or efficiency
million Btu

Target denominator (intensity targets only)

unit revenue

Base year

2019

Figure or percentage in base year

0.4011

Target year

2025

Figure or percentage in target year

0.3608

Figure or percentage in reporting year

0.4057

% of target achieved relative to base year [auto-calculated]

-11.4143920596

Target status in reporting year

Underway

Is this target part of an emissions target?

No - This goal is centered around energy efficiency and although indirectly reduces emissions, is not part of an emissions target.

Is this target part of an overarching initiative?

Other, please specify

This target is part of a company-wide resource efficiency initiative.

Please explain target coverage and identify any exclusions

In 2020, we established a new set of enterprise-wide 5-year improvement goals specific to the following areas of focus: Scope 1 and 2 greenhouse gas emissions, energy use, water use and waste generation. By 2025, Textron's business will strive to achieve the following goals: 1.) Reduce Scope 1 and 2 greenhouse gas emission intensity by 20%; 2.) reduce energy use intensity by 10%; 3.) reduce water use intensity by 10%, and; 4.) reduce waste generation intensity by 10%.

Plan for achieving target, and progress made to the end of the reporting year

The target will be met by continuing to identify and implement energy savings opportunities at our businesses and implementing where deemed appropriate, onsite generation activities.

List the actions which contributed most to achieving this target

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	9	1
To be implemented*	7	10
Implementation commenced*	38	495
Implemented*	4	3,989
Not to be implemented	3	19

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Energy efficiency in buildings
Lighting

Estimated annual CO2e savings (metric tonnes CO2e)

3,017

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (location-based)
Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

616,102

Investment required (unit currency – as specified in C0.4)

1,976,894

Payback period

4-10 years

Estimated lifetime of the initiative

16-20 years

Comment

In 2021, 60 separate lighting projects were completed at various Textron facilities. These projects primarily consisted of re-lamping facility spaces with energy efficient LED fixtures.

Initiative category & Initiative type

Low-carbon energy generation

Solar PV

Estimated annual CO2e savings (metric tonnes CO2e)

40

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (location-based)

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

15,453

Investment required (unit currency – as specified in C0.4)

89,943

Payback period

4-10 years

Estimated lifetime of the initiative

16-20 years

Comment

In May 2021, Kautex's plant in Barcelona, Spain, completed an expansion of the an existing rooftop solar panel system. The expansion consisted of installing an additional 288 solar panels, which will generate an additional 155,000 kwh of electricity annually resulting in an estimated \$15,453 in savings.

Initiative category & Initiative type

Energy efficiency in buildings
Building Energy Management Systems (BEMS)

Estimated annual CO₂e savings (metric tonnes CO₂e)

107

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (location-based)
Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

20,982

Investment required (unit currency – as specified in C0.4)

14,640

Payback period

1-3 years

Estimated lifetime of the initiative

16-20 years

Comment

In 2021, 9 separate energy management system projects were completed at various Textron facilities. These projects resulted in more efficient use of electricity and elimination of wasted electricity.

Initiative category & Initiative type

Energy efficiency in production processes
Compressed air

Estimated annual CO₂e savings (metric tonnes CO₂e)

825

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (location-based)
Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

215,574

Investment required (unit currency – as specified in C0.4)

6,217

Payback period

1-3 years

Estimated lifetime of the initiative

16-20 years

Comment

In 2021, 16 separate compressed air projects were completed at various Textron facilities. These projects resulted in optimization of compressor pressure settings and installation of modern, more efficient compressor and dryer systems; all of which resulted in an electricity savings and corresponding greenhouse gas reduction.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Financial optimization calculations	<p>We have developed an Energy Kaizen process which has a standard method of calculating the savings on projects in terms of dollars, energy and carbon reduction which helps get projects done.</p> <p>In addition, Textron realized cost savings opportunities by working with energy providers to secure long-term access to renewable energy for our facilities. For example, in 2018 Textron Aviation signed a 20-year agreement with their energy provider (Evergy, Inc.) to provide 55 megawatts of renewable energy from the Solider Creek Wind Energy Center located in Nemaha County Kansas to Textron Aviation facilities in Kansas. The amount of renewable energy provided per the agreement is approximately the same amount used by Textron Aviation in its manufacturing facilities within the state. The wind energy center became operational in January 2021 and Textron Aviation is now realizing the corresponding benefits. The agreement will not only allow for Textron Aviation aircraft to be manufactured using 100% renewable electricity, but it will also save the company an estimated amount of \$600,000 per year of the agreement.</p>
Partnering with governments on technology development	<p>We are a partner with the U.S. Department of Energy (DOE) on the Better Plants Program. The U.S. (DOE) Better Plants program is a voluntary partnership that aims to drive significant energy efficiency improvements across energy-intensive industrial companies and organizations. Driving energy savings can have a broad impact across the industrial sector, which leads to cost savings, greater resilience, a strengthened workforce, and increased global competitiveness.</p>
Other Membership - Renewable	<p>In 2021, Textron became a member of the Renewable Energy Buyers Alliance (REBA) Group. Textron made the decision to join the REBA Group</p>

Energy Buyers Alliance	to provide the company with better access to information necessary for evaluating renewable energy opportunities and to gain insight from other REBA members on lessons learned following their own experiences with procuring various renewable energy technologies/mechanisms.
------------------------	--

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products.

Level of aggregation

Product or service

Taxonomy used to classify product(s) or service(s) as low-carbon

Other, please specify

When compared to traditional fossil fuel-based aviation fuel, project life-cycle emissions associated with SAF use in aircraft is significantly lower

Type of product(s) or service(s)

Biofuels

Other, please specify

Sustainable Aviation Fuel derived from animal fat and vegetable oil.

Description of product(s) or service(s)

Textron Aviation completed an internal assessment and has confirmed Sustainable Aviation Fuel (SAF) is viable across its entire commercial jet and turboprop product line. Textron Aviation has added access to SAF as a service to customers. In 2020, Textron Aviation began offering customers taking delivery of new aircraft from its main manufacturing facilities in Wichita, Kansas the option of fueling the aircraft with SAF. Furthermore, any Textron Aviation customer having service completed at its Wichita Service Center also has the option of fueling their aircraft with SAF. The use of SAF in Textron Aviation aircraft enables its customers to avoid greenhouse gas emissions. In addition to SAF use in fixed-wing aircraft associated with Textron Aviation operations, in 2020, Bell Helicopter began using SAF in all helicopter flight operations conducted at its Fort Worth, Texas training academy and in all customer demonstration flights performed on its fleet of 20 demonstration helicopters. In 2021, approximately 17,500 gallons of SAF was blended into fuel supplies at Textron Aviation and Bell Helicopter for aircraft use. The average emission factor for traditional Jet Fuel is 11.49 kg CO₂e/gal vs. SAF emission factor of 2.96 kgCO₂e/gal. SAF use in 2021 at Textron Aviation and Bell

facilities resulted in an approximately 150 MT CO₂e avoided ((17,500 gal. x (11.49 kg CO₂e/gal - 2.96 kgCO₂e/gal))/1000 = 150 MT CO₂e

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

Yes

Methodology used to calculate avoided emissions

Other, please specify

Calculated based on known emission factors for traditional Jet Fuel and SAF

Life cycle stage(s) covered for the low-carbon product(s) or services(s)

Cradle-to-grave

Functional unit used

Gallons of Sustainable Aviation fuel consumed in Textron aircraft per year

Reference product/service or baseline scenario used

Gallons of traditional Jet Fuel consumed in Textron aircraft per year

Life cycle stage(s) covered for the reference product/service or baseline scenario

Cradle-to-grave

Estimated avoided emissions (metric tons CO₂e per functional unit) compared to reference product/service or baseline scenario

150

Explain your calculation of avoided emissions, including any assumptions

The average emission factor for traditional Jet Fuel is 11.49 kg CO₂e/gal vs. SAF emission factor of 2.96 kgCO₂e/gal. SAF use in 2021 at Textron Aviation and Bell facilities (17,500 gal) resulted in an approximately 150 MT CO₂e avoided ((17,500 gal. x (11.49 kg CO₂e/gal - 2.96 kgCO₂e/gal))/1000 = 150 MT CO₂e

Note also that the value provided below for "Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year is for all low-carbon products for Textron in the reporting year and not specific to revenue generated specifically from SAF.

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

5

Level of aggregation

Group of products or services

Taxonomy used to classify product(s) or service(s) as low-carbon

Other, please specify

When compared to personal vehicles that burn traditional fossil, Textron Specialized Vehicles ELiTE vehicles have a much smaller carbon footprint as demonstrated in the examples provided below.

Type of product(s) or service(s)

Road
Lithium-ion batteries

Description of product(s) or service(s)

Textron Specialized Vehicles has pioneered Samsung SDI lithium technology in its ELiTE series of fully electric lithium-powered vehicles, introduced in the E-Z-GO ELiTE golf cars in 2017 and expanded into Cushman utility vehicles in 2019. Compared to traditional lead-acid battery technology, batteries used in E-Z-GO’s ELiTE vehicles are: designed to generate 95% less hazardous materials over their lifetime; are 282 lbs lighter and result in less stress on the vehicles and impact on golf courses; require 52% less electricity to complete a full charge. E-Z-GO ELiTE lithium golf cars are also significantly more energy-efficient than vehicles with lead-acid batteries and competitive vehicles with lithium batteries. For example, the E-Z-GO RXV ELiTE requires 0.83 kWh to complete a round of golf on a typical golf course as opposed to the nearest competing product which requires 1.74 kWh. Since 2017, more than 160,000 ELiTE vehicles are in service at more than 1,750 golf facilities worldwide. On average, most golf cars complete 201 rounds of golf annually which translates to an estimated savings of approximately 29,000,000 kWh annually compared to lead-acid battery powered vehicles. According to the EPA, this energy savings is equal to: 20,500 metric tons of CO2 emissions; 22.7 million pounds of coal burned; 2.3 million gallons of gasoline consumed; 47,500 barrels of oil consumed; 4,000 homes’ electricity use for one year; enough power to drive 4,400 passenger vehicles for one year.

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

Yes

Methodology used to calculate avoided emissions

Other, please specify
Emission reductions are based on entering product specific data into the US EPA Greenhouse Gas Equivalencies Calculator

Life cycle stage(s) covered for the low-carbon product(s) or services(s)

Use stage

Functional unit used

Emissions per electric golf cart per year

Reference product/service or baseline scenario used

Emissions per lead-acid electric golf cart per year

Life cycle stage(s) covered for the reference product/service or baseline scenario

Use stage

Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

20,500

Explain your calculation of avoided emissions, including any assumptions

For example, the E-Z-GO RXV ELiTE requires 0.83 kWh to complete a round of golf on a typical golf course as opposed to the nearest competing product which requires 1.74 kWh. Since 2017, more than 160,000 ELiTE vehicles are in service at more than 1,750 golf facilities worldwide. On average, most golf cars complete 201 rounds of golf annually which translates to an estimated savings of approximately 29,000,000 kWh annually compared to lead-acid battery powered vehicles. According to the EPA, this energy savings is equal to: 20,500 metric tons of CO2 emissions.

Note also that the value provided below for "Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year is for all low-carbon products for Textron in the reporting year and not specific to revenue generated specifically from ELiTE vehicle sales.

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

5

C5. Emissions methodology

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?

No

C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Row 1

Has there been a structural change?

No

C5.1b

(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

Change(s) in methodology, boundary, and/or reporting year definition?	
Row 1	No

C5.2

(C5.2) Provide your base year and base year emissions.

Scope 1

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO₂e)

230,065

Comment

2019 Scope 1 emissions

Scope 2 (location-based)

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO₂e)

365,623

Comment

Scope 2 Location-based emissions

Scope 2 (market-based)

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO₂e)

451,908

Comment

2019 marked the first year that Textron dual reported scope 2 emissions. Most facilities used a residual mix emission factor for Scope 2 Market-Based calculations which resulted in a greater value as compared to the location-based value.

Scope 3 category 1: Purchased goods and services

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO₂e)

570,000

Comment

Scope 3 emissions value provided above is for Textron's Kautex Business Unit only 1. Calculation based on GHG protocol broken-down by Kautex main product lines including: PFT, CWC and CVS 2. Carbon emission calculation based on one standard base model from each BU 3. Actual raw material and components purchased by each plant used as a scaling factor along with the number of production volumes from each product line.

Scope 3 category 2: Capital goods

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO₂e)

Comment

Textron did not calculate a Scope 3 emission value for this category in 2019.

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO₂e)

Comment

Textron did not calculate a Scope 3 emission value for this category in 2019.

Scope 3 category 4: Upstream transportation and distribution

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO₂e)

Comment

Textron did not calculate a Scope 3 emission value for this category in 2019.

Scope 3 category 5: Waste generated in operations

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO2e)

14,036.7

Comment

Where waste (landfilled and recycled) figures have not been available these have been estimated for each facility based on the division's actual 2019 average waste figure prorated by the facilities FTE with the exception of Textron Financial. For Textron Financial no actual waste data was available, therefore, waste has been estimated based on Textron's overall average waste figure prorated by the facility's FTE. Waste figures subsequently have been aggregated by type of waste per country and multiplied by the appropriate emission factor.

Scope 3 category 6: Business travel

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO2e)

32,185

Comment

Data obtained from Textron's travel agency.

Scope 3 category 7: Employee commuting

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO2e)

321.64

Comment

The commuting is estimated based on the typical rate of commuting modes used in the UK (APS, 2015) and US (BTS, 2015), assuming the EU mode and rate is equal to the UK and the Rest of the World (ROW) mode and rate is an average of the UK and US rate and mode of commuting. These are then respectively multiplied by the average commuting return distance in the UK (ONS, 2011) and US (NRC, 2003) assuming the EU return distance is equal to the UK and the ROW distance is an average of the UK and US return commuting distance. Commuting distances subsequently have been aggregated by mode per country and multiplied by the appropriate emission factor.

Scope 3 category 8: Upstream leased assets

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO₂e)

Comment

Textron did not calculate a Scope 3 emission value for this category in 2019.

Scope 3 category 9: Downstream transportation and distribution

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO₂e)

Comment

Textron did not calculate a Scope 3 emission value for this category in 2019.

Scope 3 category 10: Processing of sold products

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO₂e)

Comment

Textron did not calculate a Scope 3 emission value for this category in 2019.

Scope 3 category 11: Use of sold products

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO₂e)

Comment

Textron did not calculate a Scope 3 emission value for this category in 2019.

Scope 3 category 12: End of life treatment of sold products

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO₂e)

Comment

Textron did not calculate a Scope 3 emission value for this category in 2019.

Scope 3 category 13: Downstream leased assets

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO₂e)

Comment

Textron did not calculate a Scope 3 emission value for this category in 2019.

Scope 3 category 14: Franchises

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO₂e)

Comment

Textron did not calculate a Scope 3 emission value for this category in 2019.

Scope 3 category 15: Investments

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO₂e)

Comment

Textron did not calculate a Scope 3 emission value for this category in 2019.

Scope 3: Other (upstream)

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO₂e)

Comment

Textron did not calculate a Scope 3 emission value for this category in 2019.

Scope 3: Other (downstream)

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO₂e)

Comment

Textron did not calculate a Scope 3 emission value for this category in 2019.

C5.3

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

The Greenhouse Gas Protocol: Scope 2 Guidance

US EPA Center for Corporate Climate Leadership: Indirect Emissions From Purchased Electricity

US EPA Center for Corporate Climate Leadership: Direct Emissions from Stationary Combustion Sources

US EPA Emissions & Generation Resource Integrated Database (eGRID)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO₂e?

Reporting year

Gross global Scope 1 emissions (metric tons CO₂e)

222,132

Start date

January 1, 2021

End date

December 31, 2021

Comment

Scope 1 Emissions

Past year 1

Gross global Scope 1 emissions (metric tons CO₂e)

201,935

Start date

January 1, 2020

End date

December 31, 2020

Comment

2020 Scope 1 Emissions

Past year 2

Gross global Scope 1 emissions (metric tons CO₂e)

230,065

Start date

January 1, 2019

End date

December 31, 2019

Comment

2019 Scope 1 Emissions

Past year 3

Gross global Scope 1 emissions (metric tons CO2e)

205,744

Start date

January 1, 2018

End date

December 31, 2018

Comment

2018 Scope 1 Emissions

C6.2

(C6.2) Describe your organization’s approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

This is the third year that Textron is reporting market-based scope 2 emissions in addition to location-based scope 2 emissions. In 2021, we realized lower market-based scope 2 emissions primarily as a result of the environmental attribute benefits from the Textron Aviation wind-energy agreement which commenced in 2021. In addition to the Textron Aviation wind-energy agreement benefits for facilities in Kansas, USA, additional market-based emissions that resulted in favorable performance were also realized in 2021 for Kautex's facilities in Germany, Brazil, Romania and the UK . The majority of our remaining facilities used the residual mix factor for the market-based analysis. In instances where regional market-based factors were not available, the location-based emission factor was used.

C6.3

(C6.3) What were your organization’s gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based

313,492

Scope 2, market-based (if applicable)

233,739

Start date

January 1, 2021

End date

December 31, 2021

Comment

2021 Scope 2 Emissions

Past year 1

Scope 2, location-based

304,702

Scope 2, market-based (if applicable)

339,339

Start date

January 1, 2020

End date

December 31, 2020

Comment

Past year 2

Scope 2, location-based

365,623

Scope 2, market-based (if applicable)

451,908

Start date

January 1, 2019

End date

December 31, 2019

Comment

2019 Scope 2 Emissions

Past year 3

Scope 2, location-based

475,150

Scope 2, market-based (if applicable)

Start date

January 1, 2018

End date

December 31, 2018

Comment

2018 Scope 2 Emissions.

Note that Textron did not calculate a market-based scope 2 emission value in 2018.

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

Yes

C6.4a

(C6.4a) Provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure.

Source

Locations with less than 25 employees.

Relevance of Scope 1 emissions from this source

Emissions are not relevant

Relevance of location-based Scope 2 emissions from this source

Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source (if applicable)

Emissions are not relevant

Explain why this source is excluded

Locations with less than 25 employees are not included. We have calculated emissions for these locations and they are immaterial to Textron's total emissions.

Estimated percentage of total Scope 1+2 emissions this excluded source represents

1

Explain how you estimated the percentage of emissions this excluded source represents

The estimated percentage of total Scope 1+2 emissions excluded above based on the 25 employee headcount criteria is likely an overestimate based on review of actual data.

C6.5

(C6.5) Account for your organization’s gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

485,000

Emissions calculation methodology

Hybrid method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

10

Please explain

The value shown above is for our Kautex Business Unit only. Mixed method of primary in house data from part level with purchase orders on material amount in weight (kg) with supplier data on material type (if applicable) and request on emission factors for material (as new part of Supply Chain Member Kautex will collect supplier data starting 2022); emission factor data on used electricity for supplier manufacturing as well as material LCA from secondary data sources

Capital goods

Evaluation status

Relevant, not yet calculated

Please explain

This emissions category is possibly relevant to Textron's operations, but we have not yet completed the evaluation to quantify this value.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

147,847

Emissions calculation methodology

Hybrid method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Scope 3 Fuel-and-energy-related emissions (not included in Scope 1 or 2) were calculated in accordance with the Greenhouse Gas Protocol. Fuel volumes were multiplied by BEIS Scope 3 WTT emission factors by fuel type. Electricity consumption data was multiplied by EPA, EC, UN, and BEIS Scope 3 T&D emission factors, depending on the site's country, to obtain overall transmission and distribution losses.

Upstream transportation and distribution

Evaluation status

Relevant, not yet calculated

Please explain

This emissions category is possibly relevant to Textron's operations, but we have not yet completed the evaluation to quantify this value.

Waste generated in operations

Evaluation status

Not relevant, calculated

Emissions in reporting year (metric tons CO2e)

12,872

Emissions calculation methodology

Hybrid method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Where waste (landfilled or recycled) figures have not been available, these have been estimated for each facility based on the divisions actual 2021 average waste figure prorated by the facility's FTE with the exception of Textron Financial. For Textron Financial, no actual waste data was available, therefore, waste has been estimated based on Textron's overall average waste figure prorated by the facility's FTE. Waste figures subsequently have been aggregated by type of waste per country and multiplied by the appropriate emission factor.

Business travel

Evaluation status

Not relevant, calculated

Emissions in reporting year (metric tons CO2e)

10,896

Emissions calculation methodology

Other, please specify

GHG protocols data is for commercial airline business travel and is provided by our travel agency.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Data provided by Textron's travel support partner.

Employee commuting

Evaluation status

Not relevant, calculated

Emissions in reporting year (metric tons CO2e)

236

Emissions calculation methodology

Hybrid method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

The employee commuting value is estimated based on the typical rate of commuting modes used in the UK (APS, 2015) and US (BTS, 2015), assuming the EU mode and rate is equal to the UK and the Rest of the World (ROW) mode and rate is an average of the UK and US rate and mode of commuting. These values are then respectively multiplied by the average commuting return distance in the UK (ONS, 2011) and US (NRC, 2003) assuming the EU return distance is equal to the UK and the ROW distance is an average of the UK and US return commuting distance. Commuting distances subsequently have been aggregated by mode per country and multiplied by the appropriate emission factors.

Upstream leased assets

Evaluation status

Relevant, not yet calculated

Please explain

This emissions category is possibly relevant to Textron's operations, but we have not yet completed the evaluation to quantify this value.

Downstream transportation and distribution

Evaluation status

Relevant, not yet calculated

Please explain

This emissions category is possibly relevant to Textron's operations, but we have not yet completed the evaluation to quantify this value.

Processing of sold products

Evaluation status

Relevant, not yet calculated

Please explain

This emissions category is possibly relevant to Textron's operations, but we have not yet completed the evaluation to quantify this value.

Use of sold products

Evaluation status

Relevant, not yet calculated

Please explain

This emissions category is relevant to Textron's operations, but we have not yet completed the evaluation to quantify this value.

End of life treatment of sold products

Evaluation status

Relevant, not yet calculated

Please explain

This emissions category is possibly relevant to Textron's operations, but we have not yet completed the evaluation to quantify this value.

Downstream leased assets

Evaluation status

Relevant, not yet calculated

Please explain

This emissions category is possibly relevant to Textron's operations, but we have not yet completed the evaluation to quantify this value.

Franchises

Evaluation status

Not relevant, explanation provided

Please explain

Textron does not have any franchises.

Investments

Evaluation status

Relevant, not yet calculated

Please explain

This emissions category is possibly relevant to Textron's operations, but we have not yet completed the evaluation to quantify this value.

Other (upstream)

Evaluation status

Not relevant, explanation provided

Please explain

This emissions category is not relevant to Textron.

Other (downstream)

Evaluation status

Not relevant, explanation provided

Please explain

This emissions category is not relevant to Textron

C6.5a

(C6.5a) Disclose or restate your Scope 3 emissions data for previous years.

Past year 1

Start date

January 1, 2020

End date

December 31, 2020

Scope 3: Purchased goods and services (metric tons CO2e)

540,000

Scope 3: Capital goods (metric tons CO2e)

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

153,104

Scope 3: Upstream transportation and distribution (metric tons CO2e)

Scope 3: Waste generated in operations (metric tons CO2e)

13,207.8

Scope 3: Business travel (metric tons CO2e)

9,344

Scope 3: Employee commuting (metric tons CO2e)

222

Scope 3: Upstream leased assets (metric tons CO2e)

Scope 3: Downstream transportation and distribution (metric tons CO2e)

Scope 3: Processing of sold products (metric tons CO2e)

Scope 3: Use of sold products (metric tons CO2e)

Scope 3: End of life treatment of sold products (metric tons CO2e)

Scope 3: Downstream leased assets (metric tons CO2e)

Scope 3: Franchises (metric tons CO2e)

Scope 3: Investments (metric tons CO2e)

Scope 3: Other (upstream) (metric tons CO2e)

Scope 3: Other (downstream) (metric tons CO2e)

Comment

Value reported for Purchased Goods and Services category is for our Kautex Business unit only. All other completed values reported are for the entire Textron Inc. enterprise. Scope 3 values for categories that were not completed were not calculated.

Past year 2

Start date

January 1, 2019

End date

December 31, 2019

Scope 3: Purchased goods and services (metric tons CO2e)

570,000

Scope 3: Capital goods (metric tons CO2e)

**Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)
(metric tons CO₂e)**

Scope 3: Upstream transportation and distribution (metric tons CO₂e)

Scope 3: Waste generated in operations (metric tons CO₂e)

14,036.7

Scope 3: Business travel (metric tons CO₂e)

32,185

Scope 3: Employee commuting (metric tons CO₂e)

321.64

Scope 3: Upstream leased assets (metric tons CO₂e)

Scope 3: Downstream transportation and distribution (metric tons CO₂e)

Scope 3: Processing of sold products (metric tons CO₂e)

Scope 3: Use of sold products (metric tons CO₂e)

Scope 3: End of life treatment of sold products (metric tons CO₂e)

Scope 3: Downstream leased assets (metric tons CO₂e)

Scope 3: Franchises (metric tons CO₂e)

Scope 3: Investments (metric tons CO₂e)

Scope 3: Other (upstream) (metric tons CO₂e)

Scope 3: Other (downstream) (metric tons CO₂e)

Comment

Value reported for Purchased Goods and Services category is for our Kautex Business unit only. All other values reported are for the entire Textron Inc. enterprise. Scope 3 values for categories that were not completed were not calculated.

Past year 3

Start date

January 1, 2018

End date

December 31, 2018

Scope 3: Purchased goods and services (metric tons CO₂e)

Scope 3: Capital goods (metric tons CO₂e)

**Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)
(metric tons CO₂e)**

Scope 3: Upstream transportation and distribution (metric tons CO₂e)

Scope 3: Waste generated in operations (metric tons CO₂e)

Scope 3: Business travel (metric tons CO₂e)

33,912

Scope 3: Employee commuting (metric tons CO₂e)

Scope 3: Upstream leased assets (metric tons CO₂e)

Scope 3: Downstream transportation and distribution (metric tons CO₂e)

Scope 3: Processing of sold products (metric tons CO₂e)

Scope 3: Use of sold products (metric tons CO₂e)

Scope 3: End of life treatment of sold products (metric tons CO₂e)

Scope 3: Downstream leased assets (metric tons CO₂e)

Scope 3: Franchises (metric tons CO₂e)

Scope 3: Investments (metric tons CO₂e)

Scope 3: Other (upstream) (metric tons CO2e)

Scope 3: Other (downstream) (metric tons CO2e)

Comment

Scope 3 category values that are left blank were not calculated .

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.0368

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

455,871

Metric denominator

unit total revenue

Metric denominator: Unit total

12,382,000

Scope 2 figure used

Market-based

% change from previous year

15

Direction of change

Decreased

Reason for change

Energy efficiency measures completed in 2021 along with the use of renewable electricity at select facilities in 2021 contributed to the reduction in GHG emissions and improved performance as compared to 2020.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

No

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)
Belgium	149
Canada	4,268
China	40
Czechia	622
United Kingdom of Great Britain and Northern Ireland	1,928
France	8
Germany	1,897
India	15
Japan	0
Mexico	2,972
Romania	15
Singapore	0
Spain	20
Sweden	128
Switzerland	0
United States of America	210,070

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By business division

C7.3a

(C7.3a) Break down your total gross global Scope 1 emissions by business division.

Business division	Scope 1 emissions (metric ton CO2e)
Bell Helicopter	35,049

Corporate Centers	2,530
Kautex	38,814
Textron Aviation	83,718
Textron Specialized Vehicles	10,913
Textron Systems	51,108

C-CE7.4/C-CH7.4/C-CO7.4/C-EU7.4/C-MM7.4/C-OG7.4/C-ST7.4/C-TO7.4/C-TS7.4

(C-CE7.4/C-CH7.4/C-CO7.4/C-EU7.4/C-MM7.4/C-OG7.4/C-ST7.4/C-TO7.4/C-TS7.4) Break down your organization’s total gross global Scope 1 emissions by sector production activity in metric tons CO2e.

	Gross Scope 1 emissions, metric tons CO2e	Comment
Transport OEM activities	38,814	The value entered represents the Scope 1 emissions for our Kautex business unit.

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Belgium	927	1,049
Canada	572	579
China	16,892	16,876
Czechia	4,703	6,321
France	11	12
Germany	16,683	176
India	0	0
Mexico	17,437	19,396
Singapore	847	846
Spain	990	1,424
United States of America	247,913	179,737
Romania	628	0

Australia	63	66
Brazil	363	25
Japan	2,336	2,326
Switzerland	8	10
United Kingdom of Great Britain and Northern Ireland	2,835	4,124

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By business division

C7.6a

(C7.6a) Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Bell Helicopter	68,009	76,591
Textron Aviation	118,129	38,999
Corporate Centers	1,599	1,649
Textron Specialized Vehicles	15,396	17,738
Kautex	98,817	80,960
Textron Systems	11,588	18,380

C-CE7.7/C-CH7.7/C-CO7.7/C-MM7.7/C-OG7.7/C-ST7.7/C-TO7.7/C-TS7.7

(C-CE7.7/C-CH7.7/C-CO7.7/C-MM7.7/C-OG7.7/C-ST7.7/C-TO7.7/C-TS7.7) Break down your organization's total gross global Scope 2 emissions by sector production activity in metric tons CO2e.

	Scope 2, location-based, metric tons CO2e	Scope 2, market-based (if applicable), metric tons CO2e	Comment
Transport OEM activities	98,817	80,960	The values entered represent the Scope 2 emissions for our Kautex business unit.

C-TO7.8

(C-TO7.8) Provide primary intensity metrics that are appropriate to your indirect emissions in Scope 3 Category 11: Use of sold products from transport.

Activity

Light Duty Vehicles (LDV)

Emissions intensity figure

0.0000387

Metric numerator (Scope 3 emissions: use of sold products) in Metric tons CO2e

1,992

Metric denominator

p.mile

Metric denominator: Unit total

51,456,000

% change from previous year

16

Vehicle unit sales in reporting year

32,000

Vehicle lifetime in years

7

Annual distance in km or miles (unit specified by column 4)

25,728,000

Load factor

A load factor of 2 passengers/vehicle was used for this example

Please explain the changes, and relevant standards/methodologies used

The estimated information above is for E-Z-GO ELiTE series vehicles and based on information contained within Textron's Corporate Responsibility Report, US EPA egrid factor information and published searches on golf cart use. Between 2017 and 2021, approximately 160,000 ELiTE series vehicles were in service. An average annual rate of 32,000 units was therefore used in the calculation. Each vehicle is estimated to be used for 201 rounds of golf annually and an estimated value of 4 miles per round of golf was used. Each round of golf with an ELiTE RXV golf cart is estimated to use 0.83 kWh of electricity. This equates to 5,338,600 kWh/year of electricity for ELiTE series golf carts that went into service in 2021. Using the average egrid emission factor of the United States of 822.62 lbs CO2e/MWh results in a total emissions value of 1992 Metric Tons CO2e for the 32,000 units. Assuming 2 people ride in the ELiTE

series golf cart during the 201 rounds of golf played annually and an average distance of 4 miles per round, a total of 51,456,000 passenger miles was used for the calculation. Dividing the estimated emissions for the 27,500 units by the total passenger miles results in an intensity figure of 0.0000387 Metric Tons of CO₂e/Passenger mile.

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO ₂ e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	83,693	Decreased	16	Estimated greenhouse gas emissions reductions resulting from increased renewable electricity consumption in 2021. Total emissions reductions from increased used of renewable electricity = (-83,693)/total 2020 emissions (506,561) * 100 = -16.5% change.
Other emissions reduction activities	3,989	Decreased	1	Estimated greenhouse gas emissions reductions resulting from implementation of energy efficiency projects in 2021. Total emissions reductions from increased used of renewable electricity = (-3,989)/total 2020 emissions (506,561) * 100 = -0.8% change.
Divestment	0	No change	0	
Acquisitions	0	No change	0	
Mergers	0	No change	0	
Change in output	3,274	Increased	1	Estimated greenhouse gas emissions increase resulting from increase use of Jet Fuel consumption at Textron

				Systems ATAC business in 2021 as compared to 2020. Total emissions increase = $(3,274)/\text{total 2020 emissions } (506,561) * 100 = 1\%$ change.
Change in methodology	34,410	Increased	7	Use of market-based residual mix emission factors at facilities not using renewable electricity resulted in an increase of reported emissions in 2021 as compared to 2020 when location-based numbers were used. Emissions increase = $(34,410)/\text{total 2020 emissions } (506,561) * 100 = 7\%$ change.
Change in boundary	0	No change	0	
Change in physical operating conditions	0	No change	0	
Unidentified	0	No change	0	
Other	0	No change	0	

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Market-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

Indicate whether your organization undertook this energy-related activity in the reporting year

Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization’s energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	Unable to confirm heating value	0	609,604	609,604
Consumption of purchased or acquired electricity		240,948	558,815	799,763
Consumption of self-generated non-fuel renewable energy		434		434
Total energy consumption		241,382	1,168,419	1,409,801

C8.2b

(C8.2b) Select the applications of your organization’s consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	No
Consumption of fuel for the generation of heat	Yes

Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	Yes
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of cooling

0

Comment

Textron did not use sustainable biomass as a fuel in 2021

Other biomass

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of cooling

0

Comment

Textron did not use Other biomass as a fuel in 2021

Other renewable fuels (e.g. renewable hydrogen)

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of cooling

0

Comment

Textron did not use Other renewable fuels in 2021

Coal

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of cooling

0

Comment

Textron did not use Coal as a fuel for energy in 2021. As a clarification, Coke was used as a feedstock in facility that operates a blast furnace to produce automotive engine parts.

Oil

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

1,008

MWh fuel consumed for self-generation of heat

1,008

MWh fuel consumed for self-generation of cooling

0

Comment

24,768 gallons of fuel oil was consumed by Textron facilities in 2021 for the generation of heat. $24,768 \text{ gallons} \times 0.0407 \text{ MWh/gallon} = 1,008 \text{ MWh}$

Gas

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

595,994

MWh fuel consumed for self-generation of heat

595,994

MWh fuel consumed for self-generation of cooling

0

Comment

19,866,478 ccf of natural gas was consumed by Textron facilities in 2021 for the generation of heat. $19,866,478 \text{ ccf} \times 0.03 \text{ MWh/ccf} = 595,994 \text{ MWh}$

Other non-renewable fuels (e.g. non-renewable hydrogen)

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

12,602

MWh fuel consumed for self-generation of heat

12,602

MWh fuel consumed for self-generation of cooling

0

Comment

450,264 gallons of propane was consumed by Textron facilities in 2021 for the generation of heat. $450,264 \text{ gallons} \times 0.02799 \text{ MWh/gallons} = 12,602 \text{ MWh}$

Total fuel

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

609,604

MWh fuel consumed for self-generation of heat

609,604

MWh fuel consumed for self-generation of cooling

0

Comment

Value is a sum of the individual fuel calculations shown directly above.

C8.2d

(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	434	434	434	434
Heat	609,604	609,604	0	0
Steam	0	0	0	0
Cooling	0	0	0	0

C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in C6.3.

Sourcing method

Direct procurement from an off-site grid-connected generator e.g. Power purchase agreement (PPA)

Energy carrier

Electricity

Low-carbon technology type

Wind

Country/area of low-carbon energy consumption

United States of America

Tracking instrument used

US-REC

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

188,030

Country/area of origin (generation) of the low-carbon energy or energy attribute

United States of America

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2,021

Comment

Sourcing method

Unbundled energy attribute certificates (EACs) purchase

Energy carrier

Electricity

Low-carbon technology type

Wind

Country/area of low-carbon energy consumption

Germany

Tracking instrument used

Contract

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

47,871

Country/area of origin (generation) of the low-carbon energy or energy attribute

Germany

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2,021

Comment

Kautex facilities in Germany purchased renewable electricity from the energy provider to offset all 2021 Scope 2 emissions for those facilities. The exact low-carbon technology is not known.

Sourcing method

Default delivered electricity from the grid (e.g. standard product offering by an energy supplier), supported by energy attribute certificates

Energy carrier

Electricity

Low-carbon technology type

Hydropower (capacity unknown)

Country/area of low-carbon energy consumption

Brazil

Tracking instrument used

GO

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

3,227

Country/area of origin (generation) of the low-carbon energy or energy attribute

Brazil

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2,021

Comment

Sourcing method

Default delivered electricity from the grid (e.g. standard product offering by an energy supplier) from a grid that is 95% or more low-carbon and where there is no mechanism for specifically allocating low-carbon electricity

Energy carrier

Electricity

Low-carbon technology type

Wind

Country/area of low-carbon energy consumption

Romania

Tracking instrument used

No instrument used

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

1,819

Country/area of origin (generation) of the low-carbon energy or energy attribute

Romania

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2,021

Comment

Our Kautex plant in Romania is located on a Ford Motor Company campus. Our plant receives electricity through an agreement with Ford and Ford has confirmed that it procures 100% renewable electricity for its Romania campus. The exact low-carbon technology is not known.

C8.2g

(C8.2g) Provide a breakdown of your non-fuel energy consumption by country.

Country/area

United States of America

Consumption of electricity (MWh)

601,394

Consumption of heat, steam, and cooling (MWh)

544,873

Total non-fuel energy consumption (MWh) [Auto-calculated]

1,146,267

Country/area

Brazil

Consumption of electricity (MWh)

3,227

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

3,227

Country/area

Canada

Consumption of electricity (MWh)

30,450

Consumption of heat, steam, and cooling (MWh)

19,210

Total non-fuel energy consumption (MWh) [Auto-calculated]

49,660

Country/area

Australia

Consumption of electricity (MWh)

92

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

92

Country/area

Belgium

Consumption of electricity (MWh)

5,579

Consumption of heat, steam, and cooling (MWh)

430

Total non-fuel energy consumption (MWh) [Auto-calculated]

6,009

Country/area

China

Consumption of electricity (MWh)

26,953

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

26,953

Country/area

Czechia

Consumption of electricity (MWh)

10,624

Consumption of heat, steam, and cooling (MWh)

3,030

Total non-fuel energy consumption (MWh) [Auto-calculated]

13,654

Country/area

France

Consumption of electricity (MWh)

212

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

212

Country/area

Germany

Consumption of electricity (MWh)

48,177

Consumption of heat, steam, and cooling (MWh)

8,355

Total non-fuel energy consumption (MWh) [Auto-calculated]

56,532

Country/area

India

Consumption of electricity (MWh)

1,847

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

1,847

Country/area

Japan

Consumption of electricity (MWh)

4,778

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

4,778

Country/area

Mexico

Consumption of electricity (MWh)

43,790

Consumption of heat, steam, and cooling (MWh)

13,909

Total non-fuel energy consumption (MWh) [Auto-calculated]

57,699

Country/area

Romania

Consumption of electricity (MWh)

1,819

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

1,819

Country/area

Singapore

Consumption of electricity (MWh)

2,193

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

2,193

Country/area

Spain

Consumption of electricity (MWh)

5,403

Consumption of heat, steam, and cooling (MWh)

80

Total non-fuel energy consumption (MWh) [Auto-calculated]

5,483

Country/area

Sweden

Consumption of electricity (MWh)

267

Consumption of heat, steam, and cooling (MWh)

710

Total non-fuel energy consumption (MWh) [Auto-calculated]

977

Country/area

Switzerland

Consumption of electricity (MWh)

337

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

337

Country/area

United Kingdom of Great Britain and Northern Ireland

Consumption of electricity (MWh)

13,482

Consumption of heat, steam, and cooling (MWh)

9,832

Total non-fuel energy consumption (MWh) [Auto-calculated]

23,314

C-TO8.5

(C-TO8.5) Provide any efficiency metrics that are appropriate for your organization’s transport products and/or services.

Activity

Light Duty Vehicles (LDV)

Metric figure

77.18

Metric numerator

gCO₂e

Metric denominator

Use phase: Vehicle.mile

Metric numerator: Unit total

308.7

Metric denominator: Unit total

4

% change from previous year

7

Please explain

The data above is based on use of an E-Z-GO RXV ELiTE golf cart. Based on available information, an E-Z-GO ELiTE RXV golf cart requires 0.83 kWh of electricity per round a

golf. An average round of golf requires a golf cart to travel 4 miles. Using this information, the answer is obtained by taking the average emission rate for the United States of America per the US EPA EGrid data summary of 0.82 lbs CO₂e/kWh and converting the data to the required units of grams of CO₂e/vehicle mile.

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

Description

Waste

Metric value

51,417,864

Metric numerator

Waste disposed in lbs

Metric denominator (intensity metric only)

No denominator - Value provided is a total value.

% change from previous year

4

Direction of change

Decreased

Please explain

Description

Energy usage

Metric value

5,010,007

Metric numerator

Total use energy in mmbtu

Metric denominator (intensity metric only)

No denominator - Value provided is a total value.

% change from previous year

0.5

Direction of change

Increased

Please explain

Description

Other, please specify
recycling

Metric value

64,406,549

Metric numerator

Total Recycling (lbs)

Metric denominator (intensity metric only)

No denominator - Value provided is a total value.

% change from previous year

10

Direction of change

Increased

Please explain

C-TO9.3/C-TS9.3

(C-TO9.3/C-TS9.3) Provide tracking metrics for the implementation of low-carbon transport technology over the reporting year.

Activity

Light Duty Vehicles (LDV)

Metric

Production

Technology

Battery electric vehicle (BEV)

Metric figure

32,000

Metric unit

Units

Explanation

As of year-end 2021, more than 160,000 E-Z-GO ELiTE golf car vehicles were in service at more than 1,750 private golf facilities worldwide. ELiTE vehicles were first introduced in 2017 and have therefore been in production for 5 years as of the end of 2021. The figure shown above therefore represents an approximation of vehicles sold in 2021 assuming a consistent level of sales over the 4 year period.

On average, most golf cars complete 201 rounds of golf annually which translates to an estimated savings of approximately 29,000,000 kWh annually compared to lead-acid battery powered vehicles. According to the Environmental Protection Agency, this energy savings is equal to:

- 20,500 metric tons of CO2 emissions
- 22.7 million pounds of coal burned;
- 2.3 million gallons of gasoline consumed;
- 47,500 barrels of oil consumed;
- 4,000 homes' electricity use for one year;
- Enough power to drive 4,400 passenger vehicles for one year

C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6

(C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?

	Investment in low-carbon R&D	Comment
Row 1	Yes	<p>.Over the past few years Technology and Innovation teams at Textron's Bell business unit have been developing the Autonomous Pod Transport (APT) to offer convenient, safe and environmentally beneficial ways to move cargo. This all electric autonomous test vehicle carries a maximum payload of 100 pounds and is designed to be used for business operations, cargo movement and battlefield resource resupply.</p> <p>To position itself to be a leader in providing the necessary battery casings to automakers for the growing BEV market, Kautex is currently investing significant efforts in bringing to market a molded plastic battery casing, which is approximately 60% lighter than metal casings. The reduced weight of the plastic battery casing improves the range of the BEV, provides an opportunity to adjust chassis components such as suspension and brake systems and also increases payload capacity. In addition to these opportunities, the reduced weight of the plastic battery casings also reduces CO2 emissions as well as energy consumption along the complete supply chain.</p>

		<p>Textron Specialized Vehicles has pioneered Samsung SDI lithium technology in its ELiTE series of fully electric lithium-powered vehicles, introduced in the E-Z-GO ELiTE golf cars in 2017 and expanded into Cushman utility vehicles in 2019. Compared to traditional lead-acid battery technology, the batteries used in E-Z-GO's ELiTE vehicles are: 1) Designed to generate 95% less hazardous materials over their lifetime; 2) Are 282 lbs lighter and therefore resulting in less stress on the vehicles and impact on golf courses; 3) Require the 52% less electricity to complete a full charge.</p>
--	--	---

C-T09.6a/C-TS9.6a

(C-T09.6a/C-TS9.6a) Provide details of your organization's investments in low-carbon R&D for transport-related activities over the last three years.

Activity

Light Duty Vehicles (LDV)

Technology area

Materials

Stage of development in the reporting year

Large scale commercial deployment

Average % of total R&D investment over the last 3 years

≤20%

R&D investment figure in the reporting year (optional)

Comment

The continued focus on carbon-dioxide (CO₂) reduction is driving many automotive OEMs to look at the electrification of vehicles. These more complex fuel tank applications in hybrid vehicles require closed fuel systems with a higher internal pressure which causes massive deformations on un-reinforced plastic tanks. The first generation of fuel systems hybrid technology was equipped with a thick-wall steel tank because standard plastic tanks could not handle the impact of the pressurization. In 2015, Kautex was first to market with two plastic tank solutions that met the pressurization requirements. These systems boasted a reduction in weight of more than five kilograms when compared to pressurized steel tanks.

Activity

Aviation

Technology area

Propulsion

Stage of development in the reporting year

Pilot demonstration

Average % of total R&D investment over the last 3 years

≤20%

R&D investment figure in the reporting year (optional)

Comment

Over the past few years Technology and Innovation teams at Textron's Bell business unit have been developing the Autonomous Pod Transport (APT) to offer convenient, safe and environmentally beneficial ways to move cargo. This all electric autonomous test vehicle carries a maximum payload of 100 pounds and is designed to be used for business operations, cargo movement and battlefield resource resupply.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 app_C_ver_stmt_dft_textron_20220721_fnl.pdf

Page/ section reference

Page 2 of 4

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach

Scope 2 location-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 app_C_ver_stmt_dft_textron_20220721_fnl.pdf

Page/ section reference

Page 2 of 4

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

Scope 2 approach

Scope 2 market-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 app_C_ver_stmt_dft_textron_20220721_fnl.pdf

Page/ section reference

Page 2 of 4

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category

Scope 3: Business travel

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 app_C_ver_stmt_dft_textron_20220721_fnl.pdf

Page/section reference

Page 2 of 4

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

No, we do not verify any other climate-related information reported in our CDP disclosure

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Yes

C11.1a

(C11.1a) Select the carbon pricing regulation(s) which impacts your operations.

Germany ETS

C11.1b

(C11.1b) Complete the following table for each of the emissions trading schemes you are regulated by.

Germany ETS

% of Scope 1 emissions covered by the ETS

5

% of Scope 2 emissions covered by the ETS

0

Period start date

January 1, 2021

Period end date

December 31, 2021

Allowances allocated

0

Allowances purchased

0

Verified Scope 1 emissions in metric tons CO₂e

38,852

Verified Scope 2 emissions in metric tons CO₂e

80,960

Details of ownership

Other, please specify

Kautex is not obliged to purchase emission rights for the greenhouse gas emissions from heating as we are buying natural gas from energy suppliers who need to purchase these allowances, Kautex is impacted by the price increase caused by allowances.

Comment

The information provided above is specific to Textron's Kautex operations in Germany.

C11.1d

(C11.1d) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

Textron's Kautex business is our company's most internationally diverse operation with more than 30 facilities located in 14 countries. As such, Kautex has more exposure to carbon pricing systems. The following information provides insight on Kautex's strategy with respect to complying with carbon pricing systems.

Carbon pricing has emerged as a key policy mechanism to drive greenhouse gas emissions reductions and mitigate the dangerous impacts of climate change. The number of jurisdictions with carbon pricing policies increases in different sectors of energy, mobility and industry which are directly and indirectly impacting Kautex. Kautex is tracking this regulations and ongoing directive scheming actions in key regions with facilities. In Europe a large number of carbon pricing mechanisms have been discussed which affect Kautex.

The European trading system (ETS) requires energy and aviation companies and the industry within Europe to buy emission rights in the form of certificates for each ton of greenhouse gas emissions released. The price of an emission certificate is market-based and has increased to all time highs in the past 12 months depending on the supply of emission rights and complex interdependencies of material and energy markets. One result of this price increase is the reduction of coal used for the generation of electricity and an increased share of renewable energy. Kautex's European power providers are requested to share their electricity mixes annually where it can be seen that the share of renewables have increased in significant markets of Kautex, such as Germany. Although Kautex is not regulated directly by ETS, Kautex is impacted by increases in energy prices and prices for Energy Attribute Certificates (EAC) which are linked to ETS price indications. To adhere to Kautex' Scope 2 target and keep the sourcing of renewable electricity for all Kautex plants with the exception of the UK plants, Kautex is securing EACs with longer time horizons to avoid EAC price fluctuations and Kautex is working on sourcing renewables in a long-term method for the future.

As of 2021, the German Federal Government has introduced CO2 pricing for the heating and transport sectors. Although Kautex is not obliged to purchase emission rights for the greenhouse gas emissions from heating as we are buying natural gas from energy suppliers who need to purchase these allowances, Kautex is impacted by the price increase caused by allowances. In 2021 the fixed price system per ton of CO2 was €25. After that, the price gradually rises to €55 in 2025. A price corridor of at least €55 and a maximum of €65 will apply for 2026. Kautex is working on a reduction roadmap of fuels for heating to reduce overall

emissions but also higher energy costs due to higher energy prices and expected increased carbon pricing.

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

Yes

C11.3a

(C11.3a) Provide details of how your organization uses an internal price on carbon.

Objective for implementing an internal carbon price

Navigate GHG regulations
Stakeholder expectations
Identify and seize low-carbon opportunities

GHG Scope

Scope 2
Scope 3

Application

The information provided within Section 11.3 is specific to Textron's Kautex Business unit only.

Kautex is using an internal price on carbon in the shape of an implicit price to understand costs from reducing one ton of CO₂ in the application of sourcing renewable energy for Scope 1 and 2 and for Scope 3 in the sourcing of low-carbon material where the price of certificates are converted to a saving of one ton of CO₂ emissions as compared to current material prices.

Kautex is using a shadow price to benchmark the implicit costs of carbon emission reduction to external carbon pricing, mainly from relevant pricing markets to Kautex such as the German ETS and European ETS. Beyond that We are using the shadow price to monitor trends in carbon prices which have an impact indirectly and directly on Kautex business in energy and climate targets.

Actual price(s) used (Currency /metric ton)

63.25

Variance of price(s) used

The prices Kautex is using is varying depending on the perspective: looking from an implicit perspective prices can be between less than 5 to over 300 euros for a measure to save one tone of carbon emissions where measures range from energy efficiency to renewable power and low carbon material solutions based on market data obtained by Kautex.

As the price range is large, Kautex is using public shadow prices to benchmark the implicit prices to current carbon pricing trends. As the ETS price is market driven and therefore volatile this value is used as an indicator for the carbon price trend.

As a company based in Germany, Kautex is using the German ETS price which has been fixed for a linear increase to 55 Euros per ton of CO₂ in 2025 as this is reflecting a higher Co₂ price as some national averages.

The price shown above of \$63.25 is based on a conversion of \$1.15USD/1 Euro which was the exchange rate of 12/31/2021.

Type of internal carbon price

Shadow price

Implicit price

Impact & implication

The use of implicit carbon prices allows Kautex to assess opportunities of carbon reduction measures in a monetary value which supports Kautex in operative and strategic decisions on implementation of measures from low-hanging fruits to higher hanging fruits.

The use of shadow prices allows Kautex to assess carbon pricing trends and therefore potential impacts on implicit prices drawn from the market to make long-term strategic decisions. Beyond that it allows Kautex to assess the potential of Kautex own emissions reductions for Kautex products and the impact that has for Kautex customers.

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, our customers/clients

Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Engagement & incentivization (changing supplier behavior)

Details of engagement

Run an engagement campaign to educate suppliers about climate change

% of suppliers by number

50

% total procurement spend (direct and indirect)

50

% of supplier-related Scope 3 emissions as reported in C6.5

10

Rationale for the coverage of your engagement

In 2021, Textron began an initiative centered around engaging with our suppliers on ESG metrics and reporting with the intent of better quantifying our Scope 3 emissions and lowering the overall carbon footprint of our supply chain by bringing supplier attention to these issues. Textron's corporate EHS department authored a letter directed to

company suppliers that provided a summary about Textron's efforts to reduce greenhouse gas emissions and encouraged the suppliers to develop their own respective

plans to reduce their emissions and if they are not doing so already, report data through the CDP platform. This letter was provided to the supply chain leads at our businesses for review and distribution to their suppliers. This is a developing program for Textron and we envision in the future that these activities will be required for suppliers of Textron businesses.

In addition, specific to our Kautex business, Kautex has presented its sustainable strategy and targets during global supplier informational events in 2020 and 2021 where all strategic suppliers and +100 in total attended. Sustainable requirements were addressed; in 2020 a letter was send out to all suppliers requesting environmental data; however beginning in 2022 Kautex joined the Supply Chain Membership to collect supplier data and conducted a buyer and supplier webinar to engage suppliers; Kautex is in the process of integrating sustainable criteria in their sourcing decision for direct material and indirect suppliers; Kautex includes environmental and CDP related questions in their annual supplier performance questionnaire for new and existing suppliers; Sustainability is addressed in strategic suppliers meetings who are co2 critical for Kautex including resin and metal suppliers to work on solutions for sustainable material.

Impact of engagement, including measures of success

The numbers provided above are estimates and the success of this initiative will be measured by the number of suppliers that receive the informational letter. Distribution of

the 2021 supplier letter varied amongst our businesses; some businesses provided the letter to all suppliers, while other selected a subset of the top suppliers to their business by spend. Textron continues to evaluate methods to engage suppliers around ESG metric. In response to the informational supplier letter that Textron businesses sent out in 2021, our businesses did receive favorable correspondence back from some suppliers asking how they could be responsive and partner with our businesses to meet future goals.

Comment

The percentages provided above are estimates

Type of engagement

Information collection (understanding supplier behavior)

Details of engagement

Collect climate change and carbon information at least annually from suppliers

% of suppliers by number

10

% total procurement spend (direct and indirect)

10

% of supplier-related Scope 3 emissions as reported in C6.5

5

Rationale for the coverage of your engagement

The response for this sub-question is specific to our Kautex business only. In 2022, Kautex became a member of the CDP Supply Chain program. To educate and support Kautex suppliers on the program, Kautex hosted an informational webinar for all Kautex suppliers. During this webinar, the importance of supplier emissions performance was discussed relative to Kautex's standing as a preferred supplier of plastic tanks and reservoirs to automotive OEM customers. A member of CDP's team participated in the webinar and provided an overview to the supplier representatives of the Supply Chain program and expectations. Each year at annual strategic business reviews with key suppliers, suppliers provide Kautex with climate change targets and actions that they have taken.

Impact of engagement, including measures of success

This is a new initiative for Kautex and will be measured in future years. One measurement metric will be improvement in upstream Scope 3 emissions.

Comment

The percentages provided above are estimates.

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement & Details of engagement

Education/information sharing

Share information about your products and relevant certification schemes (i.e. Energy STAR)

% of customers by number

10

% of customer - related Scope 3 emissions as reported in C6.5

5

Please explain the rationale for selecting this group of customers and scope of engagement

By responding to information requests that Textron receives through the CDP Supply Chain module, Textron is able to provide information to our customers that allows them to better account for greenhouse gas emissions associated with their products. This is of particular importance to Kautex's customers in the automotive OEM industry. By providing information to automotive OEM customers, Kautex is increasing the likelihood of securing future contracts by meeting the expectations of its customers relative to product emission information. Within the past year, our Textron Specialized Vehicles business has received and responded to several requests from customers that are inquiring about the sustainable benefits of Textron Specialized Vehicles products. These requests have been specific to electrified personal vehicles as well as ground support equipment for commercial aviation industry. The % of customers value provided above is an estimate . The % of customer - related Scope 3 emissions as reported in

Impact of engagement, including measures of success

Textron continues to invest in research and development activities to meet customer expectations for more efficient products and parts that are incorporated into more efficient products that are manufactured by others. Some examples of this include: use of Sustainable Aviation Fuel on Textron Aviation aircraft, the Bell Autonomous Pod Transport (APT), plastic fuel tanks for hybrid electric vehicles and plastic battery casings for fully electric vehicles at Kautex and the ELiTE series vehicles at E-Z-GO. Specific to the ELiTE series vehicles, energy efficiency information of ELiTE vehicles as compared to competitor models is presented on on E-Z-GO's website which informs customers about the environmental benefits of ownership/operation of an ELiTE vehicle.

C12.1d

(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.

Textron businesses engage with value chain partners on climate-related matters in several ways. For example, Textron supports organizations such as the General Aviation Manufacturers Association, National Business Aviation Association and the European Business Aviation Association in their work to improve access to and affordability of SAF and awareness of its benefits among operators.

C12.2

(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?

No, but we plan to introduce climate-related requirements within the next two years

C12.3

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row 1

Direct or indirect engagement that could influence policy, law, or regulation that may impact the climate

Yes, we engage indirectly through trade associations

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?

No, but we plan to have one in the next two years

Describe the process(es) your organization has in place to ensure that your engagement activities are consistent with your overall climate change strategy

At least once per year, Textron participates in engagement calls with our largest institutional investors during which a myriad of topics are discussed, including climate change. The feedback received during these institutional investor calls allows Textron to gain insight on how trade association initiatives are viewed by our largest investors and gives us an opportunity to assess whether there is alignment between the company's position and trade associations in which we support.

C12.3b

(C12.3b) Provide details of the trade associations your organization engages with which are likely to take a position on any policy, law or regulation that may impact the climate.

Trade association

National Association of Manufacturers

Is your organization's position on climate change consistent with theirs?

Consistent

Has your organization influenced, or is your organization attempting to influence their position?

We are not attempting to influence their position

State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)

The NAM recommends commencing negotiations in earnest to improve on the Paris Climate Agreement and achieve a binding global climate treaty. There are several ways to accomplish this goal. For instance, Article 14 of the Paris Climate Agreement provides for a "Global Stocktake" that assesses collective progress toward achieving the agreement's goals. The first Global Stocktake occurs in 2023 and subsequent Global Stocktakes occur every five years thereafter. The United States could use the 2023 Global Stocktake as an opportunity to negotiate better terms. The United States could also seek to renegotiate the rules and responsibilities of major emitters in the UNFCCC itself. This would be a monumental task, but it provides a path toward solving the inequities that have plagued international climate negotiations for decades.

In September 2019, the National Association of Manufacturers called on Congress to take action to address climate change. NAM Vice President of Energy and Resources Policy Ross Eisenberg testified before the House Energy & Commerce Committee Subcommittee on Environment & Climate Change and shared what the manufacturing sector is doing to reduce emissions.

Manufacturers are making environmentally conscious improvements because their customers, employees and shareholders have prioritized it — and because it's the right thing to do, Eisenberg said in his testimony. Over the past decade, manufacturers have reduced the carbon footprint of their products by 21 percent while increasing their value to the economy by 18 percent, according to International Energy Agency data.

The last major congressional debate about how to address climate change was more than a decade ago. To solve this problem, manufacturers must think big, and Eisenberg told the committee that the industry is ready to work with Congress on solutions.

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)

Describe the aim of your organization's funding

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In voluntary sustainability report

Status

Underway – previous year attached

Attach the document

 Textron_2020_Corporate_Responsibility_Report.pdf

Page/Section reference

Textron has provided data on Greenhouse Gas emissions, Energy Consumption, Waste Disposal and Water consumption on an annual basis for several years in our annual Corporate Responsibility Report. The 2021 version of the report is in production and the 2020 version is attached. Information on GHG Emissions, Energy, Waste and Water data is on Page 10.

Content elements

Emissions figures
Emission targets
Other metrics

Comment

Publication

In mainstream reports

Status

Complete

Attach the document

 Textron_Annual_Report_2021 (1).pdf

Page/Section reference

In Textron's 2021 Annual Report - Various product related sustainability performance metrics and accomplishments are discussed on pages 2-5 and page 10.

Content elements

- Strategy
- Emissions figures
- Other metrics

Comment

C15. Biodiversity

C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	
Row 1	No, and we do not plan to have both within the next two years

C15.2

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Initiatives endorsed
Row 1	Yes, we have endorsed initiatives only	Other, please specify Almost 1,000 acres of Textron Aviation grassland in Kansas is utilized for hay production. Research shows that natural grasslands promote biodiversity and pollination.

C15.3

(C15.3) Does your organization assess the impact of its value chain on biodiversity?

Does your organization assess the impact of its value chain on biodiversity?	
Row 1	No, and we do not plan to assess biodiversity-related impacts within the next two years

C15.4

(C15.4) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?