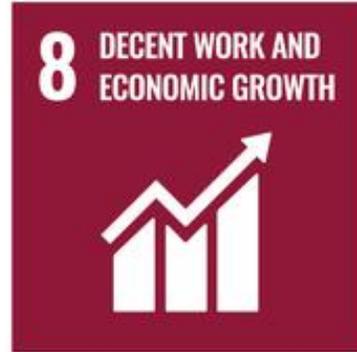


THE IMPORTANCE OF ESG AND SUSTAINABILITY WITHIN THE SPACE SECTOR

Sabrina Alam

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SUSTAINABLE DEVELOPMENT GOALS



What is Sustainable Development?

Sustainable development

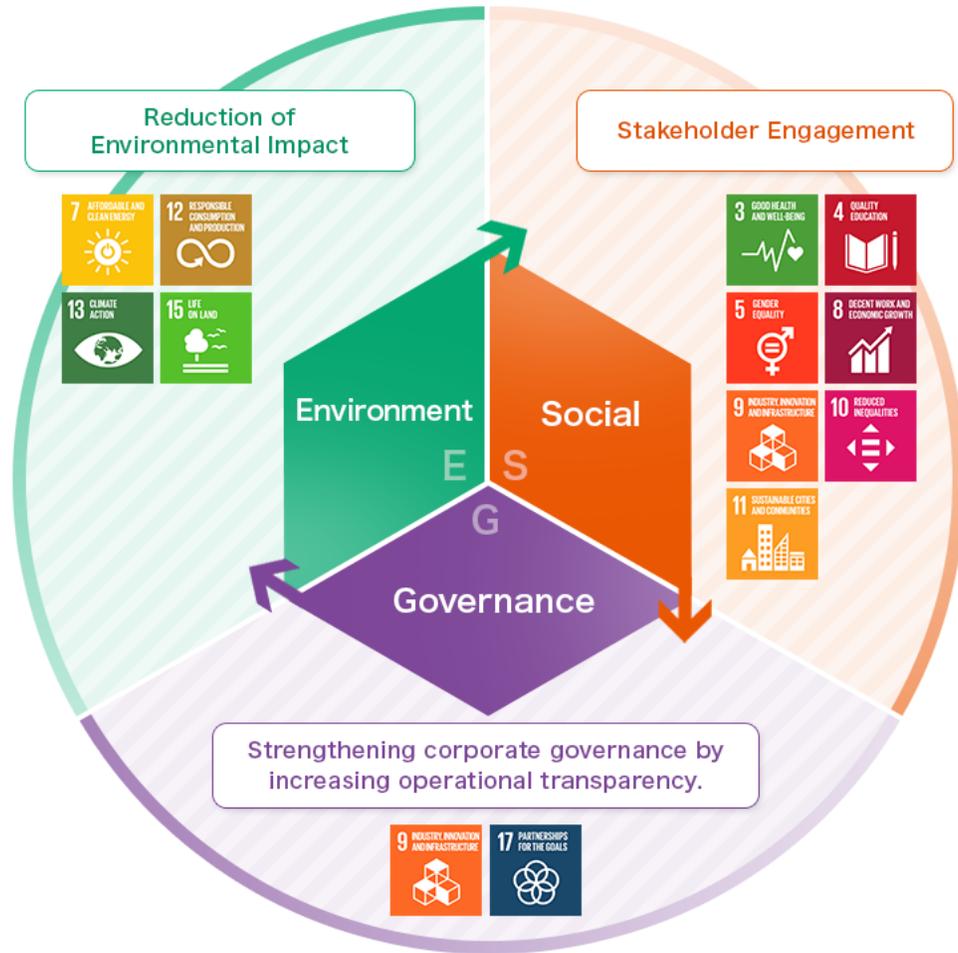
Development that meets the needs of the present without compromising the ability of future generations to meet their own needs



5 Ps of sustainable development:

- People
- Prosperity
- Planet
- Partnership
- Peace

What is ESG?

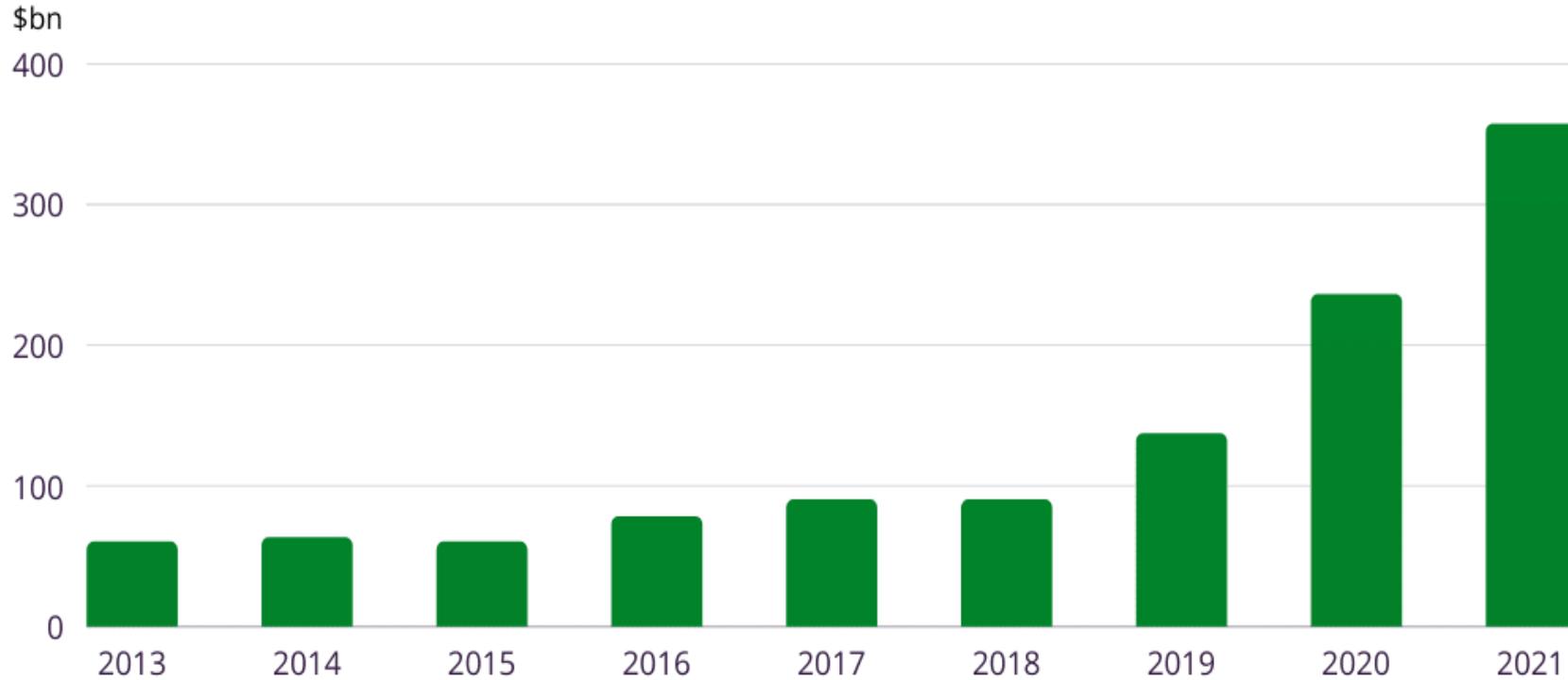


- ESG is a framework that encourages organisations to understand better their impact and act across environmental, social and governance criteria.
- It is a measure of an organisation's sustainability efforts with the aim to target the UN SDGs.

Environmental	Social	Corporate Governance
GHG Emissions Reduction	Diversity and Inclusion at all levels	Ethical and transparent business practices
Biodiversity Loss	Employee Wellbeing	Accurate reporting to national and international directives
Waste and Pollution	Worker Rights	Supply Chain Management
Space Sustainability	Community Engagement and Empowerment	Regulatory and Legal Interventions
Life Cycle Assessments (LCA) across all products and services	Humanitarian Efforts in the form of financial aid and in-kind products/services	Space Policy and Advocacy
Value Chain Management	Advocacy for Best Practice within the Industry	Executive Remuneration based on ESG criteria

The Remarkable Rise of ESG

2021 saw a substantial increase in investment where the figure reached over \$357 billion



ESG investment is a global trend with worldwide ESG investment on track to reach over \$50 trillion by 2025

The Importance to businesses

The 5 R's

Returns

There is a positive relationship between ESG adoption and financial performance through three main ways.

- Customers
- Investors
- Community and Government

Risk

Solid ESG strategies are negatively correlated with investment risks. As more criteria are considered within these types of decisions, more insight is gained into an organisation and how they conduct business leading to a broader analysis before finalising a decision.

Resilience

ESG enables companies to set up concrete targets and metrics to avoid poor lending conditions and exclusion from capital markets

- earn subsidies and governmental support
- Strengthened regulatory and legal interventions throughout operations reduces the number of corruption cases

Resources

ESG standards encourage companies to allocate their resources more efficiently minimizing waste and negative externalities

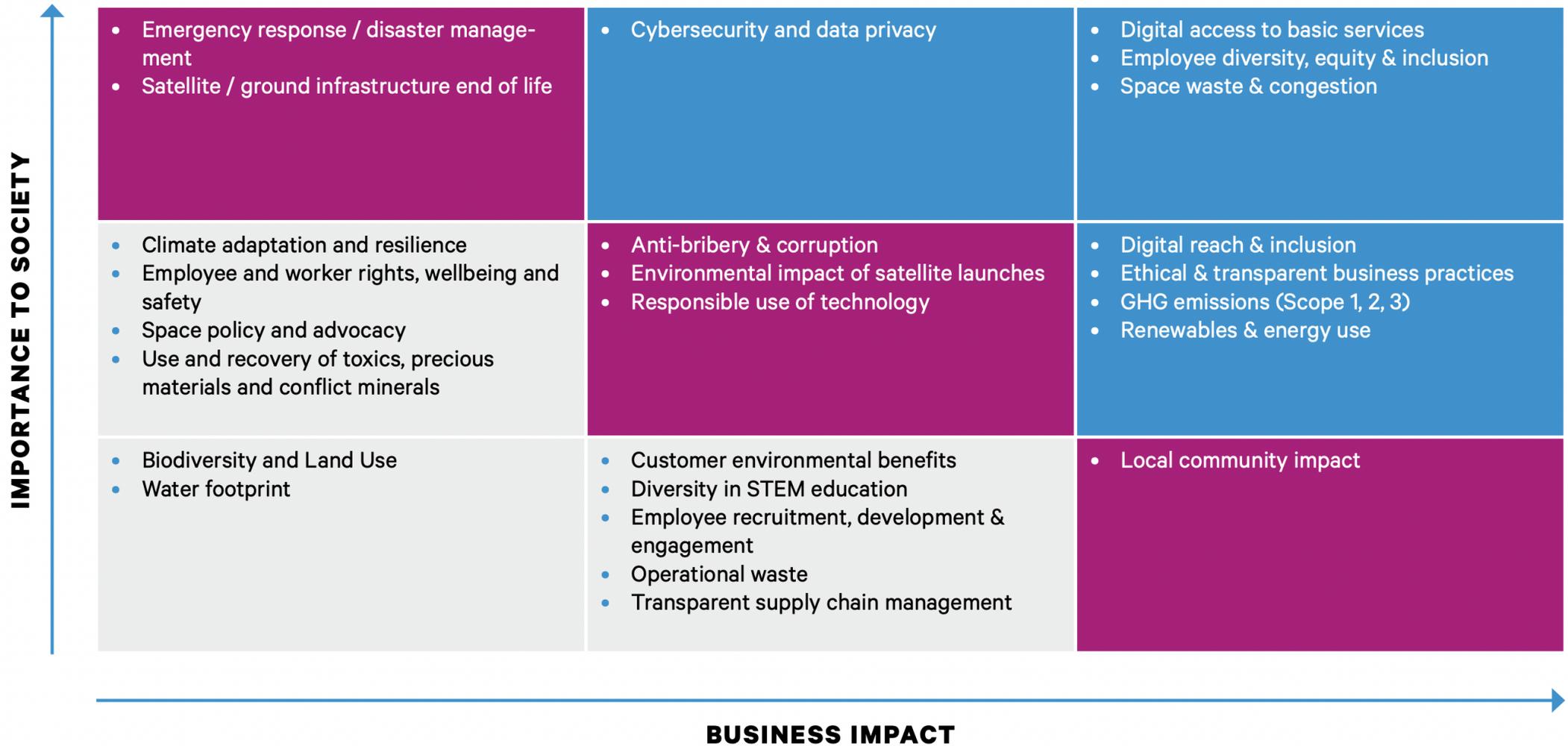
Reinforcement

Well-performing ESG programs lead to increased employee productivity, reduced gender inequality and pay gap whilst attracting new talent and increasing employee retention

SES Case Study

SES Materiality

ESG Issues as the Basis of Strategy



HORIZON

Where Sustainable Space
Meets Sustainable Earth



SUSTAINABLE SPACE

Lead, collaborate, and innovate for sustainable space.



CLIMATE ACTION

Take bold climate action by setting targets and innovating for the planet.



DIVERSITY & INCLUSION

Make the space industry more diverse and inclusive, starting with SES.



CRITICAL HUMAN NEEDS

Empower communities to thrive with services to support critical human needs.

Responsibility

Innovate to reduce our footprint from launch to decommissioning

Reduce GHG emissions across operations and our supply chain.

Build a more diverse and inclusive workforce across all levels of our business.

Develop partnerships and innovate to increase access to education, health, and information services.

Opportunity

Advocate best practice approaches to ensuring industry-wide responsible use of space.

Provide solutions to combat environmental challenges through satellite connectivity.

Increase diversity and inclusion in the space industry through targeted actions and investments.

Expand reliable access to content and connectivity to build sustainable communities.



Recommendations

Resource Allocation

Existing and upcoming space organisations to put a real budget towards sustainable development. With resources onboard, organisations can gain a basic understanding of ESG and eventually develop an ESG strategy aligned with the UN SDGs and business objectives.

Industry Consolidation

Industry consolidation in the form of collaboration opportunities specifically focused on sustainability, working groups, sharing of publicly available resources and an increase in training as well as:

- Define ESG for the industry
- Industry Expert

ESG in Funding Criteria

Funding bodies to incorporate ESG into their criteria with a focus on SDG alignment.

This forces the next generation of the space industry to understand and think about sustainable development at the beginning stages of the organisation's life.

International Regulations

With upcoming governance directives related to ESG criteria, it is important that the industry has a say in future proposals and its implementation.

Representatives of space organisations to join national and international regulatory boards and/or committees.

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