

# IAEG WG11 Aerospace ESG Engagement Webinar

The 'Why' of ESG and The Importance of  
Stakeholder Engagement

OCTOBER 12, 2022



**IAEG**<sup>®</sup>

INTERNATIONAL AEROSPACE  
ENVIRONMENTAL GROUP

# AGENDA

Welcome & Compliance  
Reminders

Ashley Rubinsky/Jim Wilson

IAEG Overview

Ashley Rubinsky

Panel Discussion

Nicolas Chrétien, Airbus Head of Sustainability & Environment

Geraldine Barnuevo, Head of Sustainability GE Aviation and IAEG Board of Directors

David Graeber, Boeing Supply Chain Sustainability Sr. Manager, IAEG Board of Directors; WG11 Co-Sponsor

Ashley Rubinsky, Lockheed Martin Sr. Project Manager, Supply Chain Operations & Sustainability

Christian Böhler, Roland Berger GmbH Partner

WG11 Overview

Mark Walker and Phil Godfrey

Closing Remarks

# PANEL DISCUSSION



Nicholas Chrétien  
Head of Sustainability &  
Environment



Geraldine Barnuevo  
Head of Sustainability  
GE Aviation



David Graeber  
Boeing Supply Chain  
Sustainability Sr. Manager



Christian Boehler  
Partner at Roland Berger

## PANEL QUESTIONS

How do you view ESG and why is it important for an organization/our industry?



Nicholas Chrétien  
Head of Sustainability &  
Environment



Geraldine Barnuevo  
Head of Sustainability  
GE Aviation



David Graeber  
Boeing Supply Chain  
Sustainability Sr. Manager

## PANEL QUESTIONS

How do you see ESG changing the landscape of Operations?



Christian Boehler  
Partner at Roland Berger



# IAEG WG11 – Sustainability Supply Chain Webinar

October 12, 2022



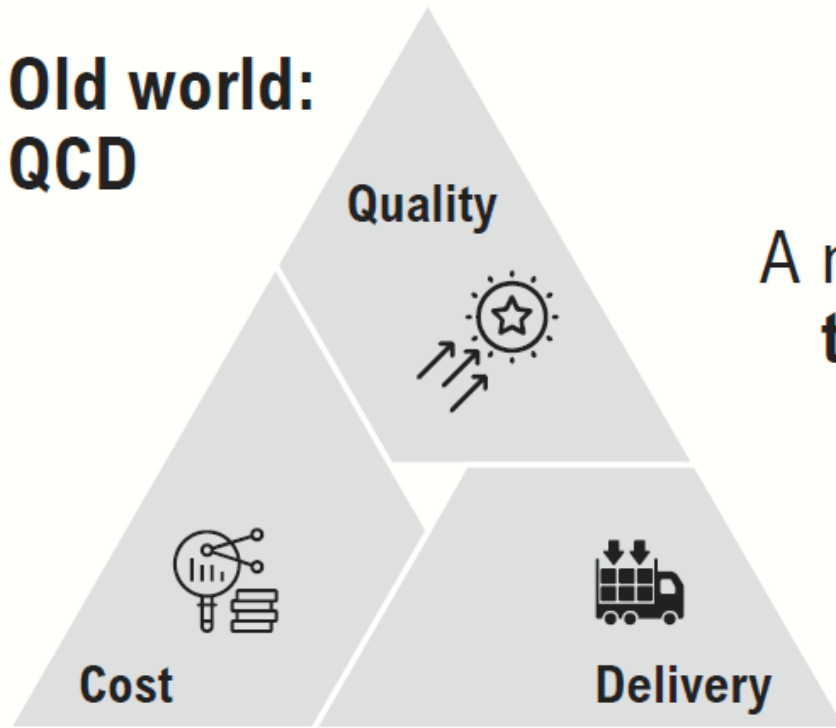
# Customers, regulators, investors – basically every stakeholder group – has put significant sustainability expectations on the top of their agenda



# For operations, this requires the inclusion of sustainability into the classical QCD approach (Quality-Cost-Delivery) – The triangle becomes a square: QCDS

Inclusion of Sustainability in the QCD approach

Old world:  
QCD



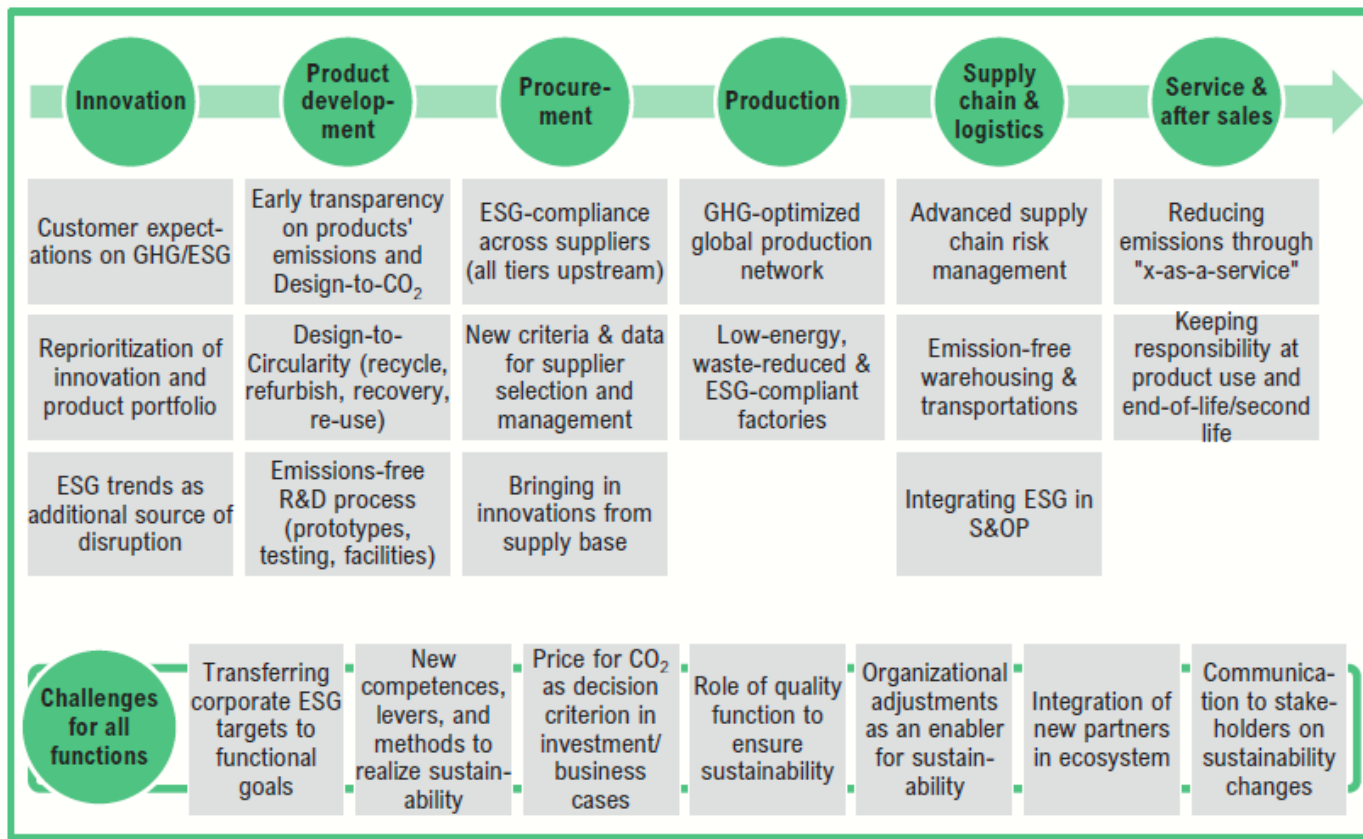
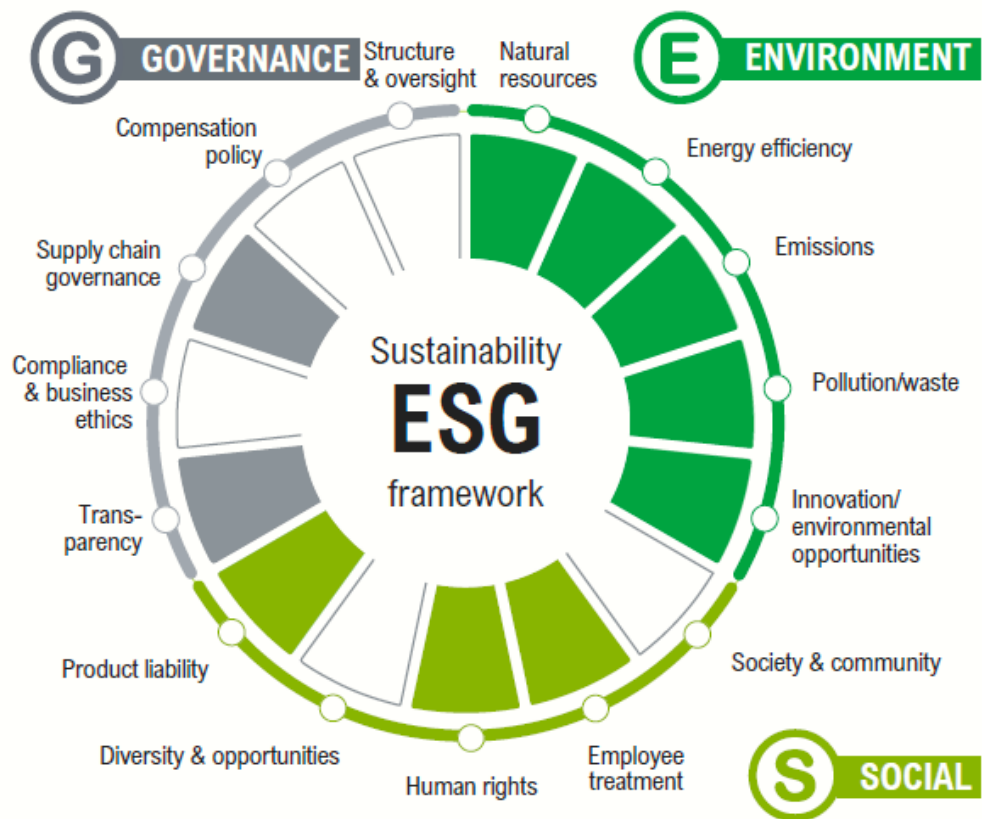
A new  
**thinking**  
gains ground





# Operations decision makers have the power to truly impact sustainability in all ESG dimensions – Functional leads all along the value chain need to set priorities

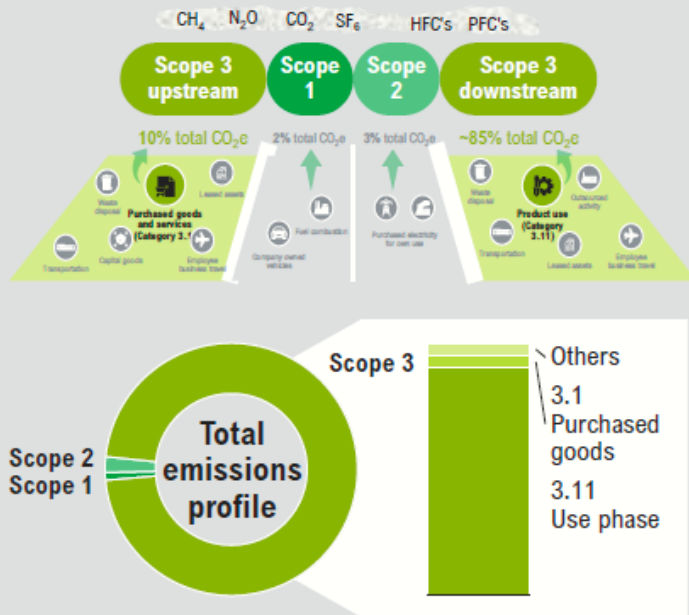
Contribution of operations to sustainability (selected examples)



Criteria highlighted in solid colors: Main impact areas of operations on sustainability

# From the various sustainability challenges three stand out for operations and the supply chain: Decarbonization, circular economy, and human rights

## Decarbonization



End-to-end decarbonization, from raw materials to end-of-life (suppliers and own operations) – meeting the Paris Agreement

## Circular economy

Only 8.6% of the resources entering the global economy are currently circular ...



Bringing higher shares of recycled and renewable materials into products is key as customers and regulators demand for it

## Human rights



Regulations to ensure human rights along the supply chain gain ground, enforcing companies to take responsibilities for their suppliers

## PANEL QUESTIONS

How have you seen other industries tackle ESG engagement?



Geraldine Barnuevo  
Head of Sustainability  
GE Aviation

## PANEL QUESTIONS

What are the different stakeholder groups and why is engagement with them important on the topic of ESG?



Nicholas Chrétien  
Head of Sustainability &  
Environment



David Graeber  
Boeing Supply Chain  
Sustainability Sr. Manager

## PANEL QUESTIONS

What are the different types of stakeholders' engagements and how can the different parties better collaborate together?



David Graeber  
Boeing Supply Chain  
Sustainability Sr. Manager



Christian Boehler  
Partner at Roland Berger



## PANEL QUESTIONS

What are examples of how IAEG could demonstrate supply chain ESG stewardship?



Ashley Rubinsky

Lockheed Martin Sr. Project Mgr.,  
Operations & Sustainability

# AEROSPACE ESG STEWARDSHIP

## Foster Awareness

- IAEG WG11 Introduction to Supply Chain & Key Functional Partners
- Leverage Best Practices from IAEG's 10 years of Environmental Focus

## 2023 Launch

- Prepare to 'TAKE OFF'

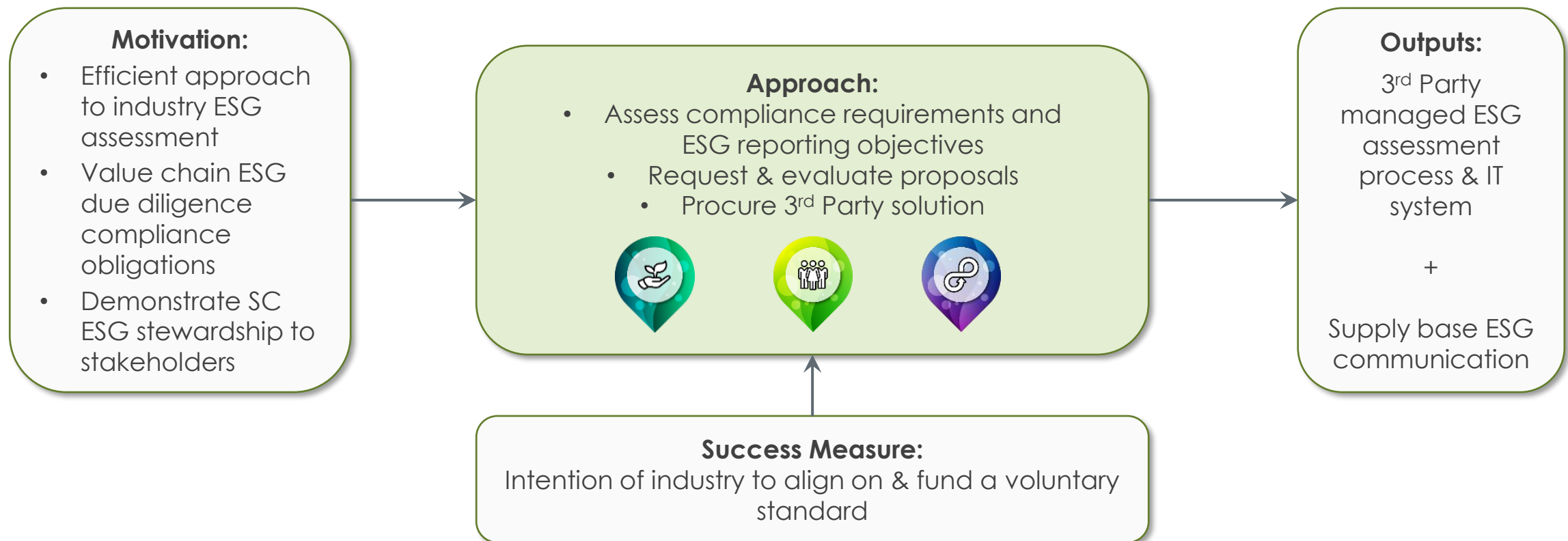


## Build Obligation Awareness

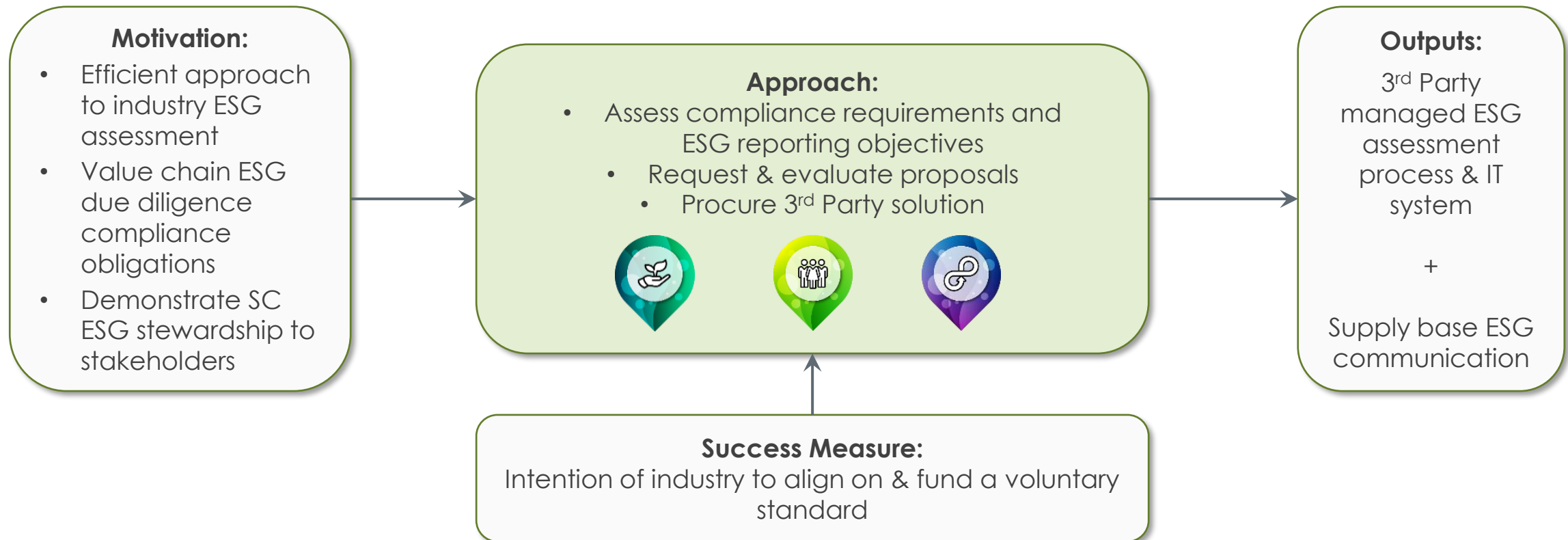
- Nov. 16 Webinar – Register
- Due Diligence Alerts & Post-Event Resources

## Enhance with On-Going Feedback

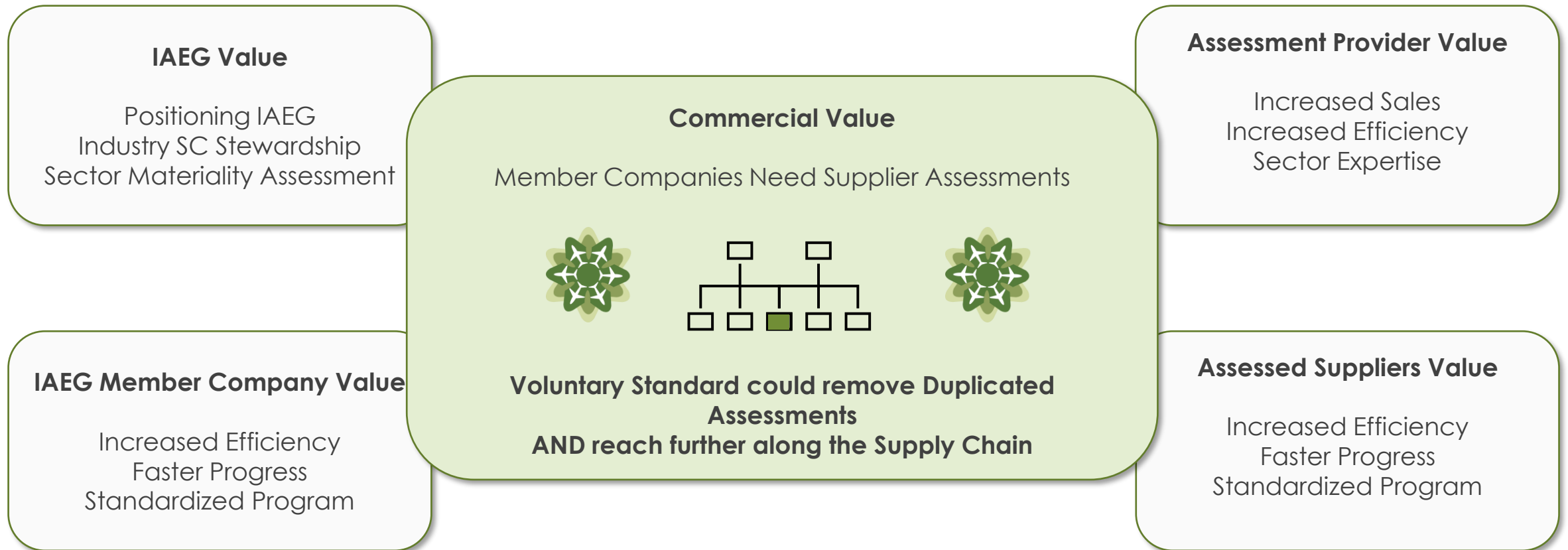
**Goal:** To deploy and maintain an enduring aerospace industry voluntary standard, with the support of a proven third-party solution, for assessing Environment, Social and Governance (ESG) practices that enables informed business decisions, duty of care compliance obligations, sustainability reporting, and positive change in environmental & social topics



## First Step: Reusable Sustainability Assessments!



**2022 Goal:** Implement a voluntary standard and program for assessing, managing and reporting Environmental, Social & Governance (ESG) risk in aerospace supply chains by sourcing an existing 3<sup>rd</sup> party solution for unilateral consideration and use of IAEG members / Aerospace & Defense companies





# ADDITIONAL RESOURCES

<https://www.iaeg.com/workgroups/wg11>

“A sustainable supply chain driven by ESG engagements is an exceptional **opportunity for value creation** and earning the trust of all our stakeholders”

Roque Carmona, Chief Procurement Officer, **Thales**

“Great potential to **accelerate ESG maturity** in the aerospace sector”

LeAnn Ridgeway, VP Sustainability, **Collins Aerospace**

“**Achieving sustainable aviation is far from impossible.**

Today, employees at Pratt & Whitney are solving the challenges and creating the technologies that will introduce a new era of sustainable aviation.”

Graham Webb, Chief Sustainability Officer, **Pratt & Whitney**

This important programme has the potential to unlock a lot of value and help **deliver good ESG stewardship** across the sector.

Benn Godfrey, VP Procurement, **Rolls Royce**

“Thales ESG ambitions are to **embed ambitious sustainability commitments in all processes** and to maximize the sustainability impact of our portfolio of solutions. Both find a perfect application for Aeronautics.”

Sophie Le Pennec, VP HSE, **Thales**



“Sustainability inspires us as corporate citizens and signals our values in all we do to keep the Aerospace supply chain a strong foundation for continued growth and success. The focus of IAEG WG11 will expand upon our strong track record of developing relationships and practices that **ensure a more sustainable supply chain.**”

Chris Stone, Supply Chain Vice President, **Lockheed Martin Corporation**

“Boeing is committed to advancing global sustainability, and IAEG’s efforts will be a cornerstone of our responsible supply chain practices. **An industry voluntary approach is key** for efficiency and demonstrating ESG maturity to customers, investors and regulators.”

William Ampofo, Chair, **Boeing Supply Chain Operations Council**, and Vice President, Parts & Distribution Services and Supply Chain, Boeing Global Services.

“At Airbus, we pioneer sustainable aerospace for a safe and united world. We are taking the lead in driving a holistic approach towards building a more sustainable ecosystem for our industry, which entails looking at our end to end value chain environmental and social footprint. With a global footprint and a global supply chain, **we welcome efforts from IAEG to build a harmonized and standardized approach towards ESG in the industry,** which fully supports our sustainability ambition.”

Nicolas Chretien, HO Sustainability & Environment at **Airbus**

## FOLLOW-UP QUESTIONS

[Questions@iaeg.com](mailto:Questions@iaeg.com)