



BRINGING MILITARY PRECISION TO SUSTAINABLE TRANSFORMATION

BAE Systems is one of the world's largest technology-led aerospace, defence and security companies. The products and systems it manufactures help support military capability, protect national security and people, and keep critical information and infrastructure secure.



The organisation's founding principles of trust, integrity and performance are at the heart of everything it does, including its approach to environmental responsibility.

To learn more, Sure b2b sat down with Deborah Allen, Group Director for Governance, Conduct & Sustainability.

BAE Systems is committed to a 'Sustainable Future'. In your eyes, what does such a future look like?

Balancing our future needs with what we do today. That may sound clichéd but it absolutely is that. The defence industry is very focused on the long-term and our order book goes out to 2035. We're manufacturing things today that will be in use for 20 or 30 years.

Due to that, we are constantly having to consider whether we can use materials that haven't been used in this context before, what tech can be brought in at the cutting-edge, what fuel will be used, what skillsets will be needed, what are the things our customers, the operators, will need to think of.



In order to deliver a product that can be sustainable through its lifespan, our upfront design and engineering must incorporate products, materials, people and capability. Those considerations are intrinsic to the nature of our business. They impact what we manufacture, where we manufacture and how we manufacture.

The answers to those questions aren't all going to come from BAE Systems. They come from collaborating with our customers, our partners and our very extensive supply chain.

BAE Systems has more than 20,000 direct suppliers and 89,600 employees. What strategies have you executed to ensure your entire network is singing from the same sustainability hymn sheet?

I'm not sure they do all sing off the same hymn sheet, quite honestly. It's more likely that everyone sings a slightly different version. However, that shouldn't matter. What's more important is whether the basics are there.

I don't expect BAE Systems' workers and partners to be able to recite our sustainability strategy and goals verbatim. What they should be able to do is understand and articulate what that strategy means in their own world.

The hymn sheet should be how it manifests itself to others; what our employees say of us, what our customers and suppliers say of us. Whether it is real matters far more than everyone being able to parrot back the same thing.

Our graduate groups, in particular, are very keen to work with us on making sustainability, ethics, diversity and inclusion more real. These are areas they are excited about and they want to be involved in helping to shape the future.



Having helped shape and lead a large-scale business transformation, what advice can you offer to your peers?

Partnerships are critical. Our top 100 suppliers include the likes of Rolls-Royce and Babcock; these are large enterprises in their own rights. Their Scope 3 emissions are our Scope 1 and 2. Their environmental commitments are intertwined with ours, and we need to work together in order to meet them.

In some ways, that's the easy bit. Accurately capturing and modeling Scope 3 emissions means understanding where your products will be used, when and how. That can be a challenge for a defence manufacturer as the markets we serve can be unpredictable.



Ultimately, we need to understand the key issues and impact each of our suppliers has, and then focus on addressing those very much in partnership with them. We have a vested interest in making sure they're doing the right things and are sustainable themselves in order to help us become a more sustainable entity.

A key starting point is 'materiality mapping', i.e. understanding what matters to which stakeholders and mapping those priorities against our businesses priorities. That helps to set the agenda in terms of what your focus should be and where the majority of your efforts should go.

So, don't be myopic in your view, make sure your priorities mesh with your stakeholders' priorities, and understand that those priorities will change, so periodically revisit them.





In 2021, BAE Systems committed to achieve net zero greenhouse gas emissions across its operations by 2030 and across its supply chain by 2050. How will you achieve those targets?

By taking a 'whole industry' approach. It won't be enough to focus on one piece of the jigsaw. We are investing in processes and technologies that drive a fully digital enterprise, allowing us to maximise the efficiency of our estate, of our operations and our value chain.

We are investing in large-scale solar farms and 'smart' buildings, as well as investing in our processes to create leaner, lighter products with a lower carbon footprint. Creating innovative products that reduce or replace the reliance on fossil fuels will be a key focus.

Our first-of-its-kind, fully connected Factory of the Future in the North West of England has sustainability at its heart. It balances revolutionary technology capabilities with our adaptable and digitally-minded workforce to create solutions to the problems of tomorrow.

By harnessing the power of data science, collaborative robotics, IoT, additive manufacturing, augmented reality and AI, we can design, virtually test and validate efficient, light-weight systems more quickly than ever before, reducing the lifecycle carbon footprint.

In terms of environmental reporting, we have our own internal data management systems and we are currently working through the Task Force on Climate-related Financial Disclosures (TCFD) framework.

That's being done in conjunction with the Global Reporting Initiative (GRI) to standardise the data, making it easier to benchmark progress and make comparisons between different organisations.



**Sustainable
Industry | '21**
INSPIRE YOUR STRATEGY

Free | 9th November | Online

Helping solve industries' most pressing challenge through learning, benchmarking & collaboration.

[Click here for more information.](#)



What is the primary barrier preventing businesses from moving forward?

By its very nature, sustainability is planning for a future that we may not individually experience. It's taking responsibility today for others to take forward in the future. Yet, I suspect many businesses focus more on the here and now.

You may want to start thinking about 'X', but first you have to get 'Y' out of the factory, so 'X' is put off until tomorrow. We need to change our thinking and behaviour to focus more on doing it today for tomorrow.



What's your big focus for the next 12 months and beyond?

Truly embedding sustainability in all that we do. Extending it further down our supply chain, progressing our net zero strategy, determining the implementation plan, and continuing to make a positive social contribution to the communities in which we live and work.

You've been involved with governance and sustainability at BAE Systems for more than 20 years. What are you most proud of?

When I hear my colleagues referring to the different elements of sustainability and diversity as, "Well, it's obvious, isn't it? Of course, we do it." Knowing that it's not just happening, but it's truly embedded in the way people think and act. I can remember back to when that wasn't the case. It's very gratifying to have played a part in driving that change.

What was key to achieving that shift?

Having it make sense to people. But more than that, you have to show them the way forward. You can't expect people to become experts overnight; you need to recognise where they are now, either in mindset or maturity, and then outline what the next step is.

Who has most inspired your own sustainability journey?

My children. Having children means taking a long-term outlook, you're looking at the future through their eyes. What's the future they will inherit? What's the work environment they'll be going into? It's no longer about you, it's about them.

Why are you excited about being involved in Sustainable Industry '21?

It's a chance to understand and share experiences. Sustainability is an area that is forever evolving, so I'm looking forward to hearing how other businesses are responding and the fantastic initiatives they are involved in.

What are you most interested to learn from those in attendance?

What is it that they're now worrying about that I haven't even considered? What are the things on their radar that I need to start thinking about?

