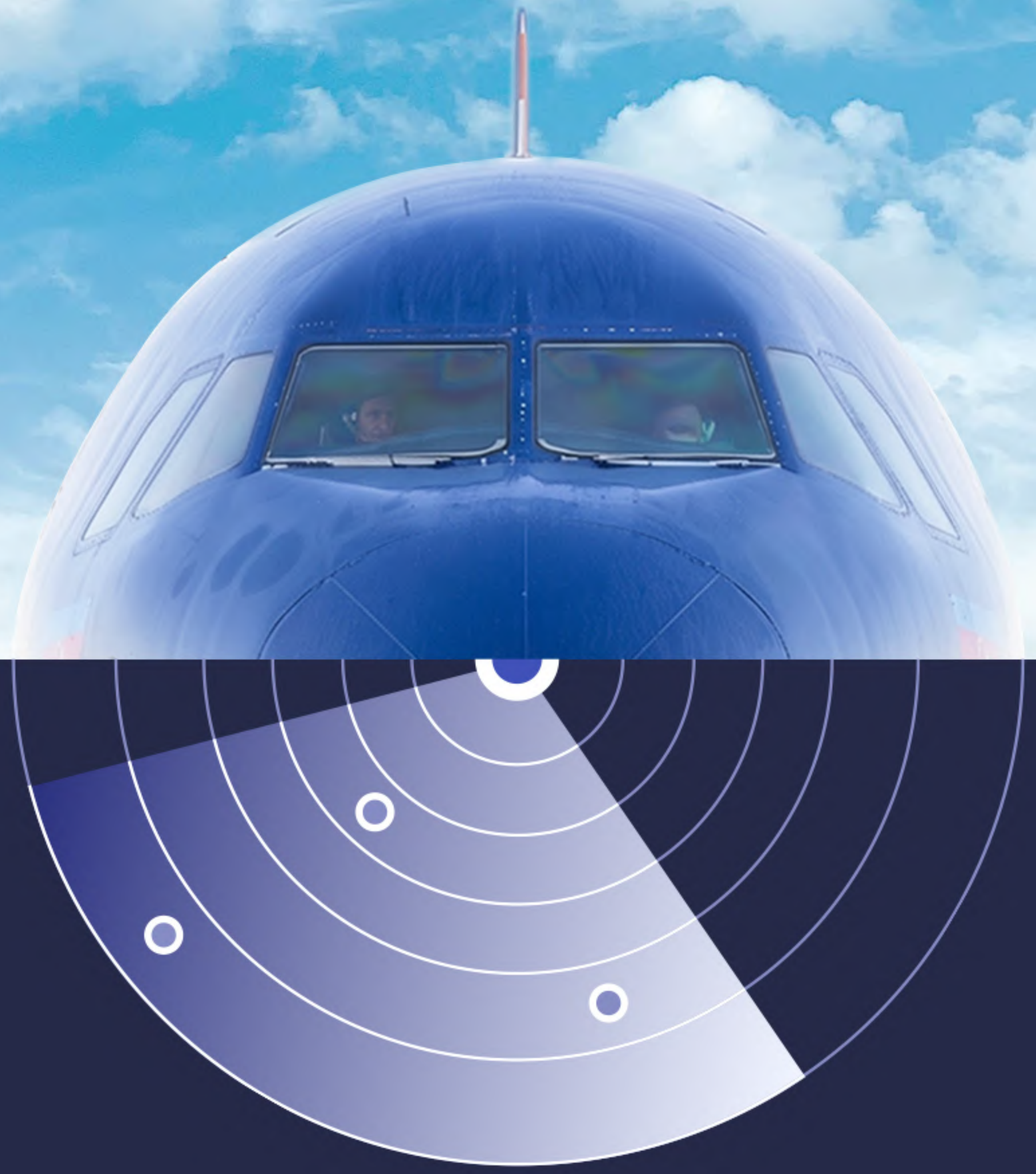
AZERAERONAVIGATION



2025
SUSTAINABILITY REPORT

CONTENTS

Abbreviations and Acronyms 3
Message from the Chairman of the Management Board 4
About this Report 7
AZANS Overview 8
Defining our Priorities 9
- Stakeholder Engagement 10
- Process to Determine Material Topics 11
- Contribution to UN SDGs 12

How We Operate 21
- Operational Resilience 22
- Delivering Safe and Efficient Air Navigation Services 23
- Modernizing Air Navigation Infrastructure 24
- Delivering Smarter and More Sustainable Aeronavigation 25
- Strengthening Regional and Global Cooperation 26

Driving Responsible Airspace Management 27
- Managing GHG Emissions 29
- Energy Management and Optimization 30
- Responsible Water Use 32
- Resource Efficiency and Waste Management 33

Our People 35
- Attracting and Retaining Talent 39
- Developing Human Capital 40
- Employee Engagement and Wellbeing 42
- Diversity and Inclusion 45
- Workplace Health and Safety 46

Integrity, Governance, and Control 47
- Governance Framework 48
- Oversight Bodies and Committees 49
- Enterprise Risk Management 50
- Our Economic Performance 51
- Information Management 52
- Procurement Oversight 53

Looking Ahead 54
ESG Data & Supporting Information 55
- Emission Calculation Methodology 55
- GRI Table 56
- Performance Metrics 68

Contact Information 79



ABBREVIATIONS AND ACRONYMS

ADS-B	Automatic Dependent Surveillance-Broadcast
ANSP	Air Navigation Service Provider
ATC	Air Traffic Control
ATM	Air Traffic Management
AWOS	Automated Weather Observing System
AZAL	Azerbaijan Airlines
AZANS	Azerbaijan Air Navigation Services
AZCON	Azerbaijan Transport and Communications Holding
CANSO	Civil Air Navigation Services Organization
CCO	Continuous Climb Operations
CDO	Continuous Descent Operations
CJSC	Closed Joint-Stock Company
CO2	Carbon Dioxide
CPDLC	Controller-Pilot Data Link Communications
D-ATIS	Digital Automatic Terminal Information Service
DCT	Direct Routing
DFS	Deutsche Flugsicherung
EASA	European Union Aviation Safety Agency
EMP	Environmental Management Plan
ESG	Environmental, Social, and Governance
EUROCONTROL	European Organization for the Safety of Air Navigation
FRMS	Fatigue Risk Management System
GAIN	Green Aviation Insights Platform
GDPR	General Data Protection Regulation
GHG	Greenhouse Gas
GJ	Gigajoule
GRI	Global Reporting Initiative
HSE	Health, Safety, Environment
HSEQ	Health, Safety, Environment, Quality
HR	Human Resources
HVAC	Heating, Ventilation, and Air Conditioning
IATA	International Air Transport Association
ICAO	International Civil Aviation Organization
IPCC	Intergovernmental Panel on Climate Change
ISO	International Organization for Standardization
NATS	National Air Traffic Services
OHS	Occupational Health and Safety
PBN	Performance-Based Navigation
PDCA	Plan-Do-Check-Act
RBAC	Role-Based Access Control
RNAV	Area Navigation
RNP	Required Navigation Performance
SDG	Sustainable Development Goal
UN	United Nations

MESSAGE FROM THE CHAIRMAN OF THE MANAGEMENT BOARD

Dear Stakeholders,
As Azerbaijan's Air Navigation Service Provider (ANSP), Azeraeronavigation (AZANS) plays a critical role in ensuring the safe, efficient, and sustainable management of the country's airspace.

In 2025, we continued to strengthen our contribution to regional and global aviation by advancing operational excellence, digital transformation, environmental stewardship, and airspace modernization. During the reporting year, AZANS safely managed 342,167 flights, representing a 10.5% increase compared with 2024, while overflight traffic increased by 16.5% to 261,085 flights. Through dynamic sector planning and optimized airspace management, operational capacity increased to 120 flights per hour, strengthening our ability to accommodate growing traffic while maintaining safe and efficient operations. These results further demonstrate Azerbaijan's growing importance as a strategic air corridor connecting Europe and Asia.

Throughout the year, AZANS remained focused on enhancing the safety, reliability, and efficiency of air navigation services. Through the continued implementation of advanced surveillance technologies, performance-based navigation, ATC automatization, digital solutions, and the deployment of a new ICAO CAT III Instrument Landing System (ILS), we improved airspace utilization, supported more efficient flight operations, and contributed to reducing fuel consumption and associated emissions.

These initiatives enabled AZANS to safely accommodate continued growth in transit traffic while maintaining high standards of operational performance. A key milestone in 2025 was the further integration of sustainability into our strategic planning and operational decision-making. We strengthened our environmental management practices, expanded our greenhouse gas emissions accounting framework, and joined the Civil Air Navigation Services Organization (CANSO) GreenATM programme, reinforcing our commitment to reducing the environmental impact of air navigation services and supporting the transition to more sustainable aviation. Importantly, emissions intensity per managed flight decreased by 18.2% during the year, demonstrating measurable progress in environmental efficiency alongside continued traffic growth.



International cooperation remained an important enabler of this transformation. In 2025, AZANS partnered with National Air Traffic Services (NATS) to advance air traffic management, enhance operational efficiency and support the sustainable modernization of Azerbaijan's air navigation services. This cooperation complements our work with the International Air Transport Association (IATA) on the development of Azerbaijan's new National Airspace Strategy. AZANS is actively involved in regional and international cooperation. In 2025, the Regional Air Navigation Safety Coordination Platform for European and Asian ANSPs (SOCEA) Presidency was formally transferred to "Azeraeronavigation" (Azerbaijan), underscoring the country's growing leadership role in regional ATM development. Established in 2023, the Regional Air Navigation Safety Coordination Platform for European and Asian ANSPs (SOCEA) was launched to facilitate coordinated action in flight safety and the harmonization of air traffic flows.

The purpose of this Organization is the development and implementation of a regional strategy for harmonization of air traffic, ensuring flight safety and efficiency, capacity building and promoting cooperation in the field of air navigation between countries. At the same time, we reinforced our information security and cybersecurity capabilities through the adoption of a comprehensive strategic framework aligned with international standards and aviation industry requirements. These efforts enhance the resilience of our critical infrastructure and support the secure and uninterrupted delivery of air navigation services. Our achievements would not be possible without the dedication, professionalism, and expertise of our employees. We remain committed to investing in workforce development, strengthening technical competencies, and fostering a culture of safety, innovation, and continuous improvement. Looking ahead, AZANS will continue to invest in next-generation technologies, airspace optimization, cybersecurity, and environmental initiatives that support safer, smarter, and more sustainable aviation. Through collaboration with national and international partners, we remain committed to delivering value to stakeholders while contributing to the long-term development of Azerbaijan's aviation sector. I would like to express my sincere appreciation to our employees, partners, regulators, and stakeholders for their continued trust and support.

Samir Rzayev,
Chairman of the Management Board of
"Azerbaijan Airlines" CJSC



01

ABOUT THIS REPORT



ABOUT THIS REPORT

Azeraeronavigation (AZANS) Air Traffic Control (ATC) Department (hereinafter referred to as “AZANS” or the “Organization”), the national provider of air navigation services in Azerbaijan, is pleased to present its 2025 Sustainability Report (hereinafter referred to as the “the Report”).

This Report reflects the Organization’s continued commitment to responsible air navigation services, operational excellence, and continuous improvement across its sustainability agenda. Developed in line with established reporting standards and informed by stakeholder engagement, the Report supports transparency and provides a structured overview of the Organization’s sustainability journey and progress during the reporting year.

To enhance credibility and ensure robust disclosure, the Report follows best practices in data collection, validation, and reporting, aligning with international aviation regulations, environmental policies, and recognized sustainability reporting standards. This approach makes sure that our sustainability performance remains measurable, comparable, and consistent with industry expectations and evolving stakeholder requirements.

Scope and Methodology	
About the Report	The Report provides an overview of AZANS operational and sustainability performance. It presents the Organization’s core activities, including air traffic management, navigation services, and the maintenance of operational safety, while also highlighting key sustainability initiatives and achievements. The scope of the Report is limited to activities and operations directly managed and controlled by AZANS within Azerbaijani airspace and its air traffic control facilities. Unless otherwise stated, all information and performance data disclosed in the Report reflect the Organization’s performance during the period from 1 January to 31 December 2025.
Reporting Cycle	Annual
Reporting Period	1 January 2025 – 31 December 2025
Reporting Boundary	AZANS
Headquarters	Baku, Azerbaijan
Reporting Frameworks	- The report is written with reference to the Global Reporting Initiative (GRI) Standards 2021. - United Nations Sustainable Development Goals (UN SDGs).
Available Languages	English, Azerbaijani

TABLE 1. SCOPE AND METHODOLOGY



AZANS OVERVIEW

AZANS is the national provider of air navigation services in Azerbaijan and has been playing a critical role in ensuring the safe, orderly, and efficient movement of air traffic within the country's airspace since 1996.

Operating under the umbrella of Azerbaijan Airlines (AZAL) Closed Joint-Stock Company (CJSC), AZANS manages one of the region's strategically important airspaces, providing air traffic management, communication, navigation, surveillance, and aeronautical information services across Azerbaijani airspace and over the Azerbaijani sector of the Caspian Sea.

In 2025, AZANS continued to enhance operational performance through investments in technology, infrastructure modernization, information security, and workforce development. The Organization remained focused on maintaining the highest standards of safety and service quality. As a responsible infrastructure operator, AZANS continued to integrate sustainability principles into its operations through environmental initiatives, employee development programs, digital transformation efforts, and strengthened governance practices. These efforts support the Organization's long-term objective of delivering safe, resilient, and sustainable air navigation services.

The information and figures presented in this section are subject to change, as certain data is currently undergoing assurance procedures and has not yet been finalized.

342,167	TOTAL FLIGHTS MANAGED
184,730	TOTAL FLIGHT HOURS MANAGED
100%	AIR TRAFFIC CONTROL EFFICIENCY
100%	ON-TIME COORDINATION RATE
25.3 tCOe	SCOPE 1 EMISSIONS
272.9 tCOe	SCOPE 2 EMISSIONS

0.011	TCOE/MANAGED FLIGHT EMISSIONS INTENSITY
0.075	GJ/MANAGED FLIGHT ENERGY INTENSITY
3,672 HRS	TOTAL TRAINING HOURS
6.4 HRS	AVERAGE TRAINING HOURS PER EMPLOYEE
71%	LOCAL SUPPLIERS
29%	FOREIGN SUPPLIERS



02

DEFINING OUR PRIORITIES

DEFINING OUR PRIORITIES

Stakeholder Engagement

Stakeholder engagement remains a fundamental component of AZANS' sustainability approach and decision-making processes. The Organization maintains regular dialogue with stakeholders to understand their expectations better, identify emerging risks and opportunities, and ensure that sustainability priorities remain aligned with operational and strategic objectives.

As a critical provider of air navigation services, AZANS engages with a diverse range of stakeholders, including regulators, airlines and aircraft operators, ground handling and aerodrome services, education and training institutions, employees, suppliers and contractors, business partners, local communities, and industry organizations. Engagement takes place through formal consultations, operational meetings, training sessions, audits, surveys, industry forums, performance reviews, and ongoing communication channels. The insights obtained through these interactions contribute to the Organization's materiality assessment, risk management processes, operational improvements, and sustainability initiatives. Stakeholder feedback also supports the continuous enhancement of service quality, safety performance, environmental management, workforce development, and corporate governance practices.

AZANS remains committed to maintaining transparent, constructive, and responsive engagement with stakeholders, recognizing their important role in supporting the Organization's long-term resilience, operational excellence, and sustainable growth.

STAKEHOLDER	KEY INTERESTS & GROUPS	ENGAGEMENT METHODS	COMMUNICATION FREQUENCY
National and International Regulatory Bodies	Safety, compliance, cybersecurity, operational performance	Audits, inspections, regulatory reporting, meetings	Timely manner
Airlines & Aircraft Operators	Service reliability, airspace efficiency, and safety	Operational meetings, performance reviews, customer engagement	Daily basis
Employees	Health & safety, career development, compensation, workplace culture	Surveys, training, performance discussions, internal communications	Daily basis
Business & Industry Partners	Innovation, operational coordination, sustainability initiatives	Working groups, conferences, technical collaboration	Annual basis
Investors & Financial Institutions	Economic performance, governance, risk management	Reporting, management reviews, strategic meetings	Semi-annual basis
Local Communities & Environmental Organizations	Environmental impacts, community relations	Community engagement, public communication	Quarterly basis
Suppliers & Contractors	Procurement practices, fair treatment, and business continuity	Tenders, supplier evaluations, meetings	Ad hoc

FIGURE 2. STAKEHOLDER ENGAGEMENT



PROCESS TO DETERMINE MATERIAL TOPICS

AZANS is committed to understanding and managing the environmental, social, and governance (ESG) topics that are most relevant to its operations and stakeholders.

In line with the requirements of GRI 3: Material Topics 2021, the Organization undertook a materiality assessment to identify and prioritize the sustainability matters that reflect its most significant impacts on the economy, environment, and people, including impacts on human rights. The assessment considered AZANS' operational context, strategic priorities, industry developments, regulatory requirements, stakeholder expectations, and sustainability trends relevant to the aviation sector. Internal documentation, corporate policies, risk management processes, international standards, and sector-specific guidance were reviewed to support the identification and evaluation of material topics.

Stakeholder input was incorporated through ongoing engagement with key stakeholder groups, while benchmarking against industry practices and peer organizations provided additional insights into emerging sustainability priorities. The identified topics were assessed based on the significance of their impacts and their relevance to AZANS' long-term operational resilience and sustainable development objectives. The results of the assessment (Table 2) guide the Organization's sustainability strategy, performance monitoring, and reporting activities, ensuring that resources are focused on the issues that matter most to both AZANS and its stakeholders.



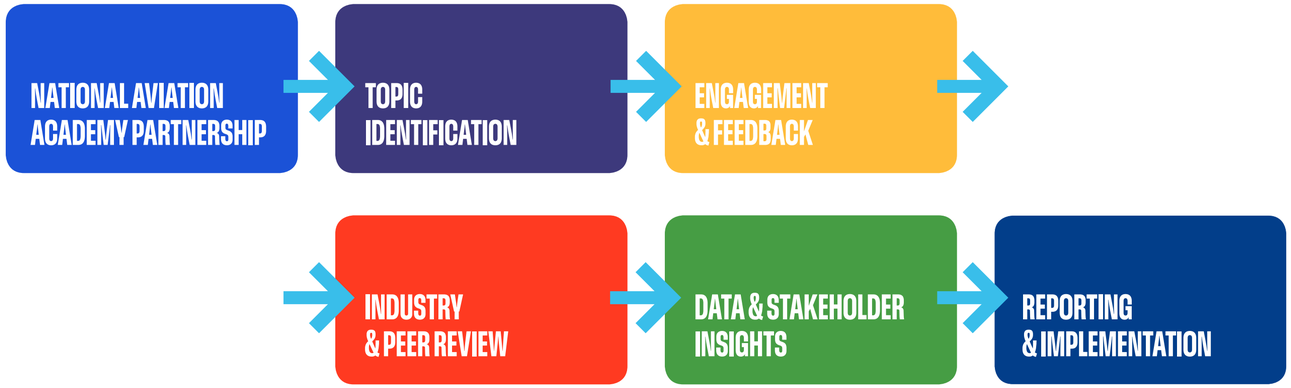


FIGURE 3. PROCESS TO DETERMINE MATERIALITY

Environmental	Social	Governance
Waste Management	Human Rights, Diversity & Inclusion	Infrastructure & Technology Development
Biodiversity & Ecosystem Protection	Emergency Preparedness	Operational Efficiency & Air Traffic Optimization
Noise Management & Air Quality	Talent Development & Training	Business Ethics & Anti-Corruption
Greenhouse Gas Emissions	Occupational Health & Safety	Risk Management & Business Continuity
Energy & Resource Management	Stakeholder & Community Engagement	Regulatory Compliance
Climate Resilience	Workforce Well-being & Employee Engagement	Cybersecurity & Information Management

TABLE 2. LIST OF MATERIAL TOPICS

CONTRIBUTION TO UN SDGS

At AZANS, our responsibility extends beyond the provision of air navigation services. As a key enabler of safe and efficient aviation, we are committed to supporting the sector's long-term sustainability and contributing to broader global development priorities.

United Nations Sustainable Development Goals (UN SDGs) provide an important framework for promoting environmental stewardship, social progress, and strong governance practices. For 2025, AZANS has identified a set of SDGs that closely align with its role as a provider of critical aviation infrastructure, a responsible employer, and a contributor to the sustainable development of the aviation industry. These priorities reflect the Organization's commitment to operational excellence, environmental responsibility, workforce development, innovation, and stakeholder collaboration.

Throughout the reporting period, AZANS continued to support these goals through initiatives aimed at enhancing airspace efficiency, strengthening employee capabilities, advancing technological innovation, and fostering partnerships across the aviation ecosystem. By integrating sustainability considerations into its operations and decision-making processes, the Organization contributes to the development of a more resilient, transparent, and sustainable aviation sector.

PEOPLE

Social considerations cover stakeholder and community engagement, education, equity and inclusion, social infrastructure, health, well-being, and quality of life.



Strong safety practices, occupational health measures, employee well-being initiatives, and fatigue management support workforce welfare and operational resilience.



Equal opportunity practices, inclusive workplace policies, and career development programs support greater diversity and representation across the workforce.



Technical training, professional development, educational partnerships, and outreach initiatives contribute to building aviation-related skills and supporting future talent.



Collaboration with regulators, industry organizations, suppliers, educational institutions, international partners, and other stakeholders supports knowledge sharing and advances sustainable aviation practices.

PLANET

Environmental aspects relate to the responsible stewardship of natural resources, protection of water and air quality, energy efficiency, and sustainable land use.



Resource efficiency, waste reduction, responsible procurement, recycling initiatives, and environmental management practices support more sustainable operations.



Emissions monitoring, carbon reduction initiatives, energy efficiency improvements, climate resilience measures, green mobility solutions, and SAF-related efforts contribute to climate action.

PROFIT

Economic aspects focus on long-term value creation, ESG-related risk management, resilient business models, and financial sustainability.



Air connectivity facilitates employment, tourism, trade, regional development, and broader economic growth.



Infrastructure investments, airport development, digital technologies, smart solutions, and operational innovation strengthen connectivity and service quality.



GOAL 3: GOOD HEALTH AND WELL-BEING

Ensure healthy lives and promote well-being for all at all ages

Covered targets

3.8: Achieve universal health coverage, including financial risk protection, access to quality essential health-care services, and access to safe, effective, quality and affordable essential medicines and vaccines for all.

STRATEGIC PRIORITIES

- Maintain a safe, healthy, and secure working environment for all personnel.
- Foster a workplace that supports the overall health and well-being of employees.
- Encourage psychological well-being by providing access to mental health resources and promoting an open, stigma-free culture.

ACTION PLAN

- Strengthen occupational health and safety (OHS) management systems and enhance operational safety controls.
- Improve workplace safety through enhanced hazard identification, incident reporting, safety training, and emergency preparedness.
- Expand initiatives that promote employee health, well-being, and work-life balance.

KEY PROGRESS IN 2025

- Provided full medical insurance for all employees.
- Invested AZN 400,000 in occupational health and safety, including improvements to working conditions (and the provision of Personal Protective Equipment (PPE).
- Conducted 12 occupational health and safety (OHS) training sessions to strengthen employee awareness and promote a strong safety culture.
- Operated a Fatigue Risk Management System (FRMS) for shift-based personnel in line with ICAO, EASA, and CANSO guidance to support employee wellbeing and operational safety.



GOAL 4: QUALITY EDUCATION

Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

Covered targets

4.4: By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs, and entrepreneurship.

4.5: By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations.

STRATEGIC PRIORITIES

- Develop a highly skilled aviation workforce through continuous technical and vocational education.
- Enhance employee capabilities by expanding access to internationally recognized training and professional certifications.

ACTION PLAN

- Expand technical and professional training for Air Traffic Control Officers (ATCOs) and Air Traffic Safety Electronics Personnel (ATSEPs).
- Strengthen talent development through structured career progression, succession planning, and knowledge-sharing initiatives.
- Foster partnerships with educational institutions to support internships, graduate development programmes, and early-career talent pipelines.

KEY PROGRESS IN 2025

- Enhanced the SKY Academy learning platform by integrating AeroClass and goFLUENT, expanding access to specialized aviation training and foreign language learning.
- Implemented mandatory induction, refresher, and high-risk operations safety training for employees.



GOAL 5: GENDER EQUALITY

Achieve gender equality and empower all women and girls

Covered targets

5.1: End all forms of discrimination against all women and girls everywhere.

STRATEGIC PRIORITIES

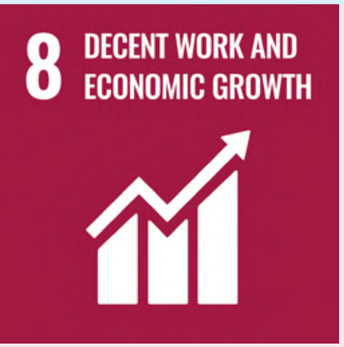
- Promote equal opportunities by ensuring fair and inclusive recruitment, career development, and promotion practices.
- Increase the representation of women in leadership and operational roles.

ACTION PLAN

- Develop and expand mentoring and leadership development programs for women to strengthen career progression into leadership roles.
- Continue implementation of IATA's "25by2025" initiative to support gender diversity objectives.

KEY PROGRESS IN 2025

- Women accounted for 38% of new hires which reflects a progress in gender balance in recruitment.
- Gender diversity indicators continued to be monitored through participation in IATA's 25by2025 initiative.
- Maintained equal entry-level salaries for male and female employees.
- Work-life balance and employee well-being initiatives were sustained, including targeted activities supporting female employees.



GOAL 8: DECENT WORK AND ECONOMIC GROWTH

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

Covered targets

8.5: By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.

8.8: Protect labor rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.

STRATEGIC PRIORITIES

- Enhance employee retention while increasing engagement of young talent.
- Strengthen inclusive employment practices and ensure equal pay across the Organization.
- Promote a strong occupational health and safety culture across all departments.

ACTION PLAN

- Develop a 5-year workforce planning framework for ATCOs and ATSEPs.
- Strengthen career development pathways, HR forecasting, and internal promotion systems.
- Conduct regular OHS audits and workplace hazard assessments to improve risk management.

KEY PROGRESS IN 2025

- Employed 15 persons with disabilities across the Organization which reinforces inclusive employment practices.
- Distributed AZN 32.9 million in salaries and employee benefits, strengthening workforce well-being and economic inclusion.
- Provided equal access to work and career development opportunities for all employees.
- Strengthened talent pipelines through partnerships with ADA University, the National Aviation Academy, participation in state employment fairs, employability weeks, and summer internship programs.



GOAL 9: INDUSTRY, INNOVATION AND INFRASTRUCTURE

Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

Covered targets

9.1: Develop quality, reliable, sustainable, and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all.

9.4: By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities.

STRATEGIC PRIORITIES

- Accelerate the adoption of innovative technologies to enhance operational performance across air traffic management services.
- Develop resilient, reliable, and sustainable aviation infrastructure capable of supporting long-term operational demands.
- Advance the modernization of air navigation and surveillance systems to improve safety, efficiency, and service quality.

ACTION PLAN

- Expand the deployment of advanced air navigation technologies, including ADS-B, Mode S radar, and Performance-Based Navigation (PBN).
- Enhance digital solutions for flight tracking and route optimization to support emissions reduction.
- Integrate ESG considerations into infrastructure investment planning and strengthen collaboration with industry and financial partners.

KEY PROGRESS IN 2025

- Managed more than 342,000 flights through modernized airspace and satellite-based air navigation systems.
- Reduced flight delays and associated emissions through optimized air traffic flow management and terminal area procedures.
- Progressed the development of the UTM/ATM Center to integrate UAV operations, enable real-time monitoring, and modernize air traffic management.
- Advanced air navigation capabilities through investments in Performance-Based Navigation (PBN), Aireon satellite surveillance, and CNS/ATM digitalization, including D-ATIS and CPDLC services.



GOAL 12: RESPONSIBLE CONSUMPTION AND PRODUCTION

Ensure sustainable consumption and production patterns

Covered targets

12.2: By 2030, achieve the sustainable management and efficient use of natural resources.
12.5: By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.

12.4: By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment.

STRATEGIC PRIORITIES

- Implement effective waste management and prevention practices to reduce operational waste and encourage sustainable consumption.
- Promote resource efficiency and embedding circular economy principles into daily operations.
- Strengthen waste segregation, handling and disposal practices of hazardous waste to minimize its environmental impacts.

ACTION PLAN

- Replacement of single-use products with sustainable, reusable alternatives.
- Reducing water waste, improving consumption efficiency, and ensuring efficiency of the water consumption that aligns with long-term resource conservation goals.
- Continuously organizing staff engagement and targeted personnel trainings to enhance the employee awareness and provide guidance on waste handling procedures.
- Collaboration with authorized recycling service providers.

KEY PROGRESS IN 2025

- 57% Reduction in Paper Waste in comparison to 2024.
- 44% Decrease in Total Fuel consumption and 14% decrease in Total Energy consumption for 2025.
- 30% Decline in Energy intensity (GJ) per managed flight from 2024.



GOAL 13: CLIMATE ACTION

Take urgent action to combat climate change and its impacts

Covered targets

13.2: Integrate climate change measures into national policies, strategies, and planning.
13.3: Improve education, awareness, and institutional capacity.

STRATEGIC PRIORITIES

- Integrate climate adaptation and mitigation procedures across operational activities and strategic planning.
- Reduce greenhouse gas (GHG) emissions through enhanced environmental performance and operational efficiency.

ACTION PLAN

- Achieve a 10% reduction in fuel consumption and CO_2 emissions from airspace users by 2028.
- Implement energy-efficient airspace management and routing.
- Targeting 30% renewable energy generation across all facilities by 2030.
- 10% reduction in overall energy consumption by 2030.
- Reaching Level 3 of the CANSO Green ATM Accreditation and compliance with European Union Aviation Safety Agency (EASA) environmental regulations by 2028.

KEY PROGRESS IN 2025

- Reduced total GHG emissions by 12.5% from 2024 to 2025.
- Reduced Scope 1 emissions by 50% in 2025, mainly through decreased gasoline consumption.
- 18.2% Reduction in emission intensity in comparison to 2024.
- AZANS joined the CANSO GreenATM program in 2025, signaling commitment to both company-wide and industry-wide environmental objectives.



GOAL 17: PARTNERSHIPS FOR THE GOALS

Strenghten the means of implementation and revitalize the global partnership for sustainable development

Covered targets

17.17: Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships.

STRATEGIC PRIORITIES

- Strengthen strategic partnerships that support innovation, knowledge exchange, and the long-term development of air navigation services.
- Enhance AZANS' role as a regional leader in air navigation through international partnerships, innovation, and knowledge exchange.

ACTION PLAN

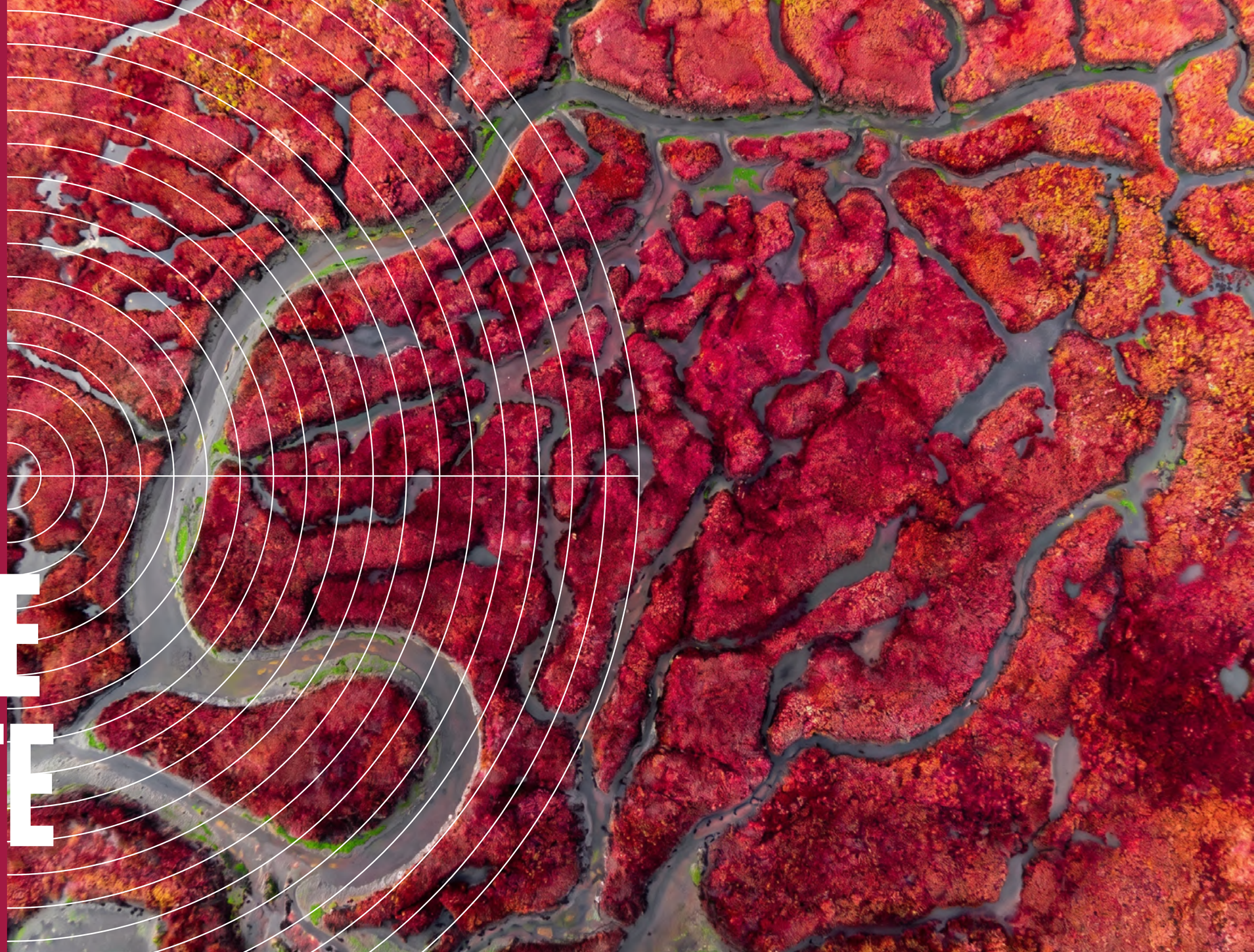
- Strengthen strategic partnerships with EUROCONTROL, CANSO, and other Air Navigation Service Providers (ANSPs).
- Foster collaboration with international organizations, industry partners, and academic institutions to support the sustainable development of the aviation sector.
- Expand international cooperation by hosting and participating in aviation forums, conferences, and knowledge-sharing initiatives.

KEY PROGRESS IN 2025

- Strengthened international partnerships with IATA, NATS, DFS, Aireon, and Indra to advance airspace modernization, surveillance technologies, and air traffic management.
- Collaborated with IATA on the development of Azerbaijan's new National Airspace Strategy.
- Hosted the CANSO Leadership Meeting for Central Asia and Türkiye and continued active participation in SOCEA, promoting regional cooperation and aviation safety.
- Joined the CANSO GreenATM Programme to support international collaboration on sustainable air traffic management.

03

HOW WE OPERATE



HOW WE OPERATE

Operational Resilience

AZANS is responsible for the safe, orderly, and efficient management of Azerbaijan's airspace, providing air traffic management, communication, navigation, surveillance, meteorological, and aeronautical information services.

Operating at the crossroads of Europe and Asia, the Organization plays a crucial role in supporting regional and international connectivity while ensuring the highest standards of aviation safety and operational performance. In 2025, AZANS continued to strengthen operational resilience amid rapidly changing traffic patterns and increasing regional airspace demand. Through continuous investment in airspace modernizations, digital technologies, and infrastructure upgrades, the Organization enhanced airspace capacity, optimized flight operations, and improved operational efficiency while supporting more sustainable aviation.

Traffic growth remained a defining feature of the reporting period. AZANS successfully managed 342,167 flights, representing a 10.5% increase compared to 2024 (Figure 4), while overflight traffic increased by 16.5% to 261,085 flights. Azerbaijan's airspace continued to strengthen its position as a strategic transit corridor connecting Europe and Asia. Throughout the year, AZANS continued implementing the National Airspace Strategy in collaboration with the International Air Transport Association (IATA), modernizing airspace design and operational procedures to improve efficiency, capacity, and environmental performance. The Organization also commissioned the air navigation infrastructure for Lachin International Airport, progressed the development of the Unmanned Traffic Management/ Air Traffic Management (UTM/ATM) Centre to integrate unmanned aerial vehicle (UAV) operations and enable real-time airspace monitoring, and continued development of the air navigation infrastructure supporting the Alat Cargo Airport project. Operational capabilities were further strengthened through continued investment in Performance-Based Navigation (PBN), Aireon space-based Automatic Dependent Surveillance–Broadcast (ADS-B) surveillance services, and the digitalization of Communication, Navigation, Surveillance/Air Traffic Management (CNS/ ATM) systems. This included the implementation of Digital Automatic Terminal Information Service (D-ATIS) and Controller–Pilot Data Link Communications (CPDLC) services, supporting more efficient communications, enhanced situational awareness, optimized flight trajectories, and reduced operational delays. By combining infrastructure modernization, digital transformation, advanced surveillance technologies, and regional collaboration, AZANS continues to enhance the safety, efficiency, resilience, and sustainability of Azerbaijan's airspace while supporting the long-term development of international aviation.

The information and figures presented in this section are subject to change, as certain data is currently undergoing assurance procedures and has not yet been finalized.

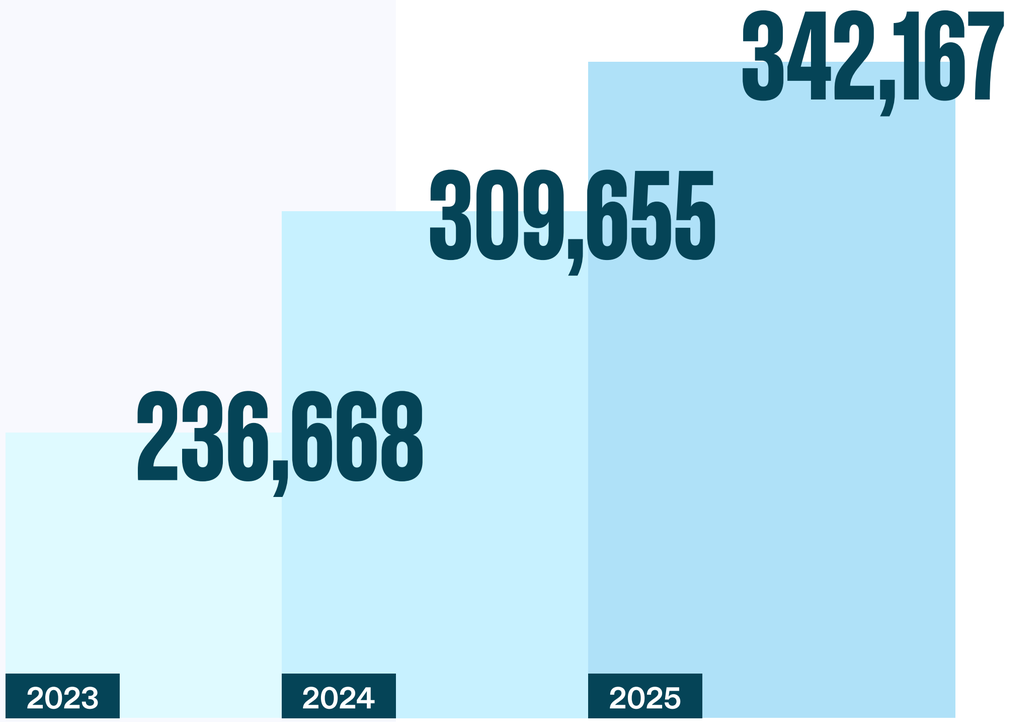




FIGURE 4. FLIGHTS MANAGED OVER THE YEARS

DELIVERING SAFE AND EFFICIENT AIR NAVIGATION SERVICES

AZANS provides an integrated portfolio of air navigation services supporting safe, efficient, and environmentally responsible aircraft operations throughout Azerbaijan's Flight Information Region (Table 3). Operational performance is continuously monitored through safety management processes, operational performance indicators, internal audits, ICAO compliance monitoring, and international benchmarking. This systematic approach supports evidence-based decision-making and continuous enhancement of safety, operational efficiency, and environmental performance.



Service	2025 Highlights
Air Traffic Management	Managed 342,167 IFR flights while increasing operational capacity to 120 flights per hour through dynamic sector planning and optimized airspace management.
Communication, Navigation & Surveillance (CNS)	Continued modernization of surveillance and communication infrastructure, including CAT III Instrument Landing System deployment, Wide Area Multilateration upgrades, and radio communication modernization.
Meteorological Services	Improved operational decision-making through enhanced weather observation capabilities and modernization of Automatic Weather Observation Systems (AWOS).
Aeronautical Information Services	Supported implementation of the National Airspace Strategy through publication of updated procedures, routes, and aeronautical information.
PANS-OPS	Continued development of Performance-Based Navigation procedures, optimized SID/STAR design, and implementation of RNAV/RNP procedures supporting Continuous Climb and Continuous Descent Operations.

TABLE 3. AZANS SERVICES 2025 HIGHLIGHTS

MODERNIZING AIR NAVIGATION INFRASTRUCTURE

Continuous investment in modern infrastructure and advanced technologies enables AZANS to safely manage growing traffic volumes while enhancing operational efficiency and supporting sustainable aviation (Figure 5).

During 2025, AZANS commissioned communication, navigation, surveillance, meteorological, and air traffic management systems for Lachin International Airport, while continuing development of air navigation infrastructure for the Alat Cargo Airport project.

The Organization also completed several modernization initiatives, including deployment of a new CAT III Instrument Landing System (ILS), modernization of the Automatic Weather Observation System (AWOS), upgrades to the Wide Area Multilateration (WAM) surveillance network, modernization of radio communication systems, implementation of the VIBE platform for air traffic controller competence management, and establishment of a new Civil-Military Coordination Centre to improve operational flexibility and airspace utilization.

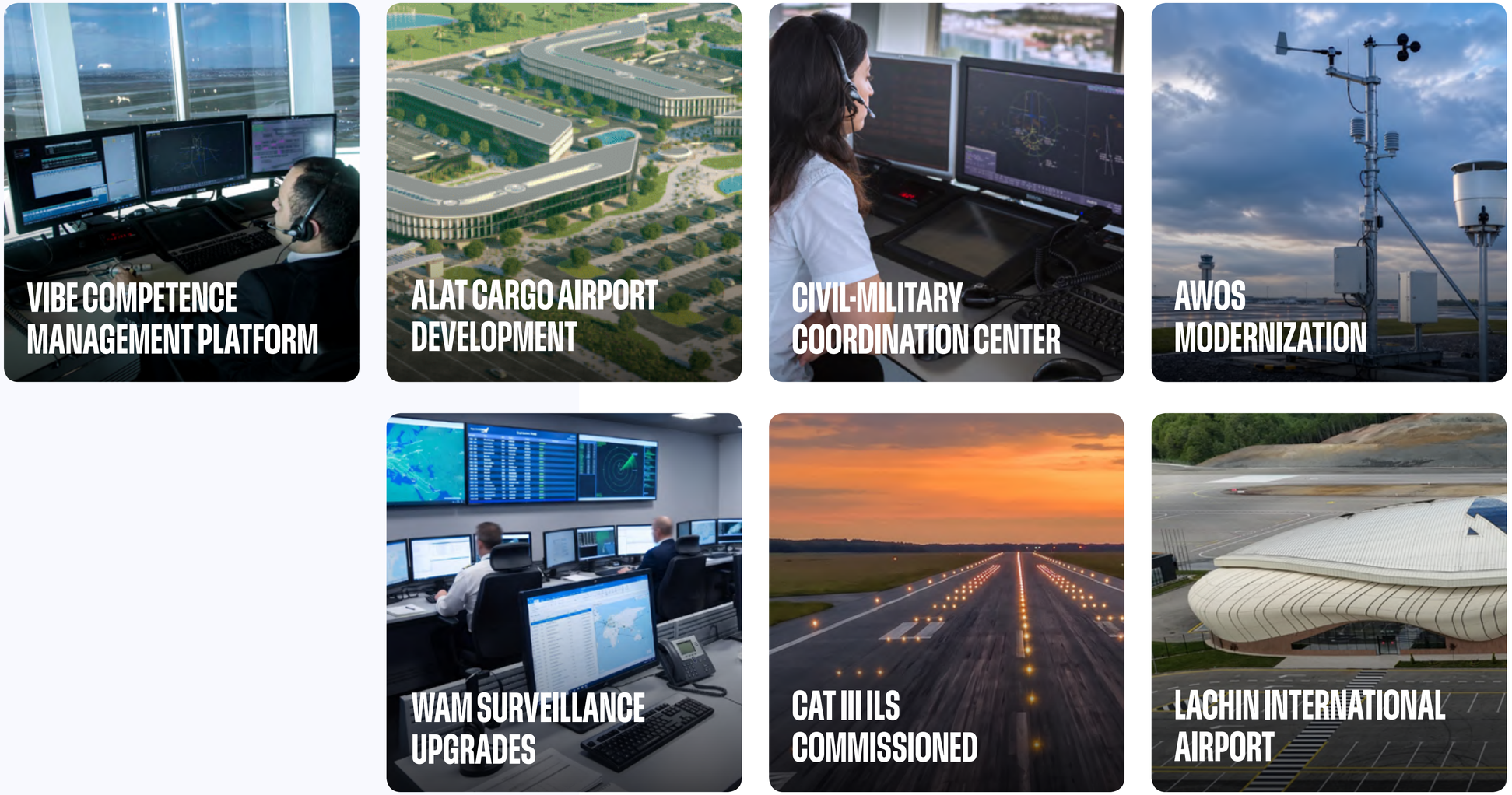


FIGURE 5. INFRASTRUCTURE HIGHLIGHTS

DELIVERING SMARTER AND MORE SUSTAINABLE AERONAVIGATION

Operational excellence at AZANS is guided by the National Airspace Strategy and long-term modernization initiatives designed to strengthen safety, efficiency, environmental performance, and regional connectivity.

The Organization continued implementing strategic initiatives focused on optimizing airspace design, modernizing CNS/ATM systems, expanding Performance-Based Navigation, improving sector capacity, and integrating digital technologies into operational decision-making. These initiatives support more direct flight trajectories, increased operational efficiency, and lower fuel consumption and greenhouse gas emissions (Figure 6).

AZANS supports aviation decarbonization through operational measures that improve flight efficiency and reduce emissions. Performance-Based Navigation, Continuous Climb Operations (CCO), Continuous Descent Operations (CDO), airspace optimization, and enhanced traffic flow management contribute to shorter routes, lower fuel consumption, and reduced greenhouse gas emissions. To further strengthen environmental performance monitoring, AZANS continued participating in the Green Aviation Insights (GAIN) initiative and progressed implementation of Aireon performance monitoring capabilities, enabling more comprehensive monitoring of route efficiency, operational performance, and environmental indicators.



FIGURE 6. STRATEGIC PRIORITIES



STRENGTHENING REGIONAL AND GLOBAL COOPERATION

Collaboration remains fundamental to the safe and efficient management of international airspace. During 2025, AZANS expanded strategic partnerships with international organizations, neighboring air navigation service providers, and technology partners to support modernization, safety, and sustainable aviation.

Key developments included continued implementation of the National Airspace Strategy with IATA, participation in Airspace World 2025, strengthened cooperation with NATS, Deutsche Flugsicherung (DFS), and Aireon, and continued leadership within SOCEA and CANSO. AZANS also hosted regional leadership meetings, supporting knowledge sharing, harmonization of airspace management, and enhanced cross-border operational coordination. These partnerships contribute to safer air navigation, improved operational efficiency, digital innovation, and stronger regional connectivity across Europe and Asia.





04

DRIVING RESPONSIBLE AIRSPACE MANAGEMENT

DRIVING RESPONSIBLE AIRSPACE MANAGEMENT

Building on the progress achieved over previous years, AZANS continues to prioritize environmental responsibility and long-term sustainability, integrating ESG principles into its key strategic decisions and day-to-day processes.

Aligned with our ESG objectives, we actively contribute to the air navigation sector's role in advancing the global Net Zero 2050 ambition. Through the implementation of a range of tangible initiatives and being in close partnership with relevant institutions, AZANS achieved significant reductions in Scope 1 emissions, total GHG emissions, paper waste, energy consumption, and water use, demonstrating the real impact of its ongoing sustainability efforts.

Key milestones during the year included AZANS' participation in the CANSO GreenATM program, continued implementation of Azerbaijan's National Airspace Strategy in collaboration with IATA, and strengthened international cooperation, including with NATS, to support air traffic management modernization, operational efficiency and more sustainable air navigation services. AZANS also continued to strengthen environmental performance monitoring through the Green Aviation Insights (GAIN) initiative, while advancing internal resource-efficiency and environmental awareness activities.

Together, these achievements reflect our concentrated approach to sustainability, combining operational excellence, environmental responsibility, and consistent stakeholder involvement to create lasting impact and ensure client satisfaction while reducing our environmental footprint.

The information and figures presented in this section are subject to change, as certain data is currently undergoing assurance procedures and has not yet been finalized.



FIGURE 7. REDUCING AZANS' CARBON FOOTPRINT: KEY ACTIONS.

MANAGING GHG EMISSIONS

Greenhouse Gas Emission reduction is of paramount importance for AZANS' sustainability strategy. In 2025, we reduced our total emissions from 341 tCO_2e to 298.20 tCO_2e, representing a substantial improvement in comparison to the 2.6% reduction recorded in 2024.

Half of this reduction is attributable to a decline in Scope 1 emissions, while Scope 2 emissions also displayed a positive trend, falling from 291 to 272.9 metric tons (Figure 8). This drop reversed the increase observed in the previous year and helped stabilize Scope 2 levels despite a rise in air traffic volumes.

We consistently monitor our Scope 1 and Scope 2 greenhouse gas emissions as part of our environmental performance management. Complementing these efforts, emission intensity per managed flight declined from 0.0011 to 0.0009 tCO_2e in 2025, representing an 18.2% year-on-year decrease (Figure 8). The improvement in emission intensity in 2025 was primarily driven by the increase in the number of managed flights, alongside a more moderate decrease in AZANS' absolute energy consumption and associated emissions. As this indicator is influenced by traffic volumes, changes in the number of managed flights may affect future emission intensity trends independently of changes in absolute emissions. We therefore consider both absolute emissions and emissions intensity when monitoring our environmental performance. Overall, AZANS' organizational greenhouse gas emissions are primarily associated with purchased electricity and fuel consumption, including gasoline and diesel used in its operations.



FIGURE 8. KEY GHG REDUCTION ACHIEVEMENTS FOR 2025.

Despite these impacts, we remain committed to strengthening sustainable procurement practices and integrating relevant sustainability criteria into our procurement decisions. All emissions are independently audited and externally validated. AZANS complies with applicable national legislation and aligns its environmental management policies with international best practices and standards, including ISO 14001.

All emissions are calculated in line with IPCC standards. AZANS also joined the CANSO GreenATM programme in 2025, signaling commitment to both company-wide and industry-wide environmental objectives (Figure 9). These measures support transparent reporting claims and demonstrate AZANS' commitment and contribution to global environmental objectives. Emissions-related data are directly requested from the relevant internal departments, consolidated in our central data center, and aggregated to regularly calculate, evaluate, and monitor the total amount of emissions. The methodology and the emissions calculations are monitored and validated in line with the Environmental Management Plan (EMP) documentation. In addition to measures addressing its own organizational GHG emissions, AZANS contributes to reducing the environmental impact of aviation by improving airspace and air traffic management efficiency. In 2025, under the National Airspace Strategy framework, AZANS continued to advance operational measures aimed at enabling airspace users to optimize flight trajectories and reduce fuel consumption and associated CO_2 emissions. Key measures included Free Route Airspace (FRA), expanded Performance-Based Navigation (PBN), Direct Route (DCT) procedures, Continuous Climb and Descent Operations (CCO/CDO), and ongoing optimization of Terminal Maneuvering Area (TMA) design.



CO2 Connect & IEnvA | ACA Level 3 | IPCC & GHG Protocols | ISO 14001 | CANSO GREENATM

FIGURE 9. CURRENT SUSTAINABILITY CERTIFICATIONS AND STANDARDS OBTAINED.

ENERGY MANAGEMENT AND OPTIMIZATION

In 2025, the full scope of AZANS' operations was considered in assessing its energy and environmental performance. AZANS implements a range of measures to improve environmental and energy performance across its activities.

From an air traffic management perspective, ongoing improvements to Terminal Maneuvering Area (TMA) design and the implementation of Direct Route (DCT) procedures, in close coordination with military aviation, support more efficient flight trajectories and contribute to reducing fuel consumption and associated emissions of airspace users. At the organizational level, AZANS continues to strengthen its approach to energy management through regular monitoring of energy performance and employee awareness initiatives, including the use of energy-saving guidance and informational materials across office facilities. In 2025, AZANS also hosted the IATA Aviation Energy Forum, bringing together industry stakeholders to exchange knowledge and promote dialogue on energy efficiency and regional cooperation. These efforts complement AZANS' broader commitment to improving energy efficiency and environmental performance.

Building on the 9% reduction achieved in the previous year, AZANS reduced its total energy consumption by a further 14% in 2025. This progress was supported by continued efforts to improve energy efficiency across its operations, including the modernization of infrastructure and CNS/ATM systems, the adoption of more energy-efficient equipment, and the digitalization of operational and administrative processes.

44% ↓
decrease in Total Fuel consumption for 2025

14% ↓
decrease in Total Energy consumption for 2025

6% ↓
decrease in Total Electrical consumption for 2025

FIGURE 10. ENERGY CONSUMPTION IMPACT REDUCTION ACHIEVEMENTS OF AZANS.



These measures contribute to reducing the environmental footprint of air navigation services and support AZANS' 2030 target to reduce overall energy consumption. Compared to last year's increased electrical consumption, this year we were able to effectively mitigate the rise and reduce it by 6%, from 2,509 GJ to 2,356 GJ, respectively, a testament to its ongoing efforts on efficient energy consumption and resource management. To be more specific, we achieved a 46% decrease from last year in our gasoline consumption, as a result of a gradual shift to sustainable energy consumption and reduced usage of fossil fuels (Figure 10). AZANS has demonstrated a consistent decline in GHG emissions intensity over recent years, despite a continued increase in the number of flights managed. In 2025, energy intensity decreased to 0.008, representing a 30% reduction compared with the previous year (Figure 12).

Accordingly, the decline in energy intensity reflects both increased operational activity and ongoing efforts to improve energy efficiency. As part of its longer-term environmental objectives, AZANS aims to increase the share of renewable power in its electricity consumption to 30% by 2030. Through this target, AZANS seeks to contribute to Azerbaijan's broader transition towards greater use of renewable energy while reducing the environmental footprint associated with its own operations.

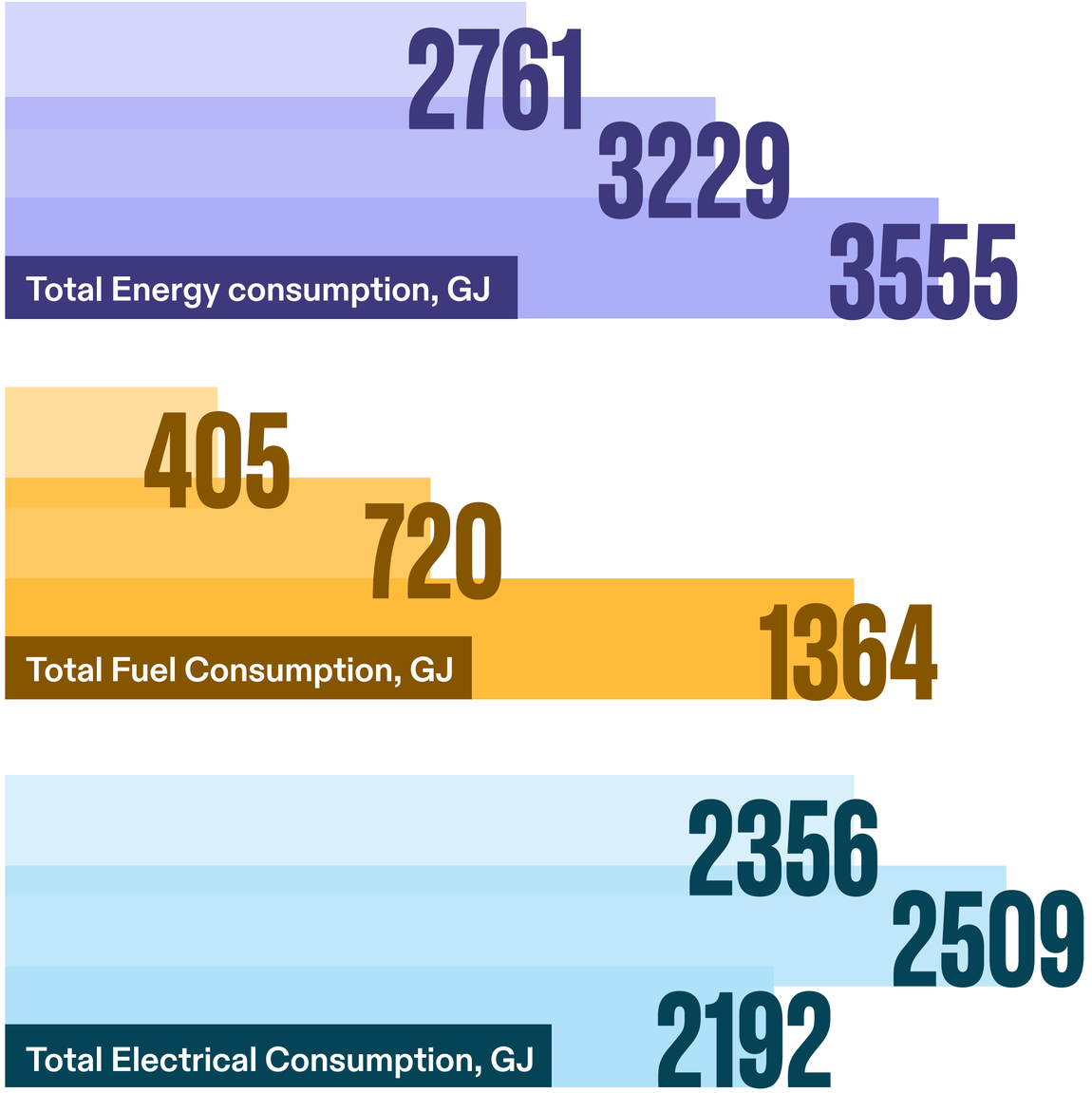


FIGURE 11. ANNUAL ENERGY CONSUMPTION TRENDS OF AZANS.



FIGURE 12. TOTAL ENERGY INTENSITY, GJ/ MANAGED FLIGHT YOY REDUCTION OF AZANS.

RESPONSIBLE WATER USE

AZANS applies a structured approach to water handling and utilization processes, with particular emphasis on wastewater management. In order to ensure adherence to the safety standards while also meeting applicable regulatory requirements, we operate site-specific monitoring activities that include monthly or quarterly sampling and analysis in collaboration with qualified partner laboratories.

Results are compiled into statistical reports and carefully reviewed for the identification of potential deviations or areas for improvement. Insights derived from this process drive informed decision-making and guide efficiency measures designed to reduce the amount of wastewater disposal and to keep discharged water within established thresholds.

Furthermore, we integrated other water-optimization and water-saving practices into our daily operations, including the installation of low-flow assets across all facilities, the integration of leak detection protocols in order to minimize unnecessary water consumption, and the integration of automated irrigation systems, which further enhanced the water efficiency of the Company. As a result of our commitment to preserving natural resources and reducing our reliance on non-renewable sources, we successfully achieved a reduction in our total water consumption from 7,280 m^3 to 7,092 m^3, representing a 2.6% decrease. Similarly, our total water discharge amount decreased from 7,000 m^3 to 6,800 m^3, with a reduction of 2.9% (Figure 13).

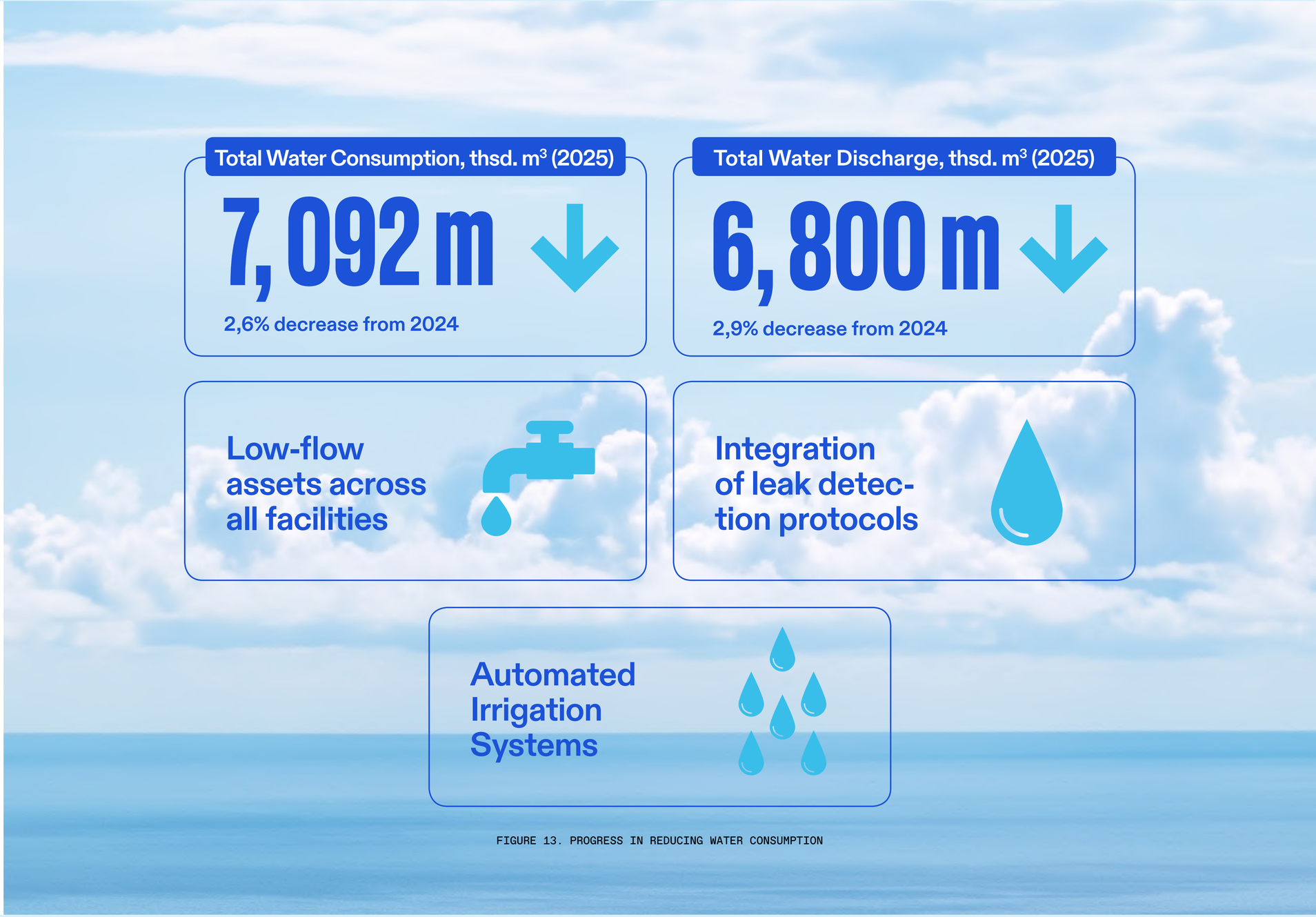


FIGURE 13. PROGRESS IN REDUCING WATER CONSUMPTION

RESOURCE EFFICIENCY AND WASTE MANAGEMENT

AZANS puts strong emphasis on its waste handling practices and aligns its actions towards the reduction of both hazardous and non-hazardous waste materials. From generation to disposal, we have separate waste handling, reporting, and management procedures for all types of waste.

To support employee engagement, we consistently organize environmental awareness training and campaigns for our employees and set up separate, clearly labeled containers in the office for different types of waste, including hazardous, recyclable, and general. Certain office waste containers are transferred to designated recycling facilities as part of the AZANS' waste segregation and separation strategy (Figure 14).

The Company implements separate programs for hazardous and paper waste management. The safe handling of this waste is one of our material priorities; therefore, we treat hazardous waste under stringent safety protocols, managing its collection, storage, transport, and disposal with the ultimate purpose of reducing the amount of waste discharged to the landfill. As a testament to those commitments, in 2025, we participated in the "Hand Over Batteries – Protect Nature" campaign, coordinated by the Ministry of Ecology and Natural Resources together with the Red Hearts Foundation.



GREEN OFFICE PRACTICES

AZANS organizes environmental-awareness training and campaigns for its employees and sets up separate clearly labeled containers in the office for different types of waste, including hazardous, recyclable and general.



HAZARDOUS & PAPER WASTE MANAGEMENT

AZANS applies appropriate procedures for the safe collection, storage, transportation, and disposal of hazardous waste, while promoting reduced paper consumption and waste generation.



DEVELOPMENT OF AZERBAIJAN'S FIRST CERTIFIED GREEN CARGO AIRPORT IN ALAT

The planned Alat cargo airport, developed with Silk Way Group, is expected to integrate energy efficiency and waste management measures, with green certification remaining a future objective.

FIGURE 14. HIGHLIGHTS IN RESOURCE EFFICIENCY AND WASTE MANAGEMENT INITIATIVES.

Moreover, AZANS continued on its commitment to the circular economy by recycling 0.13 tons of paper waste during the reporting period. Yet, due to higher flight volumes, maintenance and repair activities, and an overall increase in operations, the reported non-hazardous waste disposed for 2025 showed an increasing pattern. This amount rose from 155.1 tons in 2024 to 200.6 tons in 2025, representing a 30% year-on-year increase. In addition, the planned development of the cargo airport at Alat, in partnership with Silk Way Group, is expected to incorporate environmental considerations supporting energy efficiency, waste management, and other sustainability initiatives. The project also aims to pursue green airport certification in the future, with the potential to contribute to broader sustainable and circular-economy practices within Azerbaijan's aviation sector (Figure 15).

We conduct regular audits to assess the compliance and effectiveness of waste-sorting and waste-handling processes and to monitor progress on waste-reduction initiatives. Its internal robust data-collection systems track waste volumes, disposal routes, and recycling rates across all sites.



The new airport, which will serve as first certified green airport of Azerbaijan, will be equipped with advanced CNS/ATM systems and designed on the principles of environmentally efficient and sustainable operations.

By the Director of the Air Traffic Management Department (ATM) of AZANS

FIGURE 15. DIRECT QUOTE OF THE DIRECTOR OF THE ATM DEPARTMENT OF AZANS ABOUT THE NEW CARGO AIRPORT AT ALAT.

05

OUR PEOPLE



OUR PEOPLE

Our employees are at the core of AZANS' ability to deliver safe, efficient, and reliable air navigation services and shape a sustainable sky for the future of Azerbaijan. Thanks to their dedication and professionalism, AZANS provides services of the highest quality for air transport, while maintaining a constant commitment to creating an inclusive, collaborative, and sustainable working environment in which everyone can feel valued and involved.

This year, to further strengthen our organizational resilience and support sustainable growth, we focused on three main streams: workforce development, technology- and data-driven human resource management, and people-centered initiatives (Figure 16). These strategic priorities enhanced operational efficiency, strengthened human capital management, and fostered employee engagement and motivation.

WORKFORCE DEVELOPMENT

Maintaining organizational stability and continuity during periods of change.

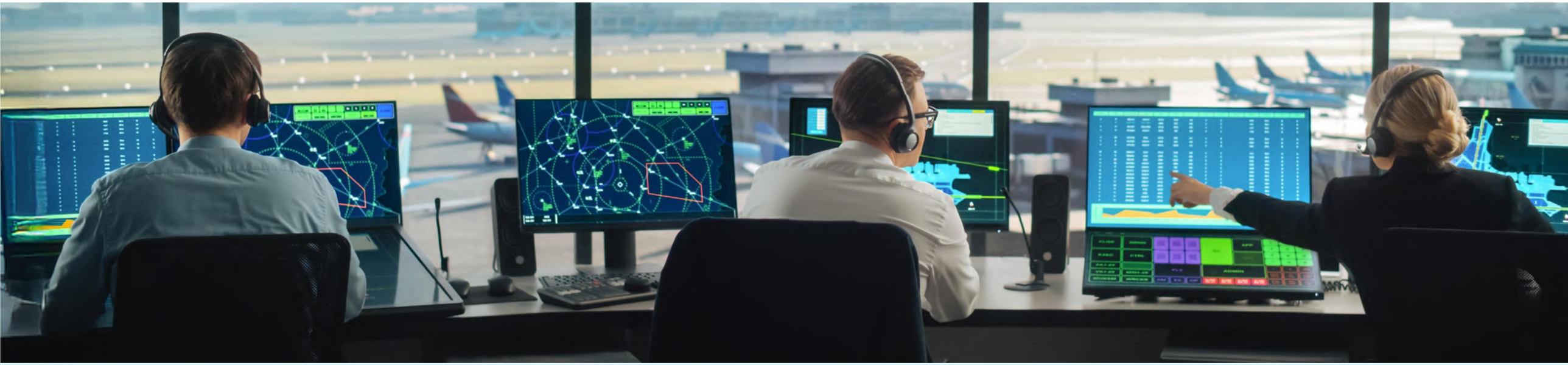
DATA-DRIVEN HUMAN RESOURCE MANAGEMENT

Saving time, reducing error rates, and accelerating document workflows.

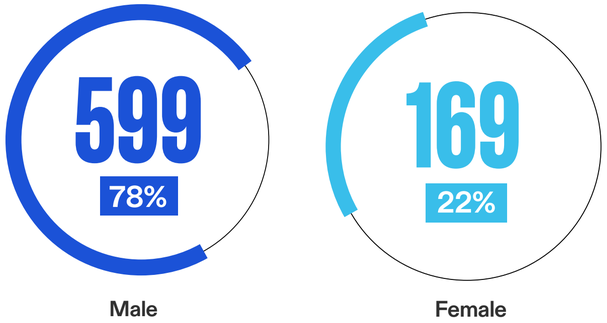
PEOPLE-CENTERED INITIATIVES

Fostering a more motivated, productive, and engaged workforce to achieve organizational objectives.

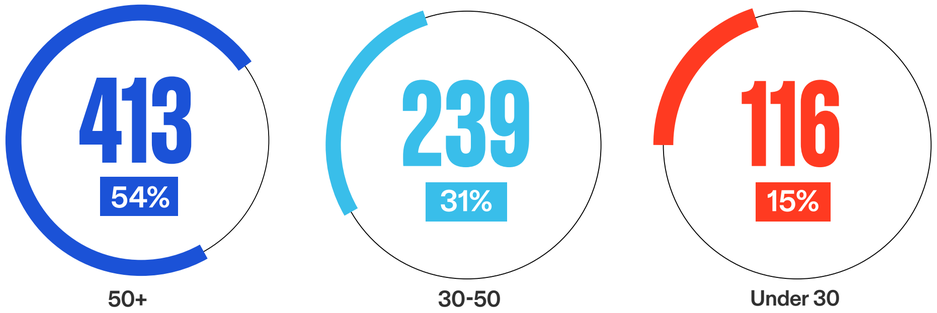
FIGURE 16. THREE KEY STRATEGIC PRIORITIES FOR 2025



EMPLOYEES BY GENDER



EMPLOYEES BY AGE GROUPS



EMPLOYEES BY CATEGORY



FIGURE 17. WORKFORCE PROFILE IN 2025

58
Recruitments

8.3%
Employee turnover rate

32.9M
Employees salary and benefits

As a baseline for understanding our organization, the workforce overview provides a comprehensive snapshot of AZANS' human capital during the reporting period (Figure 17).

15
Employees with disabilities

3672
Total training hours

768
TOTAL WORKFORCE

Employment type	Male	Female
Total number of permanent employees	511	138
Total number of temporary employees	88	31
Type of employment contract	**Male**	**Female**
Total number of full-time employees	595	168
Total number of part-time employees	4	1

FIGURE 17. WORKFORCE PROFILE IN 2025

ATTRACTING AND RETAINING TALENT

AZANS is committed to attracting, developing, and retaining qualified talent through a structured recruitment framework that promotes transparency, fairness, and compliance with industry requirements. Recruitment activities begin with workforce planning, whereby departments identify staffing needs through an employee request process.

Following the necessary approvals, requests are submitted to the recruitment function, which initiates the hiring process through job announcements open to both internal andexternal candidates. To ensure a consistent and merit-based approach, applications are reviewed against predefined criteria and shortlisted by the Human Resources team. Line managers play an active role in candidate selection by identifying applicants for interviews and conducting role-specific assessments. Depending on the position, candidates may also participate in written tests, technical evaluations, background verifications, psychological assessments, and medical screenings in line with aviation industry standards. Once a candidate is selected, we extend a formal offer and complete the approval procedures. To facilitate a smooth transition, each new employee is assigned a dedicated onboarding buddy who provides guidance, support, and practical assistance throughout the adaptation process. To support workforce development, we maintain a diversified talent attraction pipeline that combines academic partnerships, internship opportunities, national employment initiatives, and targeted recruitment programs (Figure 18). During the reporting period, our talent attraction efforts included two key university partnerships, including the Azerbaijan Aviation Academy, a strategic source of future aviation professionals. We also participated in ADA University's Employability Week, career fairs, and employment events to engage with prospective candidates. In addition, we supported the national Great Return Program by creating employment opportunities in liberated territories and prioritizing the recruitment of qualified candidates for roles in these locations. Internships and early-career programs further contributed to attracting, developing, and integrating young talent into the workforce. Alongside our recruitment activities, we maintain a remuneration framework that supports responsible corporate governance and long-term organizational performance. Compensation for senior leadership is linked to both financial results and broader operational objectives, ensuring alignment with our commitment to sustainable, inclusive, and ethical growth. Performance-based incentives are tied to key indicators such as revenue generation, profitability, and operational efficiency, promoting accountability and strategic decision-making. These combined efforts enabled us to attract and onboard 58 employees during the reporting period (Figure 19). Through continued investment in talent acquisition and fair reward practices, we are building a workforce capable of supporting sustainable growth and meeting the needs of the Company.

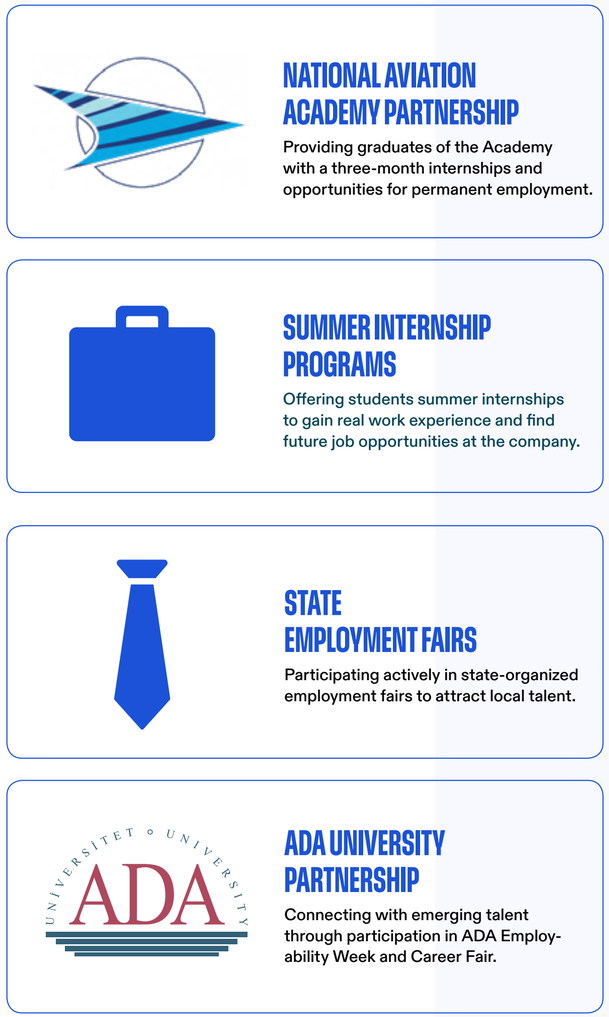


FIGURE 18. TALENT ATTRACTION PIPELINE

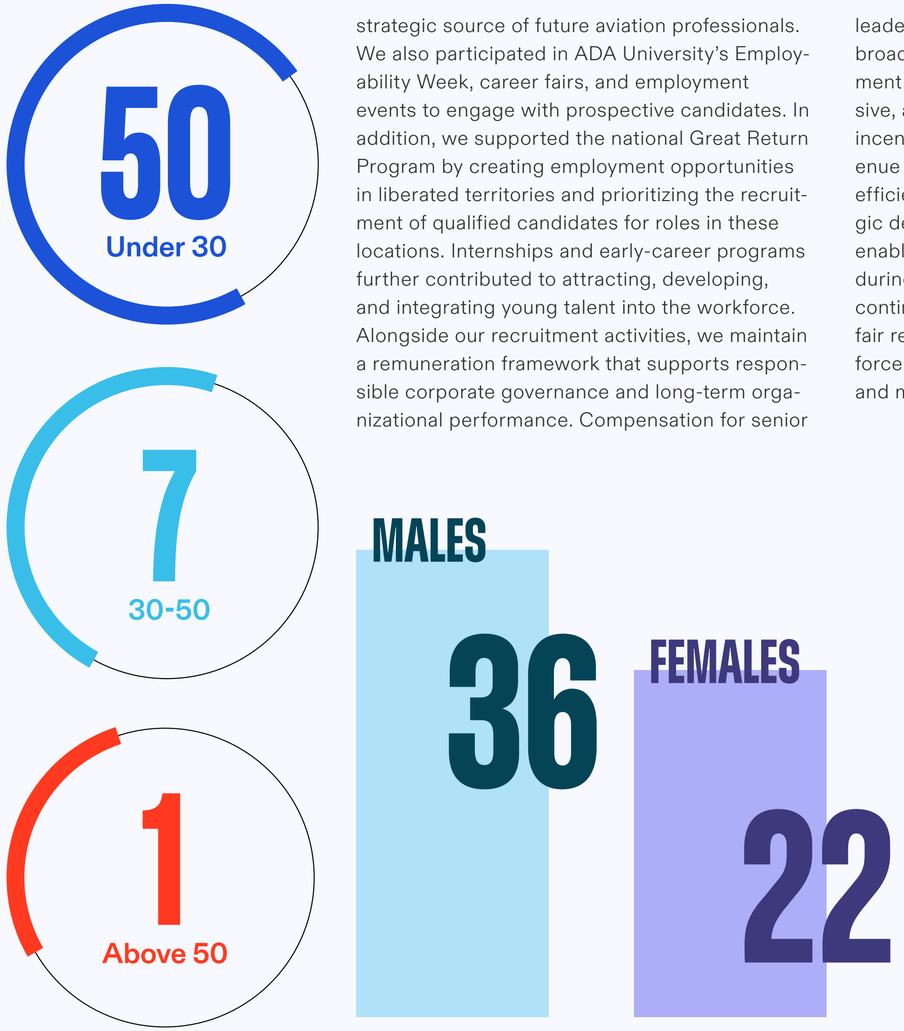


FIGURE 19. HIRED EMPLOYEES BY GENDER AND AGE GROUP

DEVELOPING HUMAN CAPITAL

Air navigation services rely on highly specialized expertise, continuous learning, and strict adherence to international standards. Our employees operate in a safety-critical environment where competence must be maintained and updated.

Given the technical complexity of air navigation systems and the limited availability of qualified specialists globally, developing human capital remains a strategic priority for AZANS. During 2025, employees participated in 53 courses at the National Aviation Academy and 33 courses delivered by external training providers, involving a total of 573 participants (Figure 20 and 21). These training programs covered a wide range of technical and operational topics relevant to air traffic controllers, technicians, and ATM experts. Key training areas included aviation security, FMP modules, and cybersecurity in ATM, vectoring and speed control, as well as other various subjects.

While technical and operational training remains a core component of employee development, we also invest in broader learning opportunities. SKY Academy, our Learning Management System, digitalizes the training experience and supports continuous learning. The platform provides employees with access to LinkedIn Learning, Udemy Business, Harvard Business Publishing, online libraries, TED videos, and professional podcasts (Figure 22). In 2025, the platform was further enhanced through the successful integration of:

AeroClass – a specialized aviation training content platform.
goFluent – an international online platform for foreign language learning.

3672
Total number of training hours

6.4
Average training hours per employee

86
Number of Trainings Delivered

573
Training Participants

FIGURE 20. KEY FIGURES FROM TRAINING INITIATIVES

The information and figures presented in this section are subject to change, as certain data is currently undergoing assurance procedures and has not yet been finalized.

EUROCONTROL

Entry Point North

International Air Transport Association (IATA)

Czech Aeronavigation Institute (CANI)

Latvijas Gaisa Satiksme (LGS)

Kazaeronavigastia

Fintraffic

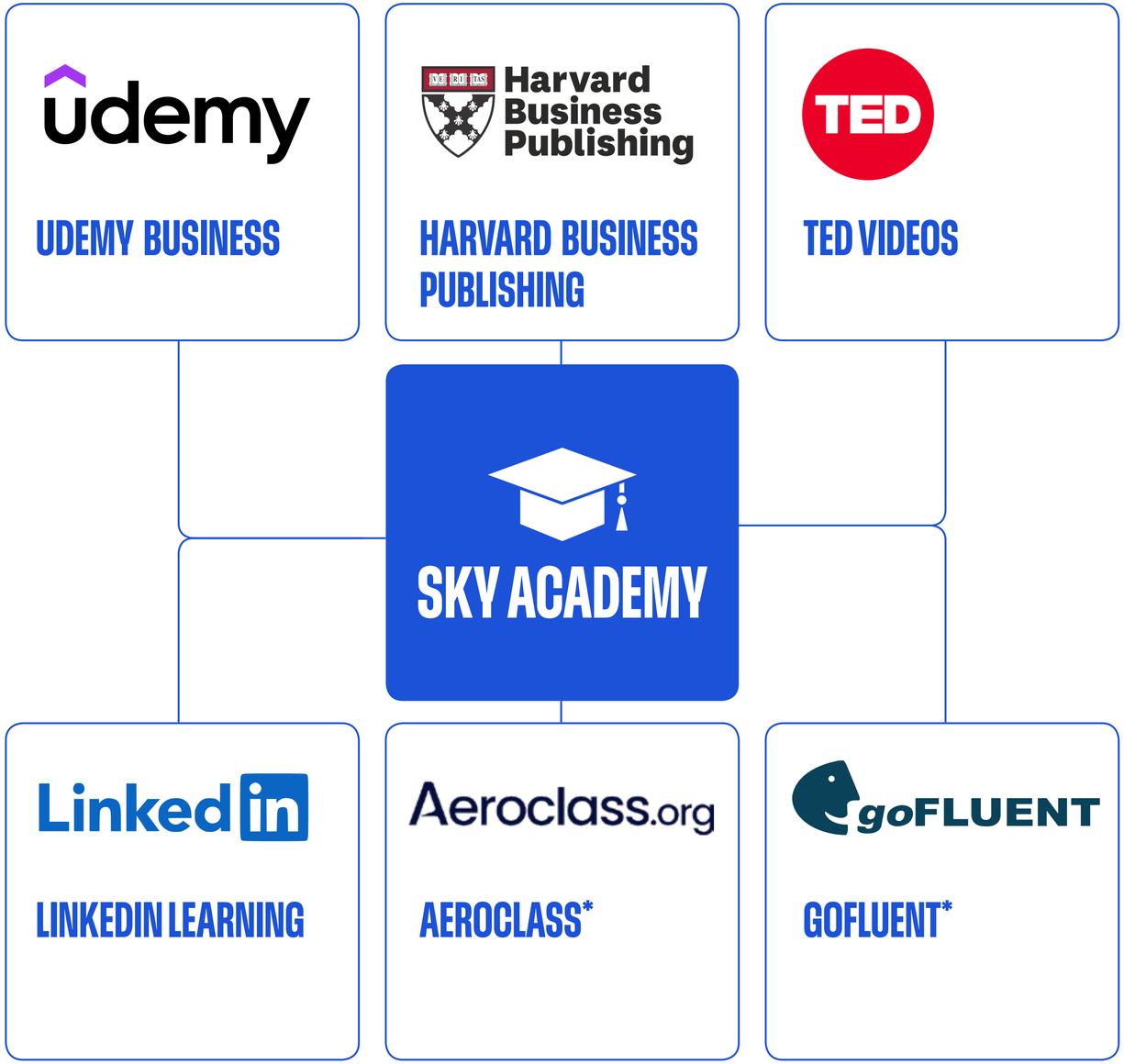
FIGURE 21. EXTERNAL INTERNATIONAL TRAINING PROVIDERS

Developing future leaders is equally important to ensuring the long-term success of the Organization. During the reporting period, AZANS introduced its Leadership Competency Model through a dedicated strategic session involving members of the management team. The initiative identified the core competencies and behavioral indicators required for effective leadership within the Organization. The model serves as a foundation for leadership assessment, succession planning, and the development of internal leadership potential.

Learning and development are closely linked to our performance management framework. Corporate development needs are assessed annually to identify organizational capability requirements and inform training priorities. Employees are then directed to learning opportunities that address both business needs and individual development objectives.

Performance management across the Company is supported through a Balanced Scorecard approach (Figure 23). For executive-level employees, SMART objectives are established annually and include clearly defined expected outcomes, performance indicators, and measurement criteria. Progress is monitored through regular performance discussions, including monthly one-to-one meetings, mid-year reviews, and year-end evaluations. These discussions provide employees with ongoing feedback and development guidance while strengthening accountability and performance alignment across the Organization.

By integrating technical training, continuous learning, leadership development, and performance management, we continue to strengthen the capabilities of our workforce and support the safe, efficient, and sustainable delivery of air navigation services.



*INTEGRATED IN 2025

FIGURE 22. SKY ACADEMY LEARNING RESOURCES

1 Goal Setting

Goals were defined in Q1-Q2 based on the SMART principles.

2 Mid-Year Review

A mid-year performance evaluation was conducted in June, and a unified procedure was applied in accordance with the implementation mechanism.

3 Performance Evaluation

The evaluation of employees' performance for 2025 against the relevant goals was initiated.

4 Results Management

Evaluation results were collected, and the target group for rewards was identified.

FIGURE 23. PERFORMANCE MANAGEMENT PROCESS

EMPLOYEE ENGAGEMENT AND WELLBEING

At AZANS, employee engagement is built on creating a workplace where people feel valued, supported, and empowered to grow. We recognize that positive employee experience extends beyond professional development and includes wellbeing, recognition, career opportunities, and a supportive working environment.

We provide a range of benefits designed to support employees' well-being and improve their experience (Figure 24). These benefits contribute to employees' financial security, convenience, and quality of life while reinforcing our commitment to being an employer of choice.

Work-life balance is another important element of employee engagement (Figure 25). We support flexible ways of working that help employees balance professional responsibilities with personal commitments while maintaining operational effectiveness across teams.

FLYDAY

Employees are encouraged to use Fridays as a dedicated focus day to concentrate on priority tasks and end the week productively. The initiative is supported by a no-meeting approach on Fridays and a flexible dress code, helping create a more comfortable and modern work environment.

HYBRID WORK SCHEDULE

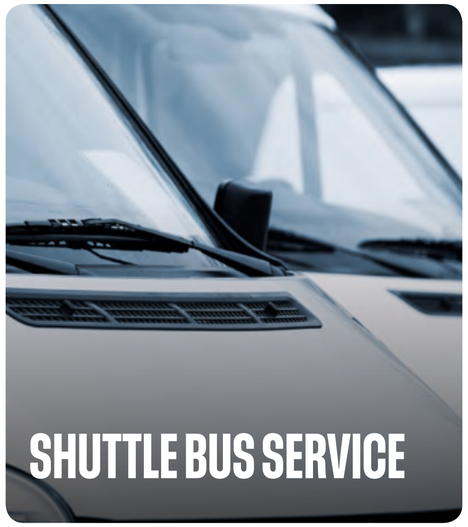
A hybrid working model combining office-based and remote work is implemented. This supports team coordination while providing employees flexibility in planning their work schedules. Remote working days are arranged with direct managers and applied in accordance with guidelines.

ALTERNATIVE WORK SCHEDULE

To promote greater flexibility and work-life balance, employees are offered three alternative working-hour options alongside the standard work schedule.

FIGURE 24. EMPLOYEE BENEFITS





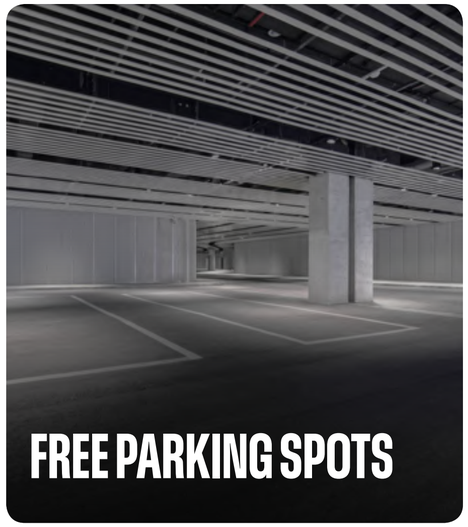




FIGURE 25. WORK-LIFE BALANCE PROGRAMS

A positive employee experience at AZANS begins on the first day of employment. To facilitate a smooth transition, each new employee is assigned a dedicated onboarding buddy who provides guidance and practical support throughout the adaptation process. New employees are also supported through the “Səmada Yeni İzlər” (New Traces in the Sky) platform, which helps them integrate into the organization, build connections with colleagues, and develop a deeper understanding of AZANS’ culture, values, and objectives.

Supporting long-term career growth is another important aspect of employee engagement. During the reporting period, we continued the implementation of the “YeniSən 2” (NewYou 2) Career Development Program. The initiative is designed to identify high-potential employees and align talent with business needs across the Organization. Participants may be considered for promotions, appointments to key positions, and opportunities to contribute as Subject Matter Experts (SMEs) or mentors. The program also supports succession planning, strengthens employee motivation, and contributes to the retention of valuable talent.

Recognizing employee contributions remains an important part of our people approach. As part of the 2025 year-end review process, we organized an Employee Recognition Ceremony to celebrate individual and team achievements. The event provided an opportunity for open dialogue and reinforced the important role employees play in supporting technological advancement, operational excellence, and aviation safety.





In 2025, the Speak Up reporting channel was also introduced to strengthen transparency, integrity, and employee trust by the Compliance function. The channel enables employees to confidentially, and where preferred, anonymously, seek guidance on ethical matters, report concerns, or raise potential violations of the Company’s policies, Code of Conduct, or applicable legislation without fear of retaliation. Reported concerns are reviewed through established compliance procedures and, where appropriate, escalated to senior management and the relevant governance bodies to ensure timely investigation, remediation, and corrective action.



Alongside these initiatives, we continue to invest in employee wellbeing and workplace culture. Throughout the reporting period, various wellbeing activities were organized to support physical health and psychological resilience. Employees also had opportunities to strengthen social connections through initiatives such as AZAL Summer Fest, which brought together colleagues from different business units, including AZANS, in a celebration of teamwork, collaboration, and community. The participants rated the event with an overall satisfaction score of 83%.

Our approach to employee engagement also extends to supporting the next generation of aviation professionals. In 2025, AZANS hosted a group of students from the National Aviation Academy for an introductory session aimed at providing practical insight into the aviation sector and supporting their professional development. During the session, students learned about air traffic management processes, the principles of flight safety, and AZANS' role within the civil aviation system, followed by a presentation and question-and-answer session.

83%

Overall satisfaction rate









DIVERSITY AND INCLUSION

Building a diverse and inclusive workforce remains an important part of AZANS' approach to human capital management. We are committed to providing equal opportunities and fostering a workplace where employees are valued based on their skills, qualifications, and contributions. In 2025, AZANS' workforce consisted of 78% male and 22% female employees (Figure 26).

As part of our ongoing commitment to diversity and inclusion, we continued our participation in IATA's 25by2025 initiative. This global aviation initiative aims to increase the representation of women and underrepresented groups in leadership and technical roles across the industry.

38%

Women hiring rate

15

Employees with disabilities

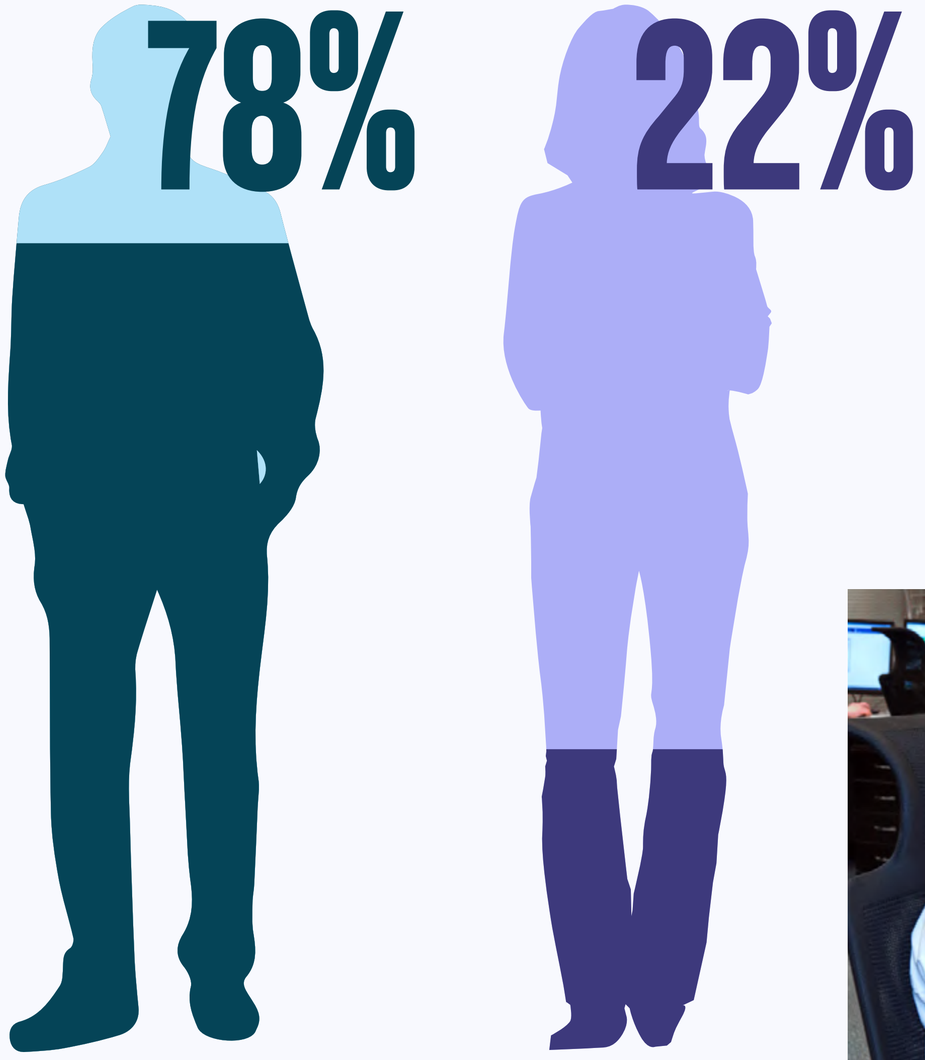


FIGURE 26. DIVERSITY OF THE WORKFORCE IN 2025

During the reporting period, women accounted for 38% of new hires, supporting our efforts to strengthen female representation across the Organization. Inclusion at AZANS also encompasses the participation of people with disabilities in the workforce. We strive to maintain a working environment where employees are able to contribute and develop based on their skills, experience, and professional capabilities. During the reporting period, 15 employees with disabilities were employed across the organization, who contributed their expertise in a range of functions.



WORKPLACE HEALTH AND SAFETY

At AZANS, safety is embedded in every aspect of our operations and remains fundamental to the provision of safe and reliable air navigation services.

Given the critical nature of our activities and the continuous operation of air navigation systems, maintaining a strong health and safety culture is essential for both operational resilience and employee wellbeing. AZANS maintained its structured approach to incident management throughout the reporting period. All workplace incidents are subject to formal reporting and investigation procedures to identify root causes, implement corrective actions, and support continuous improvement of workplace safety (Figure 27).

To support safe working conditions, we continued to invest in workplace safety improvements and personal protective equipment during the reporting period (Figure 28). Certified safety equipment, including harnesses, belts, and other protective gear used in specialized operations, is regularly inspected to ensure compliance with safety requirements and operational standards.

0
Number of Fatalities

5
Number of Recordable Injuries

3
Number of Lost Time Injuries (LTI)

2
Number of Days Lost due to Injuries (LTI)



Injury Frequency Rate (per 200,000 hours worked)



LTI Frequency Rate (LTIFR) (per 200,000 hours worked)



LTI Severity Rate (per 200,000 hours worked)

FIGURE 27. OCCUPATIONAL HEALTH AND SAFETY PERFORMANCE IN 2025

100,000 AZN
Investments into Improving Working Conditions

300,000 AZN
Investments into Personal Protective Equipment

FIGURE 28. OHS INVESTMENTS IN 2025

Risk identification and mitigation remain central elements of our safety management approach. Work-related hazards are assessed through both routine and non-routine inspections conducted by Health, Safety, Environment and Quality (HSEQ) specialists. Risk assessments are carried out with findings documented, tracked, and regularly reviewed. Following the identification of risks, corrective and preventive actions are implemented and monitored until closure (Figure 29). For operational activities, risks are evaluated using the hierarchy of controls to ensure that hazards are eliminated or reduced to the lowest reasonably practicable level. Furthermore, given the 24/7 nature of air navigation services, fatigue management remains an important component of our safety framework. In line with ICAO, EASA, and CANSO guidance, AZANS continues to operate a Fatigue Risk Management System (FRMS) (Figure 30), which forms part of the broader HSEQ roadmap. The system supports the management of fatigue-related risks through training, awareness activities, and the protection of appropriate work and rest schedules for employees performing safety-critical functions. Training remains a key element of our preventive approach to occupational health and safety. In 2025, a total of 12 OHS training sessions were conducted, compared to 10 sessions in 2024.



FIGURE 29. RISK MITIGATION SOLUTIONS



FIGURE 31. OHS TRAININGS CONDUCTED



FIGURE 30. KEY FEATURES OF THE FRMS

These trainings covered workplace safety requirements, hazard awareness, safe working practices, and other topics relevant to employees' roles and responsibilities (Figure 31). In addition, we continue to encourage employees to raise concerns, report hazards, and share safety-related observations through multiple communication channels. Employees can contact the HSEQ team directly through dedicated email addresses, telephone lines, WhatsApp communication channels, and QR-code-based reporting tools available across operational facilities. Anonymous reporting options are also available, helping to raise concerns openly.





06

INTEGRITY, GOVERNANCE, AND CONTROL

INTEGRITY, GOVERNANCE, AND CONTROL

Governance Framework

AZANS operates within a structured governance framework designed to support accountability, transparency, and effective decision-making across our operations. As a strategic provider of air navigation services, we maintain clear lines of responsibility and oversight to ensure the safe, efficient, and sustainable management of Azerbaijan's airspace.

At the broader corporate level, AZANS is part of AZAL CJSC, which falls under the governance oversight of Azerbaijan Transport and Communications Holding (AZCON). AZCON provides oversight over AZAL and other state-owned enterprises within its portfolio, with a focus on strengthening operational effectiveness, competitiveness, financial sustainability, and corporate governance. This governance structure provides a broader framework within which AZAL and its business units, including AZANS, pursue their respective strategic and operational objectives.

Our governance structure supports the integration of operational, financial, risk management, and sustainability considerations into decision-making processes (Figure 32). Through defined roles and responsibilities, AZANS promotes effective coordination across business functions while maintaining compliance with applicable legal, regulatory, and industry requirements. The Organization's governance approach is guided by international aviation standards and best practices, enabling AZANS to respond effectively to emerging challenges, technological developments, and evolving stakeholder expectations while supporting our long-term strategic objectives.

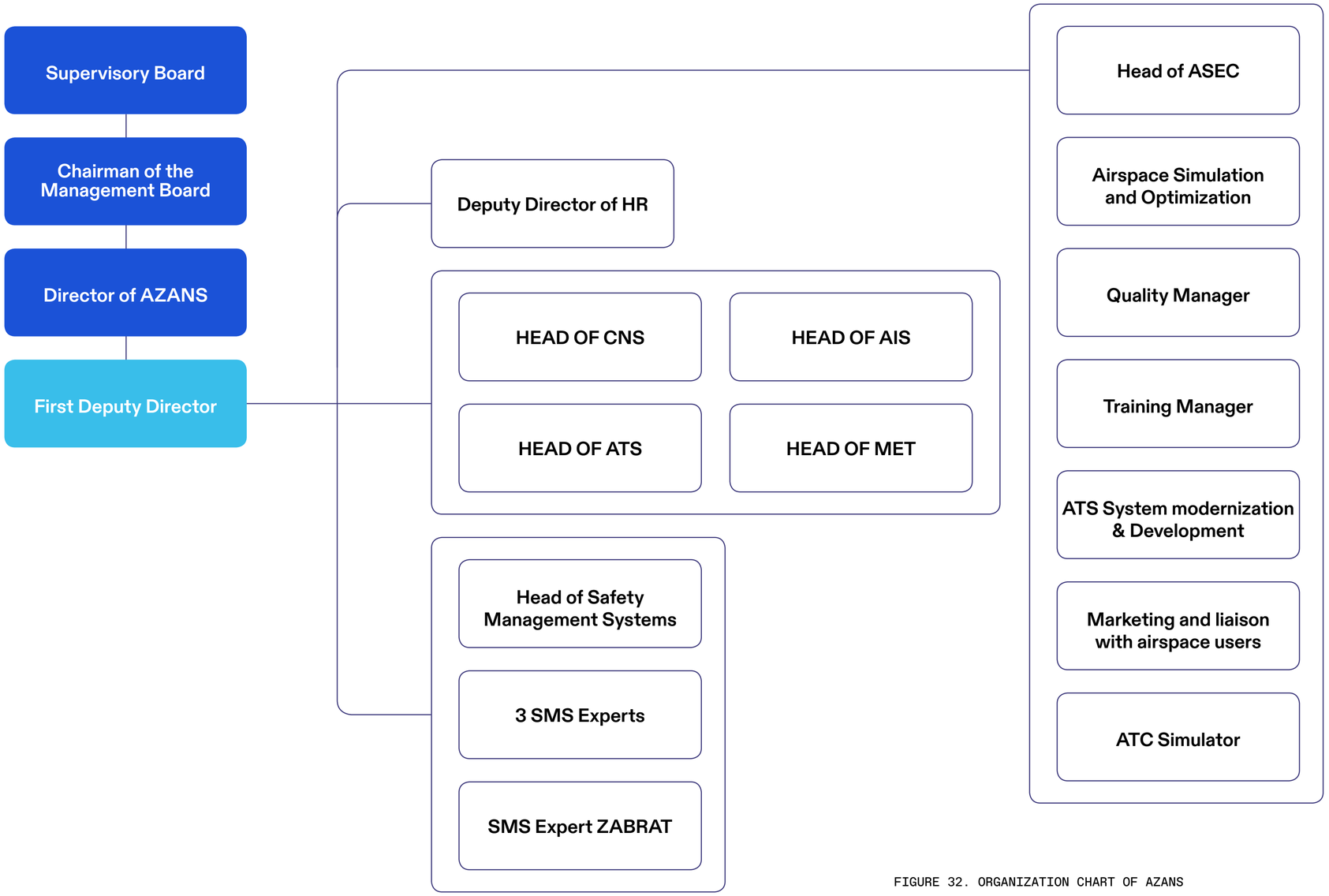


FIGURE 32. ORGANIZATION CHART OF AZANS

OVERSIGHT BODIES AND COMMITTEES

AZANS maintains a governance structure that provides strategic direction, oversight, and accountability across our activities. Governing bodies and management functions play an important role in overseeing operational performance, risk management, regulatory compliance, and organizational development.

Specialized committees and management mechanisms support effective decision-making by reviewing key operational, financial, safety, and compliance matters. These structures contribute to the identification and management of risks, the monitoring of organizational performance, and the implementation of strategic priorities. As sustainability considerations continue to gain importance, our governance processes increasingly incorporate environmental, social, and governance factors to support long-term value creation, operational resilience, and responsible business practices.

ENTERPRISE RISK MANAGEMENT

Effective risk management is fundamental to our ability to deliver safe, reliable, and uninterrupted air navigation services. The Organization operates in a dynamic and highly regulated environment where operational, technological, cybersecurity, environmental, financial, and geopolitical factors can influence performance and service continuity.

AZANS applies a structured Enterprise Risk Management (ERM) framework that supports the identification, assessment, mitigation, and monitoring of risks across its operations. The framework is aligned with the principles of ISO 31000 and COSO ERM and incorporates relevant aviation guidance issued by ICAO. Risk management processes are integrated into strategic planning, operational decision-making, and business planning activities, helping us anticipate potential challenges and strengthen organizational resilience. Risk management is embedded across the Organization through the Three Lines Model, with business units responsible for identifying and managing risks within their areas, the Risk Management function providing oversight and methodology, and Internal Audit delivering independent assurance. Risks are identified and assessed through a structured Risk and Control Self-Assessment (RCSA) process, enabling departments to evaluate potential impacts, assess the effectiveness of existing controls, and implement mitigation measures where required. During 2025, AZAL CJSC further strengthened its corporate risk management framework by appointing dedicated Risk Coordinators across its business units, including AZANS, and providing targeted training to promote a consistent approach to risk identification, assessment, and reporting across the organization.



The Organization also enhanced its risk and incident reporting processes through the implementation of a centralized Jira platform, replacing spreadsheet-based reporting and improving the quality, transparency, and timeliness of risk monitoring. Supported by SharePoint and Power BI dashboards, these tools provide real-time visibility of key risks, incidents, trends, and mitigation actions, enabling more effective oversight and informed decision-making. Particular attention is given to risks that may affect aviation safety, operational continuity, information technology and cybersecurity, regulatory compliance, environmental, social and governance (ESG) performance, financial stability, and business continuity. Emerging risks, including increasing air traffic, climate-related impacts, geopolitical developments, and regulatory changes, are regularly assessed and incorporated into the Organization's risk management processes. Through ongoing monitoring, Key Risk Indicators (KRIs), scenario analysis, stress testing, and the implementation of mitigation measures, AZANS seeks to minimize potential impacts and maintain the reliability of its services. Business Continuity Plans (BCPs) and Disaster Recovery Plans (DRPs) further support the Organization's ability to respond effectively to disruptions and ensure the continuity of critical air navigation services. We regularly review our risk profile to ensure that controls remain effective and aligned with changing operational conditions, industry developments, and emerging threats. This proactive approach supports the achievement of strategic objectives while contributing to the safe, resilient, and sustainable management of Azerbaijan's airspace.

OUR ECONOMIC PERFORMANCE

We at AZANS continued to demonstrate strong economic performance in 2025, reinforcing our role as a critical provider of air navigation services and an important contributor to Azerbaijan's aviation sector.

Through sustained investment in infrastructure, operational efficiency, and workforce development, the Organization generated significant economic revenue while supporting the long-term resilience of the national air traffic management system (Figure 33). In 2025, total revenues reached 199.4 million AZN, representing an increase of around 19% compared to 2024. This growth reflects the continued recovery and expansion of aviation activity, as well as the Organization's ongoing efforts to enhance operational performance and service delivery. Economic value distributed amounted to 69.5 million AZN, up from 56.8 million AZN, showcasing our contribution to employees, suppliers, and the broader economy.

A key change during the reporting period was a significant increase in capital investment, from 1 million AZN in 2024 to 14.7 million AZN in 2025. These investments supported the modernization of air navigation infrastructure, technological upgrades, and initiatives to strengthen the safety, reliability, and efficiency of Azerbaijan's airspace management capabilities. As part of the economic value distributed in 2025, AZANS made payments to the state budget through taxes, social security contributions, and other statutory charges. These payments represent an important component of the Organization's economic contribution, supporting public finances and broader economic development in Azerbaijan.

TOTAL REVENUE

199.4 mln AZN ↑

167.2 mln AZN in 2024

ECONOMIC VALUE RETAINED

131.8 mln AZN ↑

117.2 mln AZN in 2024

CAPITAL INVESTMENT

14.7 mln AZN ↑

1 mln AZN in 2024

TOTAL CAPITALIZATION

574.9 mln AZN ↑

353.8 mln AZN in 2024

ECONOMIC VALUE DISTRIBUTED

69.5 mln AZN ↑

56.8 mln AZN in 2024

FIGURE 33. KEY ECONOMIC INDICATORS, 2024-2025.

AZANS also continued to invest in its workforce, with employee wages and benefits increasing to 32.9 million AZN compared to 27.6 million AZN in the previous year. This reflects our commitment to attracting, developing, and retaining highly qualified aviation professionals whilst fostering a supportive working environment.

We maintained a strong financial position throughout the year. Total capitalization increased to 574.9 million AZN, while economic value retained reached 131.8 million AZN, highlighting AZANS' ability to generate sustainable value and reinvest for the future. By balancing operational excellence with strategic investment and responsible financial management, AZANS continues to create long-term value for stakeholders while supporting the development of a safe, efficient, and sustainable aviation sector in Azerbaijan.



INFORMATION MANAGEMENT

As a provider of critical air navigation services, we recognize that effective information management and cybersecurity are essential to guaranteeing safe, reliable, and uninterrupted operations.

The Organization's approach is guided by a unified information security and cybersecurity framework, which supports the protection of information assets, aviation systems, networks,and critical aeronautical infrastructure.

During the reporting period, we continue to strengthen our information security practices in line with applicable national legislation, AZCON and AZAL requirements, and internationally recognized aviation and cybersecurity standards, including International Civil Aviation Organization (ICAO), Civil Aviation Authority (CAA), and National Institute of Standards and Technology (NIST) requirements. This approach supports the confidentiality, integrity, and availability of information across our navigation operations and ground-based systems. AZANS applies a risk-based approach to information security, prioritizing the protection of critical services and systems that are essential for business continuity and flight safety. Key principles include the use of layered security controls, centralized security management, minimum access rights, and continuous monitoring to reduce exposure to cyber risks and strengthen organizational resilience (Figure 34). Information security activities are governed by the principles of confidentiality, integrity, and availability (CIA), ensuring that information assets are protected against unauthorized access, alteration, disclosure, disruption, and loss. AZANS applies a risk-based approach to cybersecurity management, prioritizing resources and controls based on the significance of identified risks and the criticality of systems and information assets. To support continuous improvement, AZANS applies the Plan-Do-Check-Act (PDCA) methodology across its information security management processes. This approach enables the Organization to systematically identify risks, implement controls, monitor performance, assess effectiveness, and continuously enhance security measures in response to evolving threats and operational requirements.



FIGURE 34. INFORMATION MANAGEMENT FRAMEWORKS

The Organization's information security priorities include enhancing network security, protecting navigation and infrastructure systems, improving security monitoring, strengthening incident response procedures, and assuring secure access to information systems. AZANS also places strong emphasis on data protection through the identification and classification of information assets, the protection of critical data, and the implementation of backup and recovery mechanisms. To proactively identify and respond to evolving cyber threats, AZANS utilizes Threat Intelligence Platforms (TIPs) and threat-monitoring capabilities that support the collection, analysis, and assessment of cyber threat information relevant to the aviation sector. These tools enhance situational awareness and support timely risk mitigation activities. Access to information systems is managed through Identity and Access Management (IAM) solutions and Role-Based Access Control (RBAC) principles, ensuring that employees and third parties are granted access only to the information and systems required for their responsibilities.

This approach supports the principle of least privilege and reduces the risk of unauthorized access to critical systems. In addition, AZANS continues to promote cybersecurity awareness among employees through training, internal communication, and awareness activities focused on phishing, social engineering, and responsible use of information systems. These efforts support the development of a stronger security culture and help reduce risks associated with human error. Looking ahead, we aim to further enhance the resilience of our information systems and critical aeronautical infrastructure. We will continue to strengthen monitoring mechanisms, improve incident detection and response capabilities, address system vulnerabilities, and align our information security controls with international standards and evolving industry expectations.

PROCUREMENT OVERSIGHT

We at AZANS continue to strengthen our procurement and supply chain management practices to support the reliable delivery of air navigation services and the long-term development of aviation infrastructure. The Organization recognizes that a resilient and sustainable supply chain is essential to maintaining operational excellence, supporting technological advancement, and creating value for stakeholders.

Procurement activities are guided by principles of transparency, fairness, and efficiency. Through structured supplier selection and evaluation processes, AZANS seeks to ensure that procurement decisions deliver both operational benefits and long-term value whilst maintaining compliance with regulations and industry requirements.

During 2025, we continued to work with a diverse network of suppliers supporting a wide range of operational, technical, and infrastructure-related needs. In line with its commitment to supporting domestic economic development and strengthening local capabilities, AZANS increased its engagement with local suppliers. As a result, 71% of suppliers were local companies, while 29% were foreign suppliers (Figure 35). This reflects the Organization's ongoing efforts to prioritize local sourcing where feasible while maintaining access to specialized international expertise and technologies required for aviation operations.

Throughout the reporting period, procurement activities supported the maintenance and modernization of critical air navigation infrastructure, the acquisition of operational equipment and services, and the implementation of projects aimed at enhancing the safety, efficiency, and reliability of air navigation services in Azerbaijan. By integrating sustainability considerations into procurement processes and fostering strong relationships with suppliers, AZANS continues to build a more resilient and adaptable supply chain capable of supporting current operations and future growth. The Organization remains committed to promoting responsible sourcing practices, strengthening supplier collaboration, and contributing to the sustainable development of the aviation sector.

71%

LOCAL SUPPLIERS

In line with its commitment to supporting domestic economic development and strengthening local capabilities, AZANS increased its engagement with local suppliers

29%

FOREIGN SUPPLIERS

This reflects the Organization's ongoing efforts maintaining access to specialized international expertise and technologies required for aviation operations.

FIGURE 35. SUPPLIER BREAKDOWN IN 2025

LOOKING AHEAD

AZANS remains committed to advancing a more sustainable and resilient air navigation system. As the aviation sector continues to evolve, we intend to further integrate environmental responsibility, technological innovation, and human capital development into our long-term strategy.

Environmental performance is expected to remain a strategic focus in the years ahead. We plan to continue improving the efficiency of Azerbaijan's airspace through operational optimization, digitalization, and enhanced environmental performance monitoring. These efforts will support more efficient airspace operations and contribute to reducing fuel consumption and associated CO_2 emissions.

Our environmental roadmap includes several long-term targets. By 2028, we aim to achieve a 10% reduction in fuel consumption and CO_2 emissions generated by airspace users while progressing towards Level 3 of the CANSO Green ATM Accreditation and compliance with applicable EASA environmental requirements. Looking ahead to 2030, AZANS aims to increase the share of renewable power in its electricity consumption to 30%, contributing through its own energy use to Azerbaijan's broader transition towards renewable energy, while also targeting a 10% reduction in overall energy consumption. Our people will continue to play a central role in our future development. We plan to further strengthen employee capability through new learning opportunities, leadership development, and talent management initiatives. Building on the launch of our digital learning platform, SKY Academy, we intend to enhance the platform by expanding its functionality and introducing new learning integrations. We also plan to establish SkyTalent, a dedicated training center focused on technical and professional development, which will further strengthen opportunities for continuous learning across the Organization. Alongside these initiatives, we aim to further enhance employee experience through the introduction of additional wellbeing and health-related benefits, and continued investment in a supportive working environment. We also plan to strengthen our health and safety culture through the digitalization of HSE processes. This includes launching a dedicated HSE communication platform designed to simplify safety reporting and improve communication on occupational health and safety matters. Through these planned initiatives, we aim to further strengthen AZANS' contribution to the sustainable development of Azerbaijan's aviation sector while continuing to enhance our environmental performance, invest in our people, and support operational excellence.



07

ESG DATA & SUPPORTING INFORMATION



ESG DATA & SUPPORTING INFORMATION

Emission Calculation Methodology

AZANS calculates greenhouse gas (GHG) emissions using internationally recognized methodologies and guidance, including the GHG Protocol, the Intergovernmental Panel on Climate Change (IPCC), and relevant aviation-sector recommendations issued by EUROCONTROL and CANSO. This approach ensures that emissions data are robust, transparent, and comparable with international reporting practices.

All emissions disclosed in this Report are presented in metric tons of carbon dioxide equivalent (tCO_2e) and include both direct (Scope 1) and indirect energy-related (Scope 2) emissions. The calculation methodology is based on the application of appropriate emission factors to relevant operational activity data (Figure 36). This approach enables the Organization to quantify emissions consistently across different sources and reporting periods. Scope 1 emissions comprise direct emissions generated from the consumption of fuel in company-owned and controlled vehicles. Emissions were calculated using emission factors sourced from internationally recognized references, including the IPCC and the GHG Protocol.

Scope 2 emissions represent indirect emissions associated with purchased electricity consumed across AZANS operations. These emissions were calculated using the location-based method in accordance with the GHG Protocol (Table 4), reflecting the average emissions intensity of the electricity grid supplying the consumed energy (Figure 37). AZANS remains committed to continuously improving its greenhouse gas accounting practices. Ongoing efforts focus on enhancing data quality, refining organizational and operational boundaries, applying the most representative emissions factors, and strengthening the methodology for the identification and quantification of Scope 3 emissions to support more comprehensive climate-related reporting in the future.

The general methodology for calculating emissions is based on the approach outlined below.

CO_2

EMISSIONS = ACTIVITY DATA × EMISSION FACTOR

SCOPE 1

Company Vehicles

EMISSIONS, TCO2E = FUEL VOLUME LITERS
×(EMISSION FACTOR / 1000) KG CO2E / LITER

FIGURE 36. CALCULATION METHODOLOGY OF SCOPE 1 EMISSIONS

SCOPE 2

Electricity Consumption

EMISSIONS, TCO2E = FUEL VOLUME LITERS
×(EMISSION FACTOR / 1000) KG CO2E / LITER

FIGURE 37. CALCULATION METHODOLOGY OF SCOPE 2 EMISSIONS

Emissions factor	Value	Unit
Diesel	2.7	kg CO2e per liter
Gasoline	2.3	kg CO2e per liter

TABLE 4. EMISSION FACTORS USED FOR THE CALCULATION OF GHG EMISSIONS



The information and figures presented in this section are subject to change, as certain data is currently undergoing assurance procedures and has not yet been finalized.

GRI TABLE

	DISCLOSURE	STATUS	LOCATION/COMMENT
General disclosures			
GRI 2: General Disclosures 2021	2-1 Organizational details	Disclosed	AZANS Overview
	2-2 Entities included in the organization's sustainability reporting	Disclosed	About this Report
	2-3 Reporting period, frequency and contact point	Disclosed	About this Report
	2-4 Restatements of information	Disclosed	There are no restatements of information
	2-5 External assurance	Not Disclosed	
	2-6 Activities, value chain and other business relationships	Disclosed	How We Operate, Procurement Oversight
	2-7 Employees	Disclosed	Our People
	2-8 Workers who are not employees	Disclosed	Our People
	2-9 Governance structure and composition	Disclosed	Integrity, Governance, and Control
	2-10 Nomination and selection of the highest governance body	Disclosed	Integrity, Governance, and Control

GRI 2: General Disclosures 2021	2-11 Chair of the highest governance body	Disclosed	Integrity, Governance, and Control
	2-12 Role of the highest governance body in overseeing the management of impacts	Disclosed	Integrity, Governance, and Control
	2-13 Delegation of responsibility for managing impacts	Disclosed	Integrity, Governance, and Control
	2-14 Role of the highest governance body in sustainability reporting	Disclosed	Integrity, Governance, and Control
	2-15 Conflicts of interest	Disclosed	Integrity, Governance, and Control
	2-16 Communication of critical concerns	Disclosed	Employee Engagement and Wellbeing
	2-17 Collective knowledge of the highest governance body	Disclosed	Stakeholder Engagement
	2-18 Evaluation of the performance of the highest governance body	Not Disclosed	
	2-19 Remuneration policies	Not Disclosed	
	2-20 Process to determine remuneration	Not Disclosed	
	2-21 Annual total compensation ratio	Disclosed	Performance Metrics
	2-22 Statement on sustainable development strategy	Disclosed	Message from the Chairman of the Management Board
	2-23 Policy commitments	Disclosed	Stakeholder Engagement, Integrity, Governance, and Control
	2-24 Embedding policy commitments	Disclosed	Throughout the report

	2-25 Processes to remediate negative impacts	Disclosed	Employee Engagement and Wellbeing
	2-26 Mechanisms for seeking advice and raising concerns	Disclosed	Employee Engagement and Wellbeing
	2-27 Compliance with laws and regulations	Disclosed	Throughout the report
	2-28 Membership associations	Disclosed	How We Operate
	2-29 Approach to stakeholder engagement	Disclosed	Stakeholder Engagement
	2-30 Collective bargaining agreements	Not Disclosed	
Material topics			
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Disclosed	Process to Determine Material Topics
	3-2 List of material topics	Disclosed	Process to Determine Material Topics
Economic performance			
GRI 3: Material Topics 2021	3-3 Management of material topics	Disclosed	Process to Determine Material Topics
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Disclosed	Our Economic Performance,
	Performance Metrics		
	201-2 Financial implications and other risks and opportunities due to climate change	Not Disclosed	
	201-3 Defined benefit plan obligations and other retirement plans	Disclosed	This is regulated by the Labor Code of the Republic of Azerbaijan

	201-4 Financial assistance received from the government	Disclosed	During the reporting year, AZANS received no financial assistance from the government
Market presence			
GRI 202: Market Presence 2016	202-1 Ratios of standard entry-level wage by gender compared to local minimum wage	Disclosed	Performance Metrics
	202-2 Proportion of senior management hired from the local community	Disclosed	Performance Metrics
Indirect economic impacts			
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Disclosed	How We Operate
	203-2 Significant indirect economic impacts	Disclosed	Throughout the report
Procurement practices			
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Not Disclosed	
Anti-corruption			
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Disclosed	Integrity, Governance, and Control
	205-2 Communication and training about anti-corruption policies and procedures	Disclosed	Communicated and conducted annually to all employees.
	205-3 Confirmed incidents of corruption and actions taken	Not Disclosed	Data was not tracked during the reporting period.

Anti-competitive behavior			
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, antitrust, and monopoly practices	Not Disclosed	
Tax			
GRI 207: Tax 2019	207-1 Approach to tax	Disclosed	Our Economic Performance
	207-2 Tax governance, control, and risk management	Disclosed	Our Economic Performance
	207-3 Stakeholder engagement and management of concerns related to tax	Not Disclosed	
	207-4 Country-by-country reporting	Not Applicable	
Materials			
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Not Applicable	
	301-2 Recycled input materials used	Not Applicable	
	301-3 Reclaimed products and their packaging materials	Not Applicable	
Energy			
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Disclosed	Energy Management and Optimization
	302-2 Energy consumption outside of the organization	Not Disclosed	
	302-3 Energy intensity	Disclosed	Energy Management and Optimization

	302-4 Reduction of energy consumption	Disclosed	Energy Management and Optimization
	302-5 Reductions in energy requirements of products and services	Disclosed	Energy Management and Optimization
Water and effluents			
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Disclosed	Responsible Water Use
	303-2 Management of water discharge-related impacts	Not Disclosed	
	303-3 Water withdrawal	Not Disclosed	
	303-4 Water discharge	Disclosed	Responsible Water Use
	303-5 Water consumption	Disclosed	Responsible Water Use, Performance Metrics
Biodiversity			
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Not Disclosed	
	304-2 Significant impacts of activities, products, and services on biodiversity	Not Disclosed	
	304-3 Habitats protected or restored	Not Disclosed	
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Not Disclosed	

Emissions			
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Disclosed	Managing GHG Emissions, Performance Metrics
	305-2 Energy indirect (Scope 2) GHG emissions	Disclosed	Managing GHG Emissions, Performance Metrics
	305-3 Other indirect (Scope 3) GHG emissions	Not Disclosed	
	305-4 GHG emissions intensity	Disclosed	Managing GHG Emissions, Performance Metrics
	305-5 Reduction of GHG emissions	Disclosed	Managing GHG Emissions
	305-6 Emissions of ozone-depleting substances (ODS)	Not Disclosed	
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Not Disclosed	
Waste			
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Disclosed	Resource Efficiency and Waste Management
	306-2 Management of significant waste-related impacts	Not Disclosed	
	306-3 Waste generated	Disclosed	Resource Efficiency and Waste Management , Performance Metrics
	306-4 Waste diverted from disposal	Disclosed	Resource Efficiency and Waste Management , Performance Metrics
	306-5 Waste directed to disposal	Disclosed	Resource Efficiency and Waste Management, Performance Metrics

Supplier environmental assessment			
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Disclosed	Currently there are no specific assessments that are used for supplier screening against environmental criteria
	308-2 Negative environmental impacts in the supply chain and actions taken	Not Disclosed	
Employment			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Disclosed	Attracting and Retaining Talent, Performance Metrics
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Disclosed	Employee Engagement and Wellbeing
	401-3 Parental leave	Disclosed	Performance Metrics
Labor/management relations			
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	Disclosed	Performance Metrics
Occupational health and safety			
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Disclosed	Workplace Health and Safety
	403-2 Hazard identification, risk assessment, and incident investigation	Disclosed	Workplace Health and Safety

GRI 403: Occupational Health and Safety 2018	403-3 Occupational health services	Disclosed	Workplace Health and Safety
	403-4 Worker participation, consultation, and communication on occupational health and safety	Disclosed	Workplace Health and Safety
	403-5 Worker training on occupational health and safety	Disclosed	Workplace Health and Safety, Performance Metrics
	403-6 Promotion of worker health	Disclosed	Workplace Health and Safety
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Disclosed	Workplace Health and Safety
	403-8 Workers covered by an occupational health and safety management system	Disclosed	Workplace Health and Safety
	403-9 Work-related injuries	Disclosed	Workplace Health and Safety, Performance Metrics
	403-10 Work-related ill health	Not Disclosed	
Training and education			
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Partially Disclosed	Developing Human Capital, Performance Metrics
	404-2 Programs for upgrading employee skills and transition assistance programs	Disclosed	Developing Human Capital
	404-3 Percentage of employees receiving regular performance and career development reviews	Not Disclosed	
Diversity and equal opportunity			
GRI 404: Training and Education 2016	405-1 Diversity of governance bodies and employees	Disclosed	Performance Metrics

	405-2 Ratio of basic salary and remuneration of women to men	Disclosed	Performance Metrics
Non-discrimination			
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Disclosed	No cases of discrimination were recorded in the reporting period.
Freedom of association and collective bargaining			
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Disclosed	No such operations have been determined during the reporting year.
Child labor			
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Disclosed	AZANS operating under the umbrella of AZAL CJSC, are firmly opposed to child labor and adhere to both legal requirements and internal regulations to prevent its occurrence.
Forced or compulsory labor			
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Disclosed	No such operations have been determined during the reporting year.
Security practices			
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	Not Disclosed	
Rights of indigenous peoples			
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	Not Applicable	

Local communities			
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Disclosed	Contribution to UN SDGs
	413-2 Operations with significant actual and potential negative impacts on local communities	Not Disclosed	
Supplier social assessment			
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Disclosed	Currently there are no specific assessments that are used for supplier screening against social criteria.
	414-2 Negative social impacts in the supply chain and actions taken	Not Disclosed	
Public policy			
GRI 415: Public Policy 2016	415-1 Political contributions	Not Disclosed	
Customer health and safety			
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Disclosed	Throughout the report
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Disclosed	No non-compliance incidents were recorded during the reporting year.

Marketing and labeling			
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	Not Applicable	
	417-2 Incidents of non-compliance concerning product and service information and labeling	Not Applicable	
	417-3 Incidents of non-compliance concerning marketing communications	Not Applicable	
Customer privacy			
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Disclosed	There were no incidents during the reporting year.

PERFORMANCE METRICS

SOCIAL

The information and figures presented in this section are subject to change, as certain data is currently undergoing assurance procedures and has not yet been finalized.

Occupational Health and Safety	2023	2024	2025
Number of hours worked	1,300,663	1,282,050	1,280,460
Number of fatalities	N/A	0	0
Fatality rate	N/A	0	0
Number of recordable injuries	N/A	0	5
Injury frequency rate (per 200,000 hours worked)	N/A	N/A	0.78
Number of Lost Time Injuries (LTI)	N/A	N/A	3
LTI Frequency Rate (LTIFR) (per 200,000 hours worked)	N/A	0	0.47
Number of days lost due to injury/ accident	N/A	0	2
LTI severity rate (per 200,000 hours worked)	N/A	N/A	0.31
Number of fatalities as a result of work-related ill health	N/A	N/A	N/A
Number of cases of recordable work-related ill health	N/A	N/A	N/A

OHS Training	2023	2024	2025
Number of conducted OHS trainings	4	10	12
Number of employees who received OHS training	40	100	110
OHS training hours	16	40	48

OHS Investments	2023	2024	2025
Total investments into improving working conditions, AZN	5,000.00	30,000.00	100,000.00
Total investments into personal protective equipment, AZN	100,000.00	60,000.00	300,000.00

Employees by gender	2023		2024		2025	
	Male	Female	Male	Female	Male	Female
Total number of employees, by gender and category	585	173	602	169	599	169
Executive	55	3	53	3	50	3
Specialist	514	143	531	146	531	140

Other	16	27	18	20	18	26
Total number of employees by employment type	585	173	602	169	599	169
Total number of permanent employees	524	149	537	147	511	138
Total number of temporary employees	61	24	65	22	88	31
Total number of employees by employment contract	585	173	602	169	599	169
Total number of full-time employees	582	172	599	168	595	168
Total number of part-time employees	3	1	3	1	4	1

Employees by age	2023			2024			2025		
	Under 30	30-50	Over 50	Under 30	30-50	Over 50	Under 30	30-50	Over 50
Total number of employees, by age and by category	66	416	276	101	412	258	116	413	239
Executive	2	25	31	2	25	29	2	21	30
Specialist	63	377	217	97	372	208	104	381	186
Other	1	14	28	2	15	21	10	11	23

Minimum Notice Periods	2023	2024	2025
Minimum number of weeks' notice typically provided to employees and their representatives prior to the implementation of significant operational changes that could substantially affect them	4	4	4

Parental Leave	2023		2024		2025	
	Male	Female	Male	Female	Male	Female
Total number of employees that were entitled to parental leave, by gender	0	173	0	169	465	97
Total number of employees that took parental leave, by gender	0	2	0	9	0	6
Total number of employees that returned to work in the reporting period after parental leave ended	0	4	0	7	0	2
Total number of employees due to return to work after taking parental leave, by gender	0	4	0	7	0	2
Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work, by gender	0	4	0	7	0	2
Return to work rate of employees that took parental leave, by gender	N/A	100	N/A	100	N/A	100
Retention rate of employees that took parental leave, by gender	N/A	100	N/A	100	N/A	100

New Employee Hires and Employee Turnover, by gender	2023		2024		2025	
	Male	Female	Male	Female	Male	Female
Total number of new employee hires	2	9	28	7	36	22
Total number of employee turnover	35	23	17	17	42	22
Rate of employee turnover	6%	13%	3%	10%	6%	12%

New Employee Hires and Employee Turnover, by age	2023			2024			2025		
	Under 30	30-50	Over 50	Under 30	30-50	Over 50	Under 30	30-50	Over 50
Total number of new employee hires	10	1	0	29	6	0	50	7	1
Total number of employee turnover	18	12	28	14	4	16	20	9	35
Rate of employee turnover	27%	3%	10%	14%	1%	6%	17%	2%	15%

Talent Development	2023	2024	2025
Total number of training hours	2,128	4,034	3,672
Average number of training hours provided to employees	N/A	4.9	6.4

Diversity of Employees	2023	2024	2025
Number of employees with disabilities	6	6	15

Ratio of Salary, by gender	2023		2024		2025	
	Male	Female	Male	Female	Male	Female
Ratio of standard entry-level wage compared to local minimum wage, by gender	1.5	1.5	1.9	1.9	1.6	1.6
Ratio of the basic salary of women to men, including	100%		100%		100%	

Annual Total Compensation Ratio	2023	2024	2025
Ratio of the annual total compensation for the organization's highest-paid individual to the median annual total compensation for all employees (excluding the highest paid individual)	N/A	4.72	4.73
Ratio of the percentage increase in annual total compensation for the organization's highest-paid individual to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual)	N/A	2.51	2.51

OPERATIONAL

Operational Indicators	2023	2024	2025
Total Number of Flight Hours Managed	134,013	176,578	184,730
Total Number of Air Navigation Control Systems	15	16	17
Total Number of Radar Stations	11	11	12
Total Number of Communication Towers	9	9	10
Total Number of Air Traffic Control Centers	4	4	4
Airspace Coverage Efficiency	1.4	1.9	2.1
Total Number of Flights Managed, by Category	236,668	309,655	342,167
i. Take off Landing Domestic Flights	6,560	7,710	8,408
ii. Take off Landing International Flights	61,572	77, 751	72,674
iii. Overflight	168,536	224,194	261,085
Total number of aircraft served:	236,668	309,655	342,167
i.Total number of served Commercial Airlines	195,706	256,854	280,884
ii.Total number of served Cargo Airlines	39,211	50,749	59,509
iii.Other (if any)	1,751	2,052	1,774
Air Traffic Control Efficiency	100%	100%	100%
On-time Flight Coordination Rate (%)	100%	100%	100%
Air Traffic Congestion Rate	42%	42%	41%
Incident Rate	0	0	0
Flight Density Rate	27	35	39

GOVERNANCE

Economic Indicators, AZN	2023	2024	2025
Capital Investment	41,082,969	1,003,241	14,671,635
Total assets	216,342,109	251,275,233	202,953,743
Total capitalization	318,974,895	353,768,578	574,856,148
Total revenues	122,761,031	167,268,939	199,377,919
Retail loan portfolio amount	-	-	-
Economic value distributed	51,989,576	56,803,425	69,504,331
Operating expenses	51,622,984	56,581,302	36,477,608
Employee wages and benefits	24,770,537	27,573,832	32,850,989
Payments to the state budget, including	-	-	-
Income tax	-	-	-
Property tax	-	-	-
Withholding tax	-	-	-
Land tax	-	-	-
SSPF charges	-	-	-
Interest payments	360,995	222,123	175,734
Community investments, including	-	0	-
Contributions to charities, NGOs and research institutes (unrelated to the organization's commercial research and development)	-	-	-
Funds to support community infrastructure, such as recreational facilities	-	-	-

Direct costs of social programs, including arts and educational events	-	-	-
Other expenses	5,597		-
Forex (gain)/loss	716,344	- 3,545,644	- 1,050,526
Income from Investing Activities	- 594,807	- 3,240,862	- 919,082
Other non-operating (income)/loss	-	-	-
Economic value retained	70,649,918	117,252,020	131,843,196

Suppliers, thousands AZN	2023	2024	2025
Total number of suppliers	108	44	86
Total number of local suppliers	N/A	23	61
Total number of foreign suppliers	N/A	21	25
Proportion of suppliers by location, % from total:			
Local suppliers	N/A	52%	71%
Foreign suppliers	N/A	48%	29%

ENVIRONMENT

Emission Indicators, tCO2e	2023	2024	2025
Total Emissions	350	341	298.2
Scope 1	95.99	50.67	25.3
i. Gasoline, tCO2 e	95	49	24
ii. Diesel, tCO2 e	1.23	1.20	1.80
Scope 2*	254	291	272.9
Electricity, tCO2 e*	254	291	272.9

Total Emissions Intensity	2023	2024	2025
Total Emission Intensity (tCO2e / managed flight)	0.0015	0.0012	0.0009
Total Energy Intensity, (GJ/managed flight)	0.0168	0.0104	0.008

Energy Consumption	2023	2024	2025
Total energy consumption, kWh	3,555	3,229	2,761.13
Total fuel consumption, GJ:	1,364	720	405
i. Diesel, GJ	17	16	27
ii. Gasoline, GJ	1,347	704	379
Total electrical consumption, kWh:	2,192	2,509	2,356.00

*The emissions figures differ from those reported in 2024 due to changes in the calculation methodology.

Water Management	2023	2024	2025
Total Water Discharge, thousands m^3	8,606	7,000	6,800
Total Water Consumption, thousands m^3	8,906	7,280	7,092

Waste Management	2023	2024	2025
Non-Hazardous Waste			
Recycled Paper, tons	N/A	0.3	0.13
Other Waste Directed to Landfill, tons	66.8	155.1	200.6
Hazardous Waste			
Directed to Disposal, tons	N/A	0.016	0.032
Recycled, tons	N/A	4.08	5.72
i. Recycled Oil Waste, tons	N/A	0.33	0.47
ii. Other, tons	N/A	3.75	5.25

Disclaimer on External Assurance
At the date of publication, the independent external assurance process for selected disclosures in this 2025 Sustainability Report remains ongoing. Figures within the scope of the engagement may be revised once the assurance process is complete. The independent assurance statement will be made available once issued, and any resulting changes will be documented in an updated version of the report.

CONTACT INFORMATION

We welcome and value feedback from our stakeholders, as their suggestions and insights are crucial for enhancing both this report and our overall performance.

Farhan Guliyev

Advisor to the Chairman of Management Board,
Azerbaijan Airlines CJSC
Director of Azeraeronavigation Air Traffic Department

Mob: +99455 777-20-30
Email: farhan.guliyev@azans.az
Address: Heydar Aliyev International Airport,
AZ1044, Baku, Azerbaijan

