



Policy 045

Environmental, Social and Governance Policy Statement

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1 ESG Policy Commitment

1.1 Management Sign-off

This ESG Policy Statement is produced by the Directors of Aviation Systems Group Ltd (“the Company”) pursuant to its ESG Strategy paper dated 15th April 2024.

The ESG policy of the Company is to ensure so far as it is applicable and reasonably practicable that its operations will be carried out with a commitment to:

- (a) protecting and enhancing the environment by minimising negative impact and maximising positive impact on the environment;
- (b) ensuring appropriate conduct towards, positive impact on and good relationships with employees, customers/clients, suppliers and the community in which it operates; and
- (c) conduct its business with integrity and high standards of business ethics, through appropriate structures, systems, processes and procedures.

the Company’s “ESG Commitment”.

The ESG Commitment is a fundamental principle of the Company’s business.

Fulfilling the ESG Commitment is the responsibility of the Directors of the Company.

2 General ESP Principles

In fulfilling the ESG Commitment, the Company seeks to:

- comply with all applicable local and national laws, rules, regulations and other measures having the force of law that are relevant to any aspects of its ESG Commitment; and
- where it is practicable and appropriate to do so, establish and meet standards relevant to any aspects of its ESG Commitment which are higher than the standards imposed by law.

All Company employees must, in carrying out their duties, adhere to the principles and objectives of this ESG Policy Statement. Training will be given to employees to ensure that they are familiar with, and work in accordance with, this ESG Policy Statement.

The Company expects suppliers of goods and services to the Company and contractors working for the Company and their suppliers and sub-contractors to adopt and implement the ESG Commitment in their own businesses.

All contractors working on behalf of the Company are expected to comply with the Company’s Contractor Code of Conduct.

3 Environmental

The Company has produced the following objectives as a framework for the introduction of practices to implement the environmental aspects of the ESG Commitment:

- Identifying and managing environmental risks and hazards.
- Operating management procedures to include environmental factors during business planning and implementation.
- Communicating on environmental matters freely with government officials, employees, customers and members of the public.
- Carrying out of environmental audits when required.
- Promoting environmental principles by sharing experience with regulatory bodies, other companies, employees and members of the public.
- Promoting a culture of environmental awareness amongst all employees.
- Providing training for all employees as appropriate to enable them to carry out their job functions in a manner that shows care for the environment.
- Involving customers, suppliers and subcontractors in the implementation of these ESG objectives.
- Continuously improving environmental performance and integration of recognised environmental best practice into business operations.
- Measuring, and acting to reduce, the carbon footprint of business activities.
- Focusing on action to conserve resources and energy, to minimise emission to air, water and land and to increase recycling rates.
- Protecting the environment by preventing pollution of land, air or water via leakage of liquids gases or solids.
- Swiftly responding to accidents or incidents that have a potential to threaten the environment, including reporting details of an environmental accident or incident at work to the Directors so that they can investigate and take prompt action to make good and avoid recurrence.
- Minimising of waste by evaluating operations and ensuring they are as efficient as possible.
- Managing waste generated from business operations according to the principles of reduction, re-use and recycling.
- Managing and disposing of all waste in a responsible manner in ways that show concern for the environment.
- Ensuring that as many waste materials as possible are recycled via waste contractors.
- Using only registered carriers to dispose of waste, and to recycle wherever possible.

- Promoting environmentally friendly responsible purchasing.
- Taking steps to improve environmental efficiency of transport and business travel, including considering whether, to avoid travelling, any meetings can be held remotely.
- Where possible, using recycled or ecologically friendly paper.
- Using ‘waste’ paper for notepads unless confidentiality may be compromised.
- Reducing consumption of resources and improving efficiency of those resources by printing double sided where practicable.
- Recycling of all paper products, ink or toner cartridges.
- Recycling of all packaging materials including cardboard, polystyrene moulds and chippings.
- Where possible, reducing consumption of resources by:
 - fitting LED lighting when replacing bulbs;
 - ensuring that lights are turned off in empty areas;
 - working to reduce heat loss through open doors or poorly sealed windows;

4 Social

The Company has produced the following objectives as a framework for the introduction of practices to implement the social aspects of the ESG Commitment:

- Prohibiting any infringement of civil or human rights by the Company, its officers and employees, and by those in its goods and services supply chains. In particular, by prohibiting any participation in or connection with any modern slavery, child labour or human trafficking.
- Avoiding investment in or any other connection with industries with a negative social impact, for example, gambling, tobacco, or pornography.
- Prohibiting any bribery or corruption of, or by, any of its officers or employees.
- Prohibiting any money laundering by any of its officers or employees.
- Encouraging ethical behaviour and decision making within the Company and amongst its supply chain.
- Ensuring compliance by the Company with workplace health and safety laws and standards, and mitigating risks to health and safety in the workplace.
- Maintaining suitable privacy and data security measures in respect of all stakeholders of the Company.
- Maintaining an inclusive and collaborative workplace where the wellbeing of employees is a high priority.
- Promoting diversity and inclusion amongst the Company’s workforce.

- Providing and maintaining a working environment free from all forms of discrimination, harassment and bullying under any circumstances, for example gender, gender identity or expression, race, colour, creed, religion, nationality or national origin, ethnicity or ethnic origin, ancestry, age, marital status or sexual preference.
- Ensuring that the Company does not select, engage, place, promote, transfer or compensate or otherwise treat or deal with any employees on the basis of gender, gender identity or expression, race, colour, creed, religion, nationality or national origin, ethnicity or ethnic origin, ancestry, age, marital status or sexual preference.
- Creating a positive and rewarding workplace for the Company’s employees.
- Providing team building activities for employees.
- Providing a fair and rewarding remuneration policy and practise linked to business and personal performance.
- Encouraging and assisting to provide a work/ life balance with a flexible and considerate approach to employment and working practices, including working from home.
- Pursuing a fair and competitive approach to remuneration, working hours and attendance, leave, sick leave and other aspects of wellbeing.
- Making positive contributions to the local community and to worthy causes.
- Supporting the local community by employing local people where appropriate.
- Aiming to hold wellbeing and social activities in each year.
- Encouraging employees to participate in and contribute to activities which benefit the welfare of members/sections of the local community, allowing paid time-off for the employees where circumstances permit.
- Encouraging employees to participate in appropriate further education and training which supports their professional development, allowing paid time-off where circumstances permit, including any education or training that the Company itself is able to provide in-house.
- Conducting employee satisfaction surveys.
- Ensuring that the Company’s products and services meet all relevant standards of safety and quality for the benefit of its customers and clients whilst endeavouring to provide customer satisfaction with a view to retaining customers and maintaining a good relationship with them.
- Engaging local suppliers where appropriate
- Paying the Company’s suppliers properly and on time.

5 Governance

The Company has produced the following objectives as a framework for the introduction of practices to implement the governance aspects of the ESG Commitment:

- Ensuring that the Company complies with, at least, all applicable local and national laws and regulations, relevant standards and codes of practice relating both generally and in particular to transparency and corporate governance.
- Establishing clear and effective governance for ESG, promoting the use of best practice on corporate governance when relevant and possible, and setting goals and establishing accountability and reports to its board.
- Ensuring that the Company promotes strong oversight and transparency at all levels of its organization.
- Adopting and maintaining suitable and clear governance structures, including terms of reference for the board that, amongst other matters, set out the required composition of the board, its powers and responsibilities. This will include:
 - Maintaining and reviewing annually the ESG objectives within this policy statement;
 - Reviewing directors' remuneration at least annually;
 - Ensuring that the Company maintains exemplary board stewardship and management accountability.
- Ensuring that the Company adopts and implements adequate internal controls, processes, procedures and proactive risk management.
- The Company is committed to establishing and maintaining high standards of business ethics through a strong code of ethics and business conduct, ongoing ethics training and promotion of a culture of integrity, honesty, ethical and responsible conduct in its business activities and behaviours.
- The Company is committed to ensuring that no corruption, bribery, money laundering or internal misconduct activities are taking place in the business.
- Establishing and maintaining detailed policies covering anti-bribery and corruption, code/s of conduct, conflicts of interest, privacy and human resources, as part of the governance structure of the Company.
- Engaging with stakeholders about ESG issues.
- Ensuring that the Company cultivates strong stakeholder relationships through transparency, open communications and responding to stakeholder input on any issues including ESG issues.
- Dealing with regulators, tax authorities and auditors and other relevant stakeholders in an open and co-operative manner.
- Ensuring the resilience and long-term preservation of value for the Company's business.
- Ensuring that the Company mitigates risk exposure and builds the resilience of its business to climate change, earthquakes and other catastrophic events.

6 Measuring and reporting compliance

The Directors will adopt and implement (and vary from time to time as they deem necessary) detailed clear written requirements for the Company to monitor and report on the Company’s compliance with this ESG Policy Statement, including:

- metrics and methods for measurement, by the Company, of compliance sufficient to show trends over time and progress against established objectives; and
- requirements as to reporting to stakeholders at regular intervals, not exceeding 12 months, on the information derived from that measurement and on disclosures on ESG issues.

The Directors will publish to stakeholders all of those written requirements when they are adopted and whenever they are varied.

7 Status of this ESG Policy Statement

The Directors endorse this ESG Policy Statement and are fully committed to its implementation.

This ESG Policy Statement will be regularly reviewed and updated as necessary.

This ESG Policy Statement will be published on the Company’s public website so that it is freely available to all stakeholders and others to view.

This ESG Policy Statement has been approved & authorised by:

Adrian Geal

Managing Director

Signed: *Adrian Geal*

Date: 29th May 2024