

ESG AT A GLANCE



STRENGTHENING ENVIRONMENTAL,
SOCIAL AND GOVERNANCE CAPABILITIES
FOR LONG TERM RESILIENCE



SUPPORTING SMES ON THEIR ESG JOURNEY

In today's global landscape, environmental and broader organisational sustainability isn't just a priority—it's a necessity for businesses.

Micro, small, and medium-sized enterprises (SMEs) play a crucial role in shaping a sustainable future. Their ability to adapt and innovate is essential for progress.

PROGRESSING TOWARDS NET ZERO BY 2050

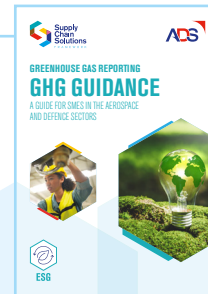
Sustainability is increasingly recognised as a critical component of business success. As our sectors move towards Net Zero by 2050, the impact cascades down the supply chain. SMEs face increased scrutiny over their operations and higher expectations from Primes and OEMs to improve their environmental, social, and governance (ESG) practices.

To ensure SMEs are well-equipped to meet both current and future requirements, we have developed the ADS ESG pillar within the Supply Chain Solutions Framework. This pillar supports SMEs in navigating the complexities of sustainability reporting and compliance to regulations, enhancing corporate reputation and fostering innovation through environmentally and socially responsible practices.

We provide a suite of resources to help SMEs integrate sustainable strategies across their operations.

SUPPORTING FRAMEWORKS

Our ESG resources align with internationally recognised sustainability standards to raise performance that meets and exceeds global expectations.



GHG REPORTING A GUIDE FOR SMES

Measuring and reporting greenhouse gas (GHG) emissions is foundational for a sustainable future. Introducing the ADS GHG Guidance, a comprehensive guide based on the Greenhouse Gas Protocol, specifically tailored to the aerospace and defence sectors. It provides practical insights and step-by-step instructions for both mandatory and voluntary GHG reporting. A worked example enables a clearer understanding of how to translate the guidelines into actional steps within your business.

This invaluable guide is useful for:



**SENIOR
MANAGEMENT**



**ENVIRONMENT/
SUSTAINABILITY
OFFICERS**



**OPERATIONAL
MANAGERS**



**FINANCE
TEAMS**



ESG PATHWAY - RECOGNISING SUCCESS

The ADS ESG Pathway is a comprehensive framework that guides organisations through their transformative journey and towards their ESG goals.

The Pathway reflects the maturity of an organisation from Bronze (ESG Initiator), Silver (ESG Implementor) to Gold (ESG Leader).

ESG PATHWAY



BRONZE: ESG INITIATOR

- 1.1 Measures and reduces corporate emissions
- 1.2 Operates as energy efficiently as possible
- 1.3 Reduces waste and recycles
- 1.4 Conserves and minimises water usage
- 1.5 Promotes employee wellbeing
- 1.6 Ensures human rights are protected

SILVER: ESG IMPLEMENTOR

- 2.1 Controls and manages pollution to protect biodiversity
- 2.2 Engages with the local community
- 2.3 Sustainable material sourcing
- 2.4 Has independence and diversity in management teams
- 2.5 Reports transparently to stakeholders
- 2.6 Optimised usage of low emission transport
- 2.7 Utilises renewable energy supply
- 2.8 Measures and manages product based emissions
- 2.9 Sustainability embedded in strategic planning

GOLD: ESG LEADER

- 3.1 Responsibly manages supply chain
- 3.2 Continuously improves and innovates for sustainability
- 3.3 Understands and reduces impact of the product lifecycle
- 3.4 Works with customers to manage downstream emissions
- 3.5 Promotes sustainable credentials
- 3.6 Economically stable pipeline

BY ENGAGING WITH THE PATHWAY YOU GAIN

- ☒ Recognition
- ☒ Guidance
- ☒ Stakeholder trust



HOW TO PARTICIPATE

Embark on your sustainable journey. The starting point is to complete our ESG Assessment Tool. Answer a series of self-assessment questions to determine Bronze, Silver or Gold status. An instant report provides detailed analysis.

This is helpful for businesses. It can also be a useful tool for customers when benchmarking the capability of their supply chain.

THE ESG ASSESSMENT FOCUSES ON

- Environmental impact
- Social Practices
- Ethical governance



RAISING THE SUPPLY CHAIN CAPABILITY OF UK SMES; BOOSTING GROWTH, QUALITY AND DELIVERY PERFORMANCE

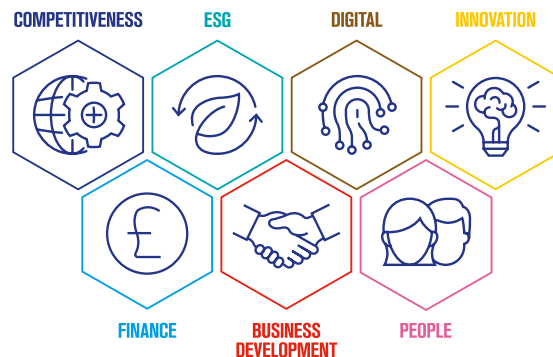
The Supply Chain Solutions (SCS) Framework is a simple access, cross sector programme led by industry through a partnership delivery model, facilitated by ADS on a not-for-profit basis, in collaboration with the Regional Aerospace Alliances (RAA) and Devolved Administrations (DA).

The framework provides a comprehensive set of services to support all companies in their development needs.

The framework enables suppliers to improve their competitive performance, highlight opportunities to invest in innovation and digitalisation, as well as helping them understand how to progress towards their sustainability goals.

The ESG pathway and tools were developed and prepared through a collaborative effort of a wide range of ESG professionals and members of the aerospace and defence supply chain sector.

Particular acknowledgement is given to the assistance of the ESG expertise offered by Rupert Blackstone (Wattcraft Ltd), Roger Singleton (Riscon Solutions Ltd); and Christine Fare (ESG Assessors).



INDUSTRY LEADERS

AIRBUS **babcock™**

BAE SYSTEMS **BOEING**

Collins Aerospace **GE Aerospace**

GN **LEONARDO**

MBDA **Ministry of Defence**



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THALES

IN COLLABORATION WITH

ADS *Securing UK advantage*

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fac

midlands aerospace alliance

WEAF

Northwest Aerospace Alliance

Scan to find out more
about the ESG services
for SMEs and the wider
SCS programme.

SCSFRAMEWORK.ORG.UK