Introduction to IAEG®

International Aerospace Environmental Group



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WHY IAEG®?



ENVIRONMENTAL REGULATIONS ON THE RISE

Aerospace & Defence companies

+++

PRESSURE TO
DEMONSTRATE
COMPATIBILITY
WITH GLOBAL
LONG TERM
ENVIRONMENTAL
OBJECTIVES

SUPPLY CHAIN COMPLEXITY AND DEMAND FOR IMPROVED RISK MANAGEMENT

Working together to develop resources and tools



IAEG® AT A GLANCE



Founding Members





















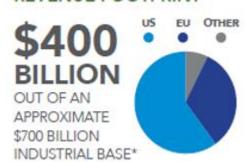




AEG* was founded in 2011 with a vision to advance innovative environmental solutions for the aerospace and defence industry. Starting with 11 Founding members, now at 50 members, this collaboration forum is designed to address pertinent environmental issues that all member companies face. As we have grown, we have found tremendous value and synergy in working these non-proprietary issues together, for the betterment of the industry at large.

Sally Gestautas | Board Chair

REVENUE FOOTPRINT



EMPLOYMENT FOOTPRINT SLIGHTLY OVER 1 MILLION



OUT OF A ROUGHLY 2 MILLION **INDUSTRIAL BASE***

*Deloitte, 2014 Global serospace and defense sector financial report

SOLUTIONS



WHY JOIN IAEG®?



#NETWORKING

To get involved in a **network** comprised of over 50 aerospace and defense companies and their health, safety, environmental and supply chain executives

#INDUSTRY SOLUTIONS

To ensure industry solutions address unique aerospace and defense industry issues

#INFORMATION ON REGULATIONS

To access information developed on substance regulations, including comprehensive educational materials on environmental regulations and developments

#GOOD PRACTICES

To share good practices and environmental solutions

#COST REDUCTION

To minimize administrative burdens and compliance costs



IAEG MEMBER COMPANIES (AS OF 12/31/2018)

Airbus Defence & Space ASCO Industries Assent Compliance Inc.

Dassault Aviation Dassault Systems Enovia DXC technology Embraer ERM

Honda Aircraft Honewell Enginer GKN Aerospace

Israel Aerospace Industries Ltd Gulfstream Aerospace Corp Lockheed Martin Corp Mitsubishi Aircraft Co Northrup Grumman Ramboll Environment

National Quality Assurance SR Technics Switzerland Ltd

Raytheon Company Saab AB Safechem Europe Gmbb 3M Deutschland GmbH

SurTec International GmbH TetraTech Textron Aviation Thales UTC (Pratt & Whitney) Zaki Surface Treatment Consulting LLC "Zodiac Aerospace

"Merced with Safran SA in 2018

IAEG® ORGANIZATION



[WE KNOW]

GULATIONS & STANDARDS

Substances Management

Environmental Reporting

ENVIRONMENTAL MANAGEMENT

ENVIRONMENTAL PERFORMANCE

SUPPLY CHAIN RISKS

UPPLY CHAIN RIS

[WEACT]

SUBSTANCES MGT

ENVIRONMENTAL MGT

SUPPLY CHAIN RISK MGT





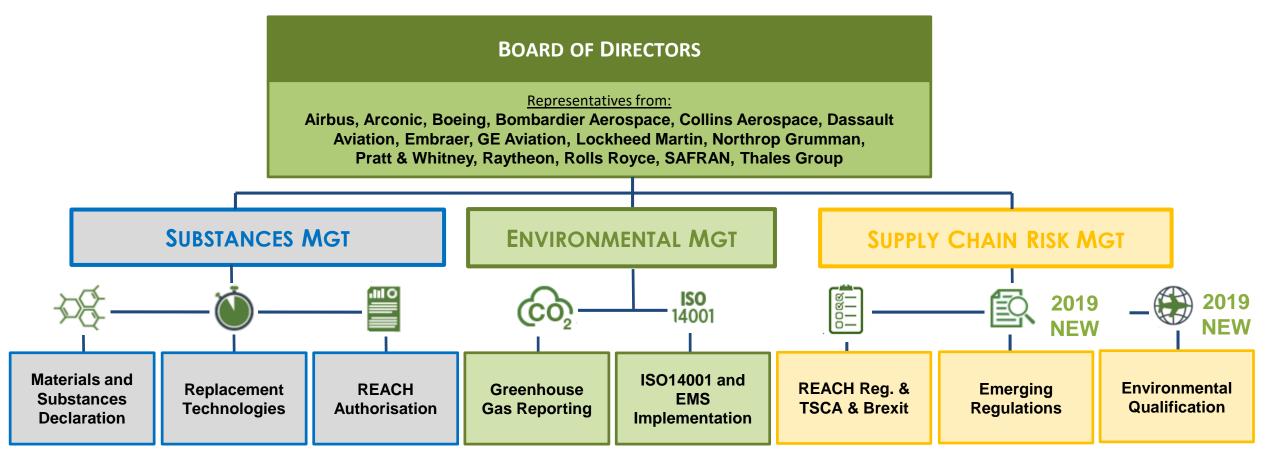
IAEG® ORGANIZATION



Chair: Sally Gestautas, Raytheon

Vice Chair: Pending

COO: Bruno Costes, Airbus



HOW TO CONTRIBUTE TO IAEG®?



[AGILE APPROACH TO FIT GLOBAL MEMBERSHIP]

VIRTUAL MEETINGS

Regular Work Group meetings

Monthly meetings to update membership on Work Group activities

Dedicated meetings: Board, Executive, Strategic, Compliance, Finance, Communication, Recruiting

WEBINARS

Training sessions
Supply chain engagements

FACE TO FACE BIANNUAL MEETINGS

Board meeting
Plenary membership session
Work Group sessions
Exchange of Good Practices
Exhibitions (supplier, other)

HOW TO JOIN IAEG®?



[MEMBERSHIP OVERVIEW]

IAEG welcomes new members!

Aerospace Companies are eligible for IAEG membership as long as they meet IAEG's eligibility requirements and agree to abide by a Membership Compliance Program instituted by the Board of Directors.

[MEMBERSHIP LEVELS]

Full Member – To qualify as a Full Member, an applicant must be an aerospace company.

\$15 000 or \$20 000 / year

Liaison Member – Any interested company, corporation, trade association, consulting company, or university may join IAEG as a Liaison Member.

\$5 000 / year

For more information visit www.iaeg.com

IAEG® 2019 FACE TO FACE MEETINGS



Meetings

2019 April 8 - 12 San Diego, California, USA



2019 September 23 - 26



FOCUS ON IAEG® WORK TOPICS

IAEG®- SUBSTANCES MANAGEMENT & REGULATIONS



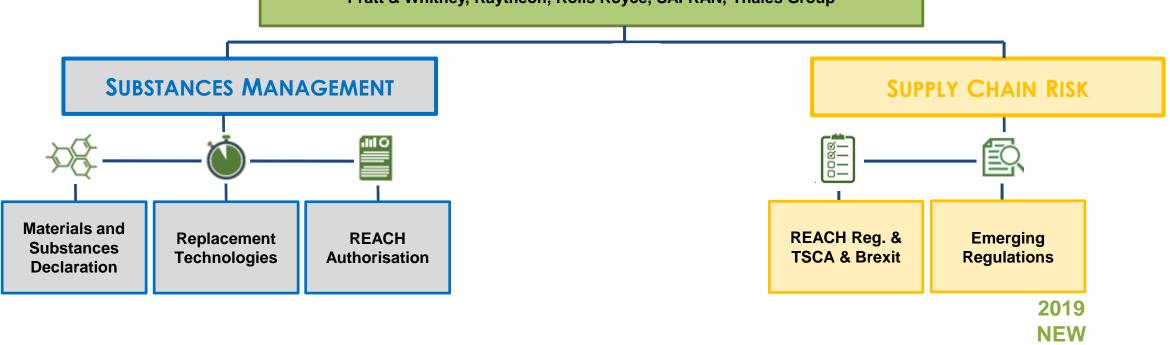
Chair: Sally Gestautas, Raytheon

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BOARD OF DIRECTORS

Airbus, Arconic, Boeing, Bombardier Aerospace, Collins Aerospace, Dassault Aviation, Embraer, GE Aviation, Lockheed Martin, Northrop Grumman, Pratt & Whitney, Raytheon, Rolls Royce, SAFRAN, Thales Group



SUBSTANCES MANAGEMENT & REGULATIONS







SUBSTANCES AT RISK

Materials & Substance Declaration



Voluntary Industry standard

- List of Declarable
 Substances, AD-DSL
- Data Exchange, IPC 1754

Simple Reporting Tool

SUBSTANCES MANAGEMENT & REGULATIONS







SUBSTANCES AT RISK

Materials & Substance Declaration



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Simple Reporting Tool

Short Term

CONTINUITY OF SUPPLY



Supply Chain Risk

- REACH Authorization
- Obsolescence risk
- TSCA regulation impact
- BREXIT Impact analysis

SUBSTANCES MANAGEMENT & REGULATIONS





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SUBSTANCES AT RISK

Materials & Substance Declaration



Voluntary Industry standard

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Simple Reporting Tool

Short Term

Mid & Long Term

CONTINUITY OF SUPPLY



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- REACH Authorization
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NEW ALTERNATIVE TECHNOLOGIES



Replacement Technologies

- R&D Collaboration
 Cd plating
- Technical Exchange

Hard Chrome Plating
Chromate Bonding Primer
Corrosion Inhibiting Epoxy Primer
Chromate Conversion Coating
Anodize Seal

IAEG®- ENVIRONMENTAL & SUPPLY CHAIN RISKS MGT



NEW

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BOARD OF DIRECTORS Airbus, Arconic, Boeing, Bombardier Aerospace, Collins Aerospace, Dassault Aviation, Embraer, GE Aviation, Lockheed Martin, Northrop Grumman, Pratt & Whitney, Raytheon, Rolls Royce, SAFRAN, Thales Group **ENVIRONMENTAL MGT SUPPLY CHAIN RISK MGT** ISO 14001 ISO14001 and **Emerging Environmental** Greenhouse **EMS Gas Reporting** Regulations Qualification **Implementation** 2019 2019

NEW



[WE KNOW]

GLOBAL EMERGING REGULATIONS & STANDARDS



[WEACT]



SUPPLY CHAIN COMMUNICATION

- Supply chain risk assessment fact sheet
- Supply chain webinars



[WE KNOW]

GLOBAL EMERGING REGULATIONS & STANDARDS



[WEACT]



SUPPLY CHAIN COMMUNICATION

- Supply chain risk assessment fact sheet
- Supply chain webinars

ISO 14001

ENVIRONMENTAL MANAGEMENT

- ISO 14001:2015 transition document
- Tiered-approach to help small & medium companies implementing an EMS







GLOBAL EMERGING REGULATIONS & STANDARDS



[WE ACT]



SUPPLY CHAIN COMMUNICATION

- Supply chain risk assessment fact sheet
- Supply chain webinars



ENVIRONMENTAL MANAGEMENT

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- Tiered-approach to help small & medium companies implementing an EMS





ENVIRONMENTAL REPORTING

- GHG Supplemental Guidance
- Scope 3 Indirect GHG Accounting Guidance





[WE KNOW]

GLOBAL EMERGING
REGULATIONS & STANDARDS



[WE ACT]



SUPPLY CHAIN COMMUNICATION

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- Supply chain webinars



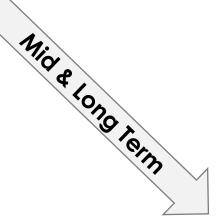
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ENVIRONMENTAL QUALIFICATION

Supply Chain Environmental performance and risk mitigation

- Common requirements
- Common evaluation and auditing scheme
- Common database

ENVIRONMENTAL QUALIFICATION - RATIONALS





Increasing environmental complex laws & regulations

- French Devoir de Vigilance
- ISO 14001:2015
- Substances regulations,...



Existing contractual obligations for supply chain to comply with new laws or standards



No ready way to assess a suppliers' ability to comply with the material declaration requirements driven by REACH.

Need for an effective and efficient way of demonstrating compliance by suppliers

Need for a common assessment tool



ENVIRONMENTAL QUALIFICATION - EVALUATING THE OPPORTUNITY



OBJECTIVES

Creation of an Environmental Qualification Program capable of:

- **Evaluating** the environmental performance & risks of the aerospace supply chain
- Driving continuous improvement of the environmental performance of the aerospace supply chain
- Reducing costs and minimizing administrative burden through sectorial aerospace approach

PROPOSED STRUCTURE

Create a sectorial set of criteria defining Environmental Performance

- EMS
- Chemical Mgt Disclosure
- Environmental Reporting & Perf



Create a process to evaluate/audit
Environmental
Performance

 Against the defined sectorial environmental criteria



 To store the selfevaluation or audits results



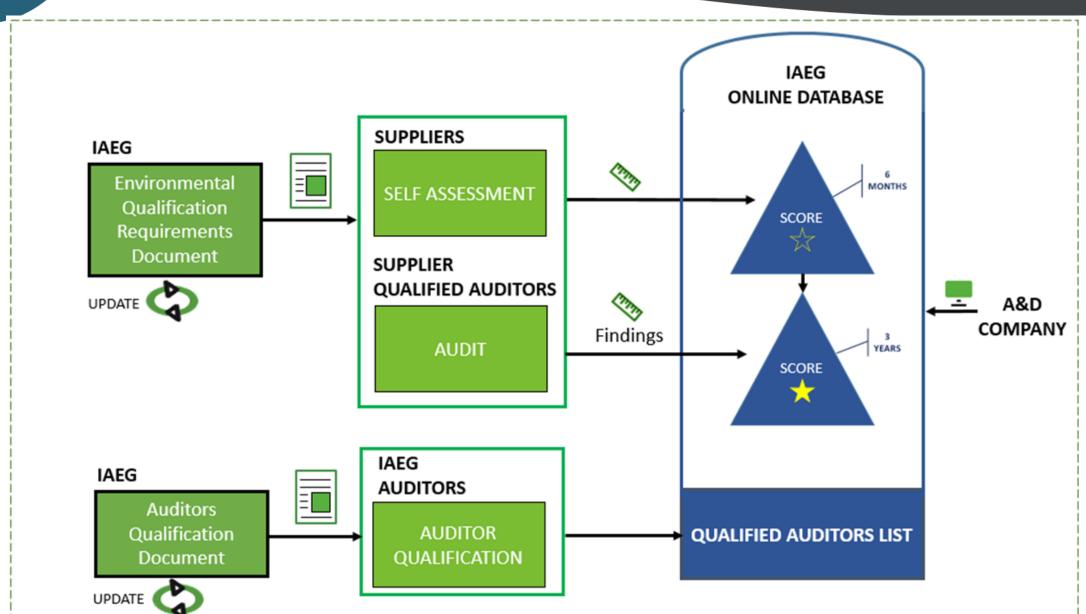
Manage the overall EQPS

 Project Management to reduce the risks within its scope

Note: Each company decides suppliers and terms of business in its unilateral business discretion.

ENVIRONMENTAL QUALIFICATION - HOW IT COULD WORK







THANK YOU