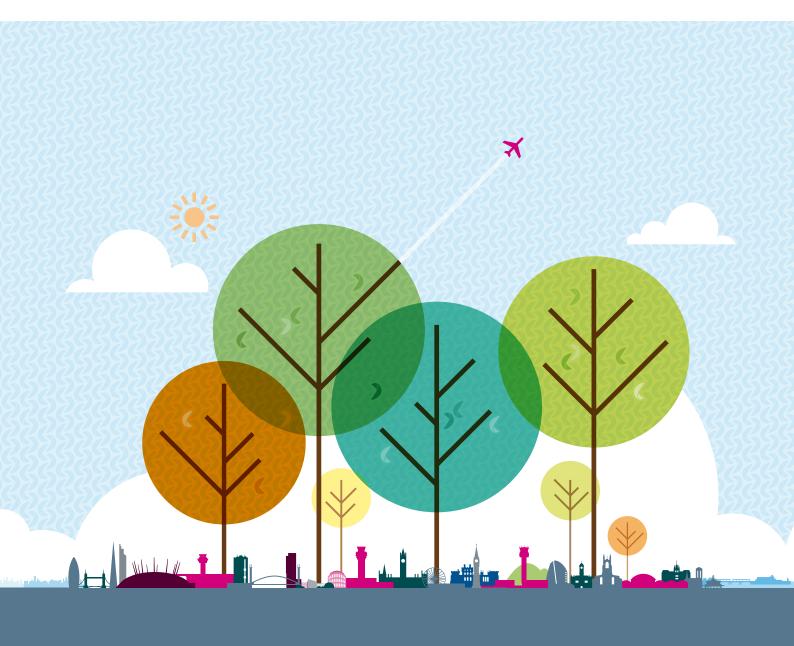
# 2013-14 | CORPORATE SOCIAL RESPONSIBILITY REPORT









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## **ABOUT US**

M.A.G is one of the largest UK airport operators, serving 44 million passengers and handling 639,000 tonnes of airfreight every year. With the acquisition of London Stansted Airport, at least 70% of the UK population is within a two hour drive of a M.A.G airport. The Group has a portfolio of four quality airports and a significant national footprint with access to both London and regional markets – ensuring that the acquisition fully supports the Group's strategic mission, to deliver sustainable growth in shareholder value, balancing the needs of our customers, passengers, employees and communities in which we work, whilst maintaining the highest safety and security standards.

Through the ownership of Manchester, London Stansted, East Midlands and Bournemouth Airports and the commercial property company M.A.G Property, we are highly skilled in operating all airport related areas, such airport security, car parking, air traffic control, motor transport, firefighting, engineering and retail activities.

M.A.G is a private company, with shareholdings held by Manchester City Council (35.5%), Industry Funds Management (35.5%) and the nine remaining Greater Manchester local authorities (29%). M.A.G is privately managed on behalf of its shareholders.

#### **MANCHESTER AIRPORT**

As the third largest airport in the UK, Manchester Airport is the global gateway to the North of England. The airport handles over 20 million passengers a year, with 70 airlines flying directly to over 200 destinations worldwide. With around 20,600 people employed on-site, the airport's growth and prosperity is shared by the city of Manchester and the surrounding region.

#### **LONDON STANSTED AIRPORT**

London Stansted is the fourth largest airport in the UK and offers 150 destinations to the 25 million people who live within two hours of it. It is the largest single site employer in the East of England, with 10,200 people working across 200 companies. Since joining M.A.G in February 2013, London Stansted Airport is undergoing a £80 million redevelopment which will improve passenger flow and customer experience.

#### **EAST MIDLANDS AIRPORT**

East Midlands Airport connects over 4.3 million passengers with the world, serving more than 80 destinations. Being the UK's busiest pure freight airport, East Midlands also plays an important national role. The airport is an established base for Royal Mail as well as the express courier companies DHL, TNT and UPS. East Midlands Airport is a vibrant economic hub, supporting nearly 8,000 jobs and generating around £218 million gross value added per annum for the region. The airport is currently undergoing a £12 million redevelopment which will improve the customer experience and the facilities available in the passenger terminal.

#### **BOURNEMOUTH AIRPORT**

Bournemouth Airport connects the South East of England to more than 36 key national and international destinations, as well as supporting over 900 jobs in the region. The airport is key to the local economy, generating more than £27 million of income annually to the local region. Having undergone a £50 million transformation, the airport now has the potential capability to handle 3 million passengers per year.

You can read more about the impact of our airports on the local economy in the supporting economic development section of the report on page 16.

M.A.G Property is M.A.G's property and facilities management arm and is responsible for all commercial property and land across the Group. Its £550 million portfolio comprises over 500 properties with 1,000 business tenants across all sites.



#### **AREAS OF CONTROL**

## M.A.G

Property
Customer service
Car parks
Car park transport
Terminal buildings
Facilities management
Operations management
Airport security
Airport waste recycling
Aircraft transport
Fire services
Land use
Airfield cleaning/maintenance
Airfield de-icing

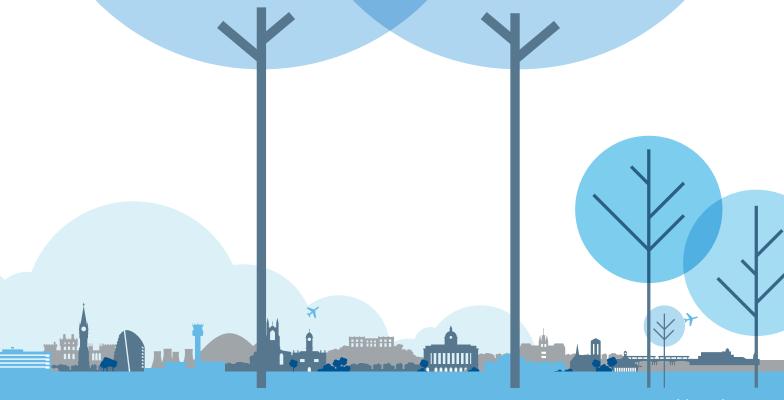
## **SHARED**

On-site business Surface access Aircraft catering Air Traffic Control Refuelling

## M.A.G PARTNERS

Aircraft
Retail and catering\*
Airport cleaning\*
Aircraft handling
Aircraft cleaning
Aircraft waste recycling\*
Baggage handling\*
Cargo handling
Refuelling\*
Aircraft taxiing and holding
Aircraft maintenance
Airfield de-icing
Aircraft de-icing\*

\* Indicates areas that M.A.G can influence





## **WELCOME**



Charlie Cornish Group Chief Executive

Welcome to the annual CSR report of Manchester Airports Group (M.A.G).

As we continue to see signals of sustained recovery from the wider economy, I am delighted to report another year of very positive business results. This year we have seen our revenues, profit and market share all out-perform the market. We have long recognised that managing the business in a responsible and sustainable way is an integral part of our operations and an important component of our success. By setting out a clear strategy, which accords with our enduring values, we have provided a clear focus and a firm foundation for our work.

We see our airports as an important part of the regions that they serve. We are determined that we will continue to work closely with our local communities to understand and respond to their concerns, to use their feedback to guide our development and to ensure that they share the benefits of our success. This year we have further developed and extended our Airport Academy Model, supporting local people into employment. We have

also continued to build our support for education and the development of valuable workplace skills. Current data suggests that our airports support 45,200 full time employees across the regions and that, collectively, M.A.G airports contribute £4 billion to the regional economies in which we operate.

Managing the environmental implications of our operations is a challenge that we must continue to tackle and I am pleased to report good progress against a range of challenging commitments to reduce our carbon emissions, to eliminate waste and to reduce our demand for energy. We cannot tackle these complex issues alone and are increasingly working together with our business partners, both on-site and within the wider aviation community, to find innovative solutions. I would particularly note the work undertaken by Sustainable Aviation which, by drawing together airports, airlines, aircraft manufacturers and air traffic control, has enabled the industry to set out an authoritative and compelling longterm view of how we will reduce carbon emissions and aircraft noise.

Following the acquisition in 2013, we have continued to integrate London Stansted Airport within M.A.G. The insight and experiences of new colleagues has been invaluable to this process. In a demanding and competitive environment, it is important that we challenge and support our people and, most importantly, that we provide a safe and healthy working environment. I am pleased to report the

work of our 'Vision Zero' campaign and to note the '5 star' award from the British Safety Council that is an acknowledgement of the progress we have made.

As we work towards our vision to become the UK's premier airport management and services company, it is important that CSR guides the way we do business and that we continue to report in a way that is both comprehensive and accessible. At a time of increasing scrutiny, we believe it is important to share our experiences as part of a broader conversation with all of our stakeholders and we welcome your feedback.

Charles Cornish

Group Chief Executive M.A.G





## OUR CORPORATE SOCIAL RESPONSIBILITY STRATEGY

M.A.G Corporate Social Responsibility Report 2013-14

#### **OUR CORPORATE SOCIAL RESPONSIBILITY STRATEGY**

M.A.G's commitment to operating responsibly and contributing to the economic development of the regions in which we operate underpins how we run our business. We take full responsibility for the impact our activities have on our stakeholders and the environment. We ensure that our CSR strategy is integrated into the wider Group strategy and that it is supported by appropriate governance structures.

We believe that implementing our CSR strategy is consistent with our business objectives; minimising our use of resources drives down operating costs, and working for the long-term with all of our stakeholders ensures that we remain responsive to the rapidly changing business climate. By investing in our people we can create an environment where they reach their full potential and we benefit from the full potential of their talent. For more information on our stakeholder engagement processes, please see the stakeholder engagement section of the report on page 55.

Our CSR strategy was developed after significant consultation with a wide range of stakeholders. This has given us an appreciation of the CSR issues that are most material to our business and has shaped the development of our strategic objectives and targets. This understanding of those issues that are most material to our business will continue to focus the way we assess and report our progress. As transparency is integral to being a responsible operator, we have placed our CSR strategy in the public domain, allowing any party that has an interest to

view our objectives and targets via our website www.magworld.co.uk

By sustaining our commitment to shrink our carbon footprint, we will significantly reduce our impact on the environment. We will continue to work with local communities and stakeholders to minimise any negative impact our operations may generate and ensure they share in the benefits of our success. As our colleagues are at the heart of the achievement of our business, we will continue to invest in maintaining a high-performance culture so we can attract and retain the best people. We view their engagement in the local community as integral and will be encouraging more of our people to take part in voluntary activities that develop skills, provide new experiences and directly benefit the communities around our airports.

### **Corporate Social** Responsibility Objectives

Our strategic targets were established before the acquisition of London Stansted Airport and cover Manchester, Bournemouth and East Midlands Airports. Although London Stansted is not currently covered by the Group CSR targets, it works towards the same strategic CSR framework and objectives. Next year, we are committed to renewing our Group CSR strategy to encompass all four airports. Progress on this will be updated in next year's report.

Progress against these CSR objectives is set out in the Our Achievements section of the report.

#### **CSR OBJECTIVES**



Strategic objective: We will make best use of natural resources and minimise the environmental impact of our operations.

To deliver our strategic objective we will:

- Adopt environmental management systems that identify and minimise risk
- Reduce climate change emissions by increasing efficiency and obtaining energy from renewable sources
- Develop and adopt practices that minimise disturbing and intrusive noise
- Ensure we protect the natural environment by operating responsibly within environmental limits
- Minimise waste and promote recycling
- Develop our business and our sites sensitively to protect the natural environment.



Terminal 2 at Manchester Airport





Strategic objective: By building enduring relationships with our local communities, we will seek to understand the issues that are important to them, to understand how our operations affect them, and to use our combined skills and resources to work together for our mutual benefit.

To deliver our strategic objective we will:

- Use outreach programmes to positively engage with our communities
- Use our people, skills and resources to improve school attendance and enhance educational attainment of local children, so that they may be better prepared to enter the world of work
- Support local people to enhance their skills and, wherever possible, provide opportunities to work at our airports
- Encourage and support our people to participate in voluntary work that supports our broader CSR objectives and benefits our business and the local community
- Implement appropriate mitigation policies to support those who are impacted by our operations
- Where we receive complaints, deal with them promptly, sensitively and professionally, using the information provided to guide the development of policy.



Strategic objective: We seek to create a healthy workplace which attracts committed colleagues who we support and develop throughout their careers with us, so that they may maximise their contribution to our business.

To deliver our strategic objective we will:

- Clearly articulate our values and ensure they operate at all levels of our business
- Operate programmes to identify, develop and retain talented people
- Proactively consult and communicate to develop employee relations
- Employ a systematic strategy to promote the health and well being of our colleagues
- Employ a certified and systematic management of health and safety
- Seek to provide fair treatment for all when entering our business and throughout their careers with us.



Strategic objective: We aim to maximise our economic contribution, whilst always maintaining a fair and respectful relationship with our supply chain and business partners.

Key objectives include:

- Selecting partners using evidence based supplier selection criteria
- Operating fair payment terms
- Maximising our economic impact in the regions we serve
- Seeking suppliers who share our values and promote CSR
- Supporting the regions in which we operate
- Providing a safe, secure and accessible environment for our passengers that meets their travel needs.







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#### SUPPORTING ECONOMIC DEVELOPMENT

Our airports are a catalyst for growth. We are committed to growing our business and in particular we aim to maximise our economic contribution in the regions we serve and support local people and businesses to access these economic opportunities.

It is estimated that fifty million people live within a two hour drive of a M.A.G airport. This means 70% of the UK population have accessibility to 275 routes across the world.

By supporting and facilitating the performance of other industries, at a time when trade is increasingly international, aviation makes an important contribution to the economy of the UK. This is particularly important to the UK given our geographical position as an island on the edge of Europe. But M.A.G also makes a contribution in its own right.

We estimate that M.A.G's four airports contribute £4 billion to the national economy.

Our airports also have a positive impact on their local regions through employment opportunities, the economic benefits of goods and services supplied to the airports and, in turn, the spending of increased income in the local area. Our aim is to target benefits locally to maximise regional impacts and we will seek to report on these.

The commercial impacts of our airports are monitored by tracking direct, indirect and induced economic impacts.

#### Measuring economic impacts

For a number of years we have tracked our economic impacts with the support of an independent consultancy. These are measured as:

- 1. Direct economic impacts are direct employment and gross value added, largely related directly with the operation of the airport
- 2. Indirect economic impacts are those generated in the chain of goods and services to the airport operations
- 3. Induced economic impacts are employment and gross value added services generated by the spending of income earned from direct and indirect activities.

In 2013, it was estimated that Manchester Airport directly generated around £752 million of gross value added per annum in the North West, supporting around 20,600 direct full time equivalent (FTE) jobs. If indirect and induced effects are included, it is estimated that the airport supports around £1.5 billion in gross value added per annum and nearly 44,700 jobs across the region.

**London Stansted Airport** is the largest single-site employer in the East of England, employing 10,200 people across 200 on-site companies, which demonstrates its importance to the regional economy. London Stansted Airport has the highest proportion of freight traffic among the London airports, and acts as a key hub for express freight services, in particular for FedEx and UPS.

The airport is strategically placed in the middle of the London-Stansted-Cambridge growth corridor. Within the corridor is the Cambridge Cluster with 1,540 technology companies dotted around Cambridge, The City (the world's foremost financial centre), Tech City and Harlow Enterprise Zone.

London Stansted generated £774 million in gross value added to the region in 2013 and supports over 19,000 jobs with indirect and induced employment included.

East Midlands Airport makes a significant contribution to the regional economy, particularly to the three cities of Nottingham, Leicester and Derby and to the district of North West Leicestershire.

In 2011, East Midlands Airport directly generated around £139 million of gross value added in the East Midlands, supporting around 5,000 direct FTE jobs. If indirect and induced effects are included, it is estimated that the airport supports around £218 million in gross value added per annum and nearly 8,000 jobs across the region.

The contribution of Bournemouth Airport is smaller but still significant in the context of the local labour market. Bournemouth Airport directly supports around £16 million of aross value added per annum and 600 direct FTE jobs, including indirect and induced effects, and supports around £27 million in gross value added per annum in Dorset and around 900 jobs.

- Direct employment impacts full-time (000s)\*
- Direct value added to region per annum (£m)\*



#### SUPPORTING LOCAL EMPLOYMENT, EDUCATION AND SKILLS

We recognise some local businesses and people experience barriers that prevent them from accessing the potential economic benefits of our airports. This can contribute to social exclusion and inequality. With the support of our partners, we are committed to tackling these barriers directly.

Our work with regional suppliers is discussed in our community section, page 35.



East Midlands Airport, Airport Academy

#### **Airport Academies**

We have developed specialised employment and skills academies at our three largest airports, Manchester, London Stansted and East Midlands, Our Academies aim to break down the barriers to local people gaining employment at the airport. These barriers may be personal confidence due to long-term unemployment, lack of awareness of job availability at the airport, or the perceived inaccessibility of the airport.

All three academies are located on the airport sites, sponsored by M.A.G and run by specialist employment and training organisations. The most recent Airport Academy was opened in June 2013 at East Midlands Airport. This year alone 663 people have received specialist training at our Airport Academies and 1,194 people have been referred for jobs by them.

Our academies give unemployed people the vital skills, confidence and experience they need in order to be able to secure work. This is achieved through a job matching service, preparation for employment training, support with writing CVs, practical interview training, work placements, or just help in planning their travel to work. Once in work, candidates receive on-going support and encouragement to develop their skills, to ensure that their new working life is a rewarding one.

In addition, our academies run jobs fairs and invite employees from local Job Centres to the airport to demonstrate its accessibility and the range of jobs available. This ensures they have relevant information which encourages them to refer candidates to the Airport Academies and into jobs.

London Stansted airport's managing director Andrew Harrison said: "As well as providing an important qualification, the academy also increases candidates' confidence and interviewing techniques to set them on the path of employment."

#### **Manchester Airport Academy**

Manchester Airport Academy is a partnership between Manchester Airport and Stockport College to assist unemployed people to apply for vacancies with the airport or employers based on the airport site. It was set up in 2005 and offers a two week training course which can lead to two nationally recognised qualifications, and can potentially facilitate a work placement opportunity.

Airport Academy project manager Simon Fennell says that the Academy "wants to help not only the long-term unemployed but also people who are strugaling to come to terms with recent redundancy".

He said: "It's all about standing out from the crowd and the academy makes you that bit more special and more attractive to potential employers".

In the last three years, 549 people have been trained through Manchester Airport Academy and 303 have gone on to work at the airport.

#### Manchester's Young Persons **Airport Academy**

Manchester Airport's Young Persons Academy is available to young people between 16-19 years old. The North West of England has a high percentage of young people currently not in education, employment or training. Additionally, those who leave full-time education are





often faced with a lack of work skills and self-confidence, and find it challenging to relate to older people or those already in the work environment. This is particularly prevalent in Wythenshawe, which neighbours the airport, where in the neighbouring ward of Woodhouse Park, youth unemployment is currently 34.9% (March 2012).

In May 2013, with the support of an 'Employee Ownership of Skills Programme' grant, we were able to set up a Young People's Skills Academy. M.A.G matched over £1.3m of public money from our Employer Ownership Fund to establish the Young Persons Academy.

The Academy is a consortium between the airport, Stockport College, Manchester Metropolitan University.

The Young Persons Academy supports young people into the world of work and to progress into a future of productive economic activity. It offers young people:

- A potential work placement as well as on-site training at the airport
- A course that is tailored to meet the needs of the young person
- Qualifications and development of work skills and experience.

To date, 51 young people are on or have or passed through the academy and 14 are now in employment.

#### **CASE STUDY:**

#### Josh, a past student of Manchester Airport Young Persons Academy

Sally, one of our placement officers, said: "Josh is 19 years old from Wythenshaw and was one of our first students to join the Manchester Airport Young Persons Academy. He initially attended a two week work experience programme M.A.G engineering, which triggered his ambition to become an engineer. Josh has worked hard during the eleven months spent on the programme, achieving relevant qualifications and gaining valuable handson experience through work placements with M.A.G and its sub-contractors under the guidance of the Academy and with the support of his mentor. Josh began his paid apprenticeship in electrical engineering for his new employer DC Emergency Systems on-site at Manchester Airport. This is a lifechanging achievement, placing him firmly on the road to the career of his dreams."



Josh, a past student of Manchester Airport Young Persons Academy

Josh said: "A lot of people struggle to find a good job or a suitable course in Manchester at the moment. Through the academy I have gained various qualifications in a short time, for example health and safety, first aid at work, aviation awareness and personal finance. I am now just about to re-sit my Maths and English."

"The academy has improved my chances of getting a job, it has built my confidence and given me experience and knowledge of work life. It is unlikely I would have been able to gain this job without the academy. Getting my apprenticeship means everything to me. It's given me stability in my life and I am more confident within myself. This is more than a job to me, this is my career for life."

#### **London Stansted Airport Academy**

The London Stansted Airport Academy is based at the heart of London Stansted Airport. It opened in March 2008 and is managed by Urban Futures, a training provider based in north London.

The London Stansted Academy is not a conventional job agency but a specialist in airport employment that aims to provide a quality service to individuals looking for work at the airport and a bespoke recruitment service to airport employers. To support local unemployed people into work, the London Stansted Airport Academy offers a five day accredited pre-employment, preparation for work training programme. The course covers topic such as:

- Completing applications forms, online applications and CVs
- Personal presentation airport image or company requirements
- Communication skills dealing with passengers
- Intensive interview techniques and mock interviews
- Visits from employers for presentations/talks during the course
- Full airport tour, including hotels, retail outlets and speakers from employers during the tour.

#### **CASE STUDY:**

#### Julia a past student of London **Stansted Airport Academy**

When Julia joined the course in 2011 she told me a bit about her background; she was a single parent with a daughter (11 years old who had just started senior school) and had been claiming various benefits for 11 years. She had been told by the DWP that she needed to get back into work. Julia had lived in the same community for all that time and she and many of her neighbours and friends were 'stuck in a rut'; Julia could not find any work in her local area. She told me that she had no confidence in herself and her abilities as it was so long since she had worked.



Past student of London Stansted Academy, Julia

On day two of every course, the candidates are taken on a tour of the terminal building (candidates also go into the terminal every day at lunch and before/after the course) and have the opportunity to see and find out about all of the businesses located there. Julia came back from the tour very enthusiastic and said she wanted to work at the airport.

She saw a vacancy with Claire's Accessories for a sales assistant, twelve hours a week, and decided to apply; the trainer and I gave her some guidance on how to complete the application form.

During the course Julia had several setbacks. We encouraged her to continue her application and sent it off to Claire's. During the course, Julia had several mock interviews to help prepare her. Claire's invited Julia in for an interview and she was successful in getting the job.

Within three weeks of starting with Claire's Accessories, Julia was trained up as a key holder and by Christmas her contract was increased to a full-time position and was the 'main' key holder for the outlet. They supported Julia by giving her shifts that fitted in with her child care.

Unfortunately Claire's Accessories left the airport, but this did not deter Julia. She was head hunted by Synergy to work airside doing promotions for beauty and perfume products. Julia exceeded the sales targets set for her and soon became requested by the various cosmetic companies to sell their products.

Julia was head hunted again and now works for Attitude full-time at the airport. She has had a tough 2013 having to overcome a serious illness, but still came to work when she was able!



Past student of London Stansted Academy, Julia

#### In Julia's words:

"I could never have achieved this without the support of everyone at the academy and the Preparation for Employment at London Stansted Airport course. Thank you to Anita and the team for all their help with interviews, motivation and confidence support. Their continued support when I was transferring between the various companies was invaluable!"



#### **East Midlands Airport Academy**

In June 2013, we expanded our Airport Academy model to East Midlands Airport. By establishing the Airport Academy in partnership with Stockport College and Jobcentre Plus, the airport is able to provide a tailored recruitment service



East Midlands Airport open their Airport Academy

for airport employers as well as a preemployment training and recruitment for local job seekers. Candidates receive a two-week training course and are awarded two level 1 City and Guild qualifications in Customer Service and Personal Development.

## Students of the East Midlands Airport said:

"Just a quick line to say many thanks for your help and support. I take up a security post in two weeks' time, having been out of work for eight years." Paul Moore, Loughborough

"Thank you for the opportunity to complete the course. I would recommend it to anyone as it has really helped build my confidence. Thanks for the hard work you put in and for helping me back into employment. I look forward to starting work with Travelex next week." Marie Brown, Long Eaton

We are committed to offering Apprenticeship opportunities across M.A.G. We recognise they can provide vocational training that help give employees the sustainable skills and recognised qualifications for a long and successful career.

For example, two new apprentices started in the engineering department at London Stansted in September 2013. Both have been registered on the Advanced Apprenticeship framework which is a four year fixed-term contract. During the apprenticeship they will gain a number of qualifications: NVQ Level 3 Advanced Apprenticeship, BTEC national certificate in Electrical Engineering, Performing Engineering Operations and Level 2 Functional Skills. This is hopefully the beginning of a long and happy career at the airport, as many of our current team began this way over the past 30 years.

#### Airport Academies data

Airport	Unit	2013/14
Manchester	Total number of jobs referrals made at Airport Academy	584
	Total number of people trained at airport	263
	Total number of people placed into employment at airport (on-site jobs)	116
London Stansted	Total number of job referrals at airport	265
	Total number of people trained at airport	244
	Total number of people placed into employment at airport (on-site jobs)	450
East Midlands	Total number of job referrals made at Airport Academy	345
	Total number of people trained at airport	156
	Total number of people placed into employment	102



#### **Supporting Local Education**

Airports are an exciting and inspiring environment and we believe that by offering opportunities to young people in local schools and colleges to experience the world of work at an airport, we can help them to improve their employment prospects.

#### Work experience

The aim of M.A.G's work experience programme is to provide students with an insight into the world of work and the aviation industry.

Last year London Stansted Airport provided work experience to 25 young people from Harlow College, Forest Hall School, London Stansted Mountfitchet, St Mary's, Bishops Stortford, Gosfield School, Braintree and Linton High School, Cambridge. The students spent a week on work experience.

For example, in June, ten young engineers from Harlow College spent two weeks experiencing working life at London Stansted. The partnership between the airport and the college is aimed at giving students an insight into the various engineering roles across the airport with the intention that some may apply for airport apprenticeships. The students, who are studying for the BTEC Level 3 Extended Diploma in Manufacturing Engineering, worked alongside electrical and mechanical technicians as they carried out their maintenance work in the terminal and airfield.



Manchester Enterprise Academy

The work experience programme at East Midlands Airport continues to be very popular with two different experiences offered to 13 students – one travel and tourism focused, and the other science, technology, engineering and mathematics focused. Both received positive feedback from students and teachers.

Bournemouth Airport has been working with local Dorset schools to provide opportunities for a series of work placements for students. Four one-week placements were offered to students from LeAF Studio in Bournemouth, Avonbourne College in Bournemouth, Ferndown Upper School and Woodroffe School in Lyme Regis. Each student spent time with each of the airport departments, including customer services, the fire department and air traffic control.

#### M.A.G Sponsoring Manchester Enterprise Academy

In 2009 M.A.G became lead sponsor of the Manchester Enterprise Academy, working alongside Willow Park Housing Trust, The Manchester College and Manchester City Council. The school is one mile from our site and has, for many years, struggled to meet the expectations of the local community. Our support has been wide ranging, including supporting the transition to become an Academy, overseeing the installation of a new school building and chairing the governing body to instil good governance, educational attainment and to build a more positive reputation. Through our involvement, we hope to help steer the learning environment to meet business needs and in particular to equip the students to work within our business if they aspire to do so. In 2011, for the first time in many years, the academy achieved government targets in key subject areas and student numbers are slowly increasing.

It has been a rapid and successful journey of improvement over the last two years which is demonstrated in the recent Ofsted inspection and the academic results.

More than 35 mentors from local leading businesses and organisations – including large numbers of Manchester Airports Group employees – are working with MEA 6th form students. This has led to 14 MEA students successfully applying to university and to some amazing employment opportunities. Manchester Enterprise Academy is in the top 100 most improved schools in England on GCSE results (confirmed in January 2014).

"The Academy and sponsors are the heart of the local community and know it well. They are determined to provide the highest level of care and education that the people in this community need and deserve." Direct quote from March 2013 Ofsted Report.

## Work experience data

Airport	Unit	2011/12	2012/13	2013/14
Manchester	Number of work experience placements	26	37	58
London Stansted	Number of work experience placements	*	*	25
East Midlands	Number of work experience placements	24	18	13
Bournemouth	Number of work experience placements	**	**	4

<sup>\*</sup>Data currently not available. \*\*2013/14 was the first year Bournemouth offered work experience placements.



#### **OUR ENVIRONMENT**

We are committed to minimising the environmental impacts of our operations. Our approach is active and direct. By working with partners from across the industry we seek to address issues such as noise and climate change, which are inherently cross-sector.



London Stansted Airport

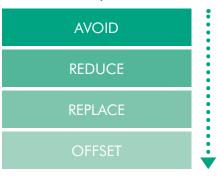
#### **Environmental Management**

All our airports have been certified to the international standard on environmental management ISO14001 and we have achieved the Carbon Trust Standard for carbon management at all four of our airports. Manchester Airport has been reaccredited to the Airport Carbon Accreditation Programme. These standards help provide us with the foundations for managing our environmental impacts. Our most significant environmental impacts are reducing carbon emissions, reducing energy usage, creating renewable energy options, waste management and noise abatement. We also closely monitor air quality, water and our ecological impacts.

#### **Carbon Emissions**

We are committed to reducing our greenhouse gas emissions. As part of the process of achieving this strategic CSR objective, we are committed to the principles of the carbon hierarchy: preventing carbon emissions; improving operational efficiency; generating renewable energy on-site; purchasing surplus energy requirements from off-site renewable projects; and only making use of carbon offsets to compensate for any unavoidable remaining emissions. By 2012-13 we achieved our goal of carbon neutral ground operations at East Midlands Airport and Bournemouth Airport, and we are now making good progress to achieve the same at Manchester Airport.

#### Carbon hierarchy



Actions at the top have a greater and lasting impact in reducing the carbon footprint.



#### Preventing carbon emissions

We understand that carbon emissions should be considered at every stage of a project in order to prevent unnecessary emissions. Consideration is given to carbon emissions at the outset of every project across the Group, taking into account the lifecycle of a project, including carbon emissions and the cost of carbon and energy consumption. Additionally, the supply chain department takes into account carbon emissions resulting from contracts at the tender stage. For example the waste management contract at East Midlands Airport included the requirement for the successful contractor to install and operate baling equipment. This reduced the number of vehicle movements and carbon emissions associated with the removal of waste from site.

#### Improving energy efficiency

M.A.G firmly believes that monitoring consumption of energy and fuel is the first step in identifying potential carbon savings, which also ultimately reduces costs. Monitoring is also important to M.A.G in verifying the success of schemes following implementation. We also make information available to our tenants relating to the energy intensity of leased buildings.

To improve data capture and streamline processes, including anomaly identification and billing, M.A.G has invested very significantly in the installation of automated metering systems to monitor tenant energy consumption (supplied by M.A.G) and to sub-meter our own energy use. The new automated metering system has also enabled the airport to assist

tenants, including major energy consumers such as Thomas Cook and Monarch Airlines, to more closely monitor and reduce their energy consumption through the use of an online reporting tool.

In addition, each airport has developed an energy strategy to implement projects to reduce energy use and emissions.

### M.A.G Global GHG emissions data (tonnes CO<sub>2</sub>)

	2013-14	2012-13
Direct Emissions		
Combustion of fuel & operation of facilities	25,626	25,130
Indirect emissions		
Electricity, heat, steam and cooling purchased for own use	57,964	64,667
Intensity measurement		
Emissions per traffic unit <sup>1</sup>	1.67	1.85

M.A.G supports the Government's drive towards mandatory greenhouse gas emission reporting. Although the Companies Act 2006 (Strategic Report and Directors' Reports) Regulations 2013 do not require M.A.G to report greenhouse gas emissions, we have reported on all of the emissions sources required by the Regulations. These sources fall within our consolidated financial statements. We do not have responsibility for any emission sources that are not included in our consolidated statement.

Our emissions are calculated based on data gathered for voluntary emissions reporting and compliance with the CRC Energy Efficiency scheme and EU ETS. UK Government Conversion factors for Company Reporting published by Defra and DECC in May 2013 were used with historic emissions re-calculated where required.

NOTE:

1 We have chosen an intensity measurement against a traffic unit, which is defined by the International Air Transport Organisation (IATA) as equivalent to 1,000 passengers or 100 tonnes of freight).



### CO<sub>2</sub> Emissions by source (tonnes)

	Bournemouth 2013/14	East Midlands 2013/14	Manchester 2013/14	London Stansted 2013/14	M.A.G 2013/14	2012/13
DIRECT EMISSIONS FROM THE CONSUMPTI	ON OF:					
Renewable electricity generated on-site	30	251	-	-	281	241
Gas	-	1,126	9,227	2,703	13,057	16,743
LPG	15	19	49	48	132	122
Gas Oil	324	355	1,079	3,010	4,767	5,106
Diesel	51	45	2,132	3,273	5,501	1,374
Petrol	0.1	5	3	147	155	75
Company cars	2	12	108	20	142	93
Aviation turbine fuel	-	3	43	-	47	4
Refrigerant gases <sup>1</sup>	21	12	774	739	1,546	1,372
Total direct emissions	443	1,829	13,415	9,940	25,626	25,130
ENERGY INDIRECT EMISSIONS FROM THE:						
Purchase of standard grid electricity	-	-	-	-	-	21,350
Purchase of renewable electricity	1,131	4,143	32,946	19,744	57,964	43,318
Total indirect emissions	1,131	4,143	32,946	19,744	57,964	64,667
Gross direct and energy indirect emissions	1,573	5,972	46,361	29,684	83,590	89,798
Avoided emissions through:						
Renewable electricity generated on-site <sup>2</sup>	30	251	-	-	281	241
Purchase of renewable electricity <sup>3</sup>	1,131	4,143	32,946	19,744	57,964	43,318
Purchase and retirement of carbon offsets	392	1,566	-	-	1,958	1,957
Total avoided emissions	1,553	5,960	32,946	19,744	60,203	45,516
Net direct and energy indirect emissions <sup>1</sup>	21	12	13,415	9,940	23,387	44,282
INDIRECT EMISSIONS FROM THE:						
Onward supply of standard grid electricity	-	-	-	-		16,047
Onward supply of renewable grid electricity	6,385	4,382	17,949	14,350	43,065	29,837
Onward supply of gas	-	-	5,941	21	5,963	4,850
Onward supply of diesel	3	-	363	2,952	3,318	936
Onward supply of petrol	-	-	-	138	138	71
Onward supply of gas oil	116	1,667	554	2,825	5,161	6,628
Total indirect emissions	6,504	6,048	24,807	20,286	57,646	58,369

Our carbon footprint has been calculated using the Department for Environment, Food and Rural Affairs (Defra) 2013 conversion factors and restated for 2012/13 in order to account for material changes to the conversion factors provided by Defra for company reporting purposes.

#### NOTES:

- 1 Carbon dioxide equivalent emissions from refrigerant gases are not included within the scope of our carbon neutral commitments
- 2 We claim FITs for renewable electricity generated at BOH and EMA. The carbon reduction achieved through this on-site generation is deducted from our gross emissions In line with recent World Resources Institute and UK Government consultations.
- 3 M.A.G has a long-standing commitment to purchase electricity from renewable sources. The carbon reduction achieved through this policy is deducted from our gross emissions in line with recent World Resources Institute and UK Government consultations.

For example, at London Stansted Airport the focus has been on the terminal building's heating, ventilation, air conditioning and lighting systems. In 2013-14, we undertook improvements to our chilled water systems which have delivered significant reductions in energy consumption. We are also currently upgrading the air-handling units in the main terminal building to increase efficiency with variable speed drives, better sensors and controls.

Throughout the redevelopment and refurbishment of the terminal building, we implemented LED lighting systems which utilise significantly less energy than traditional lighting systems. To date these have been installed in the passenger search area, a new toilet block, office block lobbies, lifts and a number of escalators. We are currently developing plans to change more of our existing traditional lighting to energy efficient LED lighting throughout 2014-15.

Following a pilot of Flight-LINK in mid-2013, we are also rolling out an interface between flight management systems and building management systems. This live system effectively 'switches off' parts of the terminal buildings when not scheduled for use and is expected to reduce energy consumption by more than 10 GWh/yr. This has been recognised by fellow energy professionals and won Technical Innovation of the Year – Products at the BCIA Awards 2014.

At Manchester Airport we have delivered, or are currently implementing, five major energy reduction projects, including intelligent building controls and improved lighting.

The schemes are set to further reduce annual electricity consumption by around 4.5 GWh and gas by more than 6 GWh, with total  $CO_2$  emission reductions of around 3,000 tonnes. Whilst these are all individual projects in their own right, they are all linked to our future energy efficient building controls strategy 'Intelligent Building Controls'.

#### Renewable energy

Installing our own on-site renewable energy contributes not only to reducing our carbon emissions, but also supports energy security for our sites. It is also a visible symbol of our commitment to sustainable aviation.

To date, we have installed a 2 MW woodchip biomass heating boiler at London Stansted Airport, two commercial wind turbines at East Midlands Airport, and 323 photovoltaic panels on the roof of Bournemouth Airport. No further renewable energy installations were made in 2013-14.

During 2013-14 we generated on our sites 631 MWh of green electricity. M.A.G also purchases 100% renewable energy for all our airports.

#### Carbon offsets

During 2013-14 M.A.G purchased carbon offset credits for 1,958 tonnes of carbon emissions. The credits are for independently verified Gold Standard Carbon offset projects.



LED lighting systems



Air Traffic Control panel



Wind turbines at East Midlands Airport



#### Waste Management

Our objective is to minimise waste and promote recycling, leading towards zero waste being sent to landfill. Our waste management is complex, with waste streams arising from our own operations, our partners (tenants and retailers) and from the aircraft. This means we have had to take an innovative partnership approach to waste management in order to minimise waste to landfill.

For example, in April 2013 the environment team at London Stansted Airport implemented a new waste management system for its on-site partners. All partners now have to purchase waste collection bags, with separate bags for different waste types. The lowest cost bags are for segregated recyclable waste, which we want to encourage, and the highest cost bags being for unsorted waste. Thereby we are financially incentivising our partners to increase their recycling rates and reduce waste to landfill.



Kathy Morrissey with the National Recycling Stars Gold Award for recycling in 2013-14

The introduction of the scheme was supported by working closely will our service providers and consultation with the our customers.

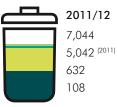
As a result of the innovative waste management programme, London Stansted Airport was awarded the National Recycling Stars Gold Award for our recycling in 2013-14.

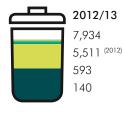
Kathy Morrissey, London Stansted Airport's Environment and Utilities Manager, said: "Achieving the highest award under the National Recycling Stars accreditation scheme is not just great for London Stansted Airport as a business, but also for the wider airport community as it recognises the partnership approach taken by our cleaning contractor, waste disposal company and 190 companies and thousands of employees on-site who all play their part."

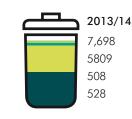
We continue to support a number of charities by donating discarded items which can be reused or recovered. For example at Manchester Airport, clothing discarded by passengers who misjudge their baggage allowance are donated to St Ann's Hospice, airline pillows are donated to GRUMPY, a Manchester based craft resource centre, and airline blankets are donated to various animal charities.

#### Waste performance: Total waste (tonnes)



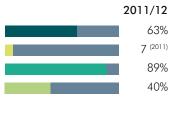


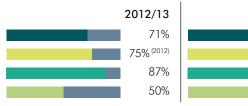


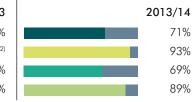


#### Waste performance: Diversion from landfill (%)

Manchester Airport London Stansted Airport East Midlands Airport Bournemouth Airport













### Waste by source (tonnes)

	2013/14	Non-hazardous solid waste	Hazardous waste	Liquid waste	Total
Manchester	Reuse	0	0	0	0
	Recycling	1,611	20	0	1,631
	Recovery	3,566	21	190	3,777
	Composting	52	0	0	52
	Incineration (or use as fuel)	0	0	0	0
	Landfill	2,238	0	0	2,238
	Total	7,467	41	190	7,698
London Stansted	Reuse				0
	Recycling	2,598	91		2,689
	Recovery	847			847
	Composting	915			915
	Incineration (or use as fuel)	977			977
	Landfill	375	6		381
	Total	5712	97		5809
East Midlands	Reuse				
	Recycling	94			94
	Recovery	257			257
	Composting				
	Incineration (or use				
	as fuel)	1.50			1.50
	Landfill	158			158
	Total	508			508
Bournemouth	Reuse	0	0	0	0
Boottiemooni	Recycling	464	1	0	465
	Recovery	0	0	0	0
	Composting	0	0	0	0
	Incineration (or use	5	0	0	5
	as fuel)	5	U	U	3
	Landfill	57	0	0	57
	Total	526	1	0	528

Data not available for liquid waste at London Stansted, East Midlands and Bournemouth. Hazardous waste data was not available at East Midlands. Tyre data at London Stansted for March 2014 not available for inclusion.



#### Water Management

Two aspects of water management are important for M.A.G, water quality after it leaves our sites and water consumption.

M.A.G along with the Environment Agency, monitors the water quality leaving our sites. The Environment Agency set water quality standards which we must ensure we meet. are continuing to work with Lancaster University and an environmental consultancy to investigate opportunities for reducing, re-using or recycling the chemicals used for de-icing. This is a three year project which was initiated in 2012.

Most of M.A.G's water is from the mains supply for use on-site, with a small

proportion, from rain water harvesting schemes. We have continued our programme of water leak detection work and undertaken building water efficiency surveys to identify opportunities to reduce consumption and improve monitoring and measurement.



Floating aerator at London Stansted Airport balancing pond

We aim for 100% compliance and are investing in new aeration equipment for our main balancing pond at London Stansted, and new automatic water quality monitoring equipment at Manchester. At East Midlands Airport we have made improvements to our drainage diversion system so that if there was any spillage of fuel on the airfield, it can isolated within the drainage system remotely and more quickly.

During cold winter months we can use large amounts of de-icing fluids. As we reported in last year's CSR Report, we

		2011/12	2012/13	2013/14
Manchester	Mains water consumption (M3)	557,245	517,602	556,341
	Rainwater harvesting	0	0	0
	Compliance with surface water discharge consents (%)	97%	96%	100%
	Compliance with trade effluent consents (%)	100%	100%	100%
Bournemouth	Mains water consumption (M3)	101,997	124,937	156,679
	Rainwater harvesting	0	0	0
	Compliance with surface water discharge consents (%)	100%	100%	100%
	Compliance with trade effluent consents (%)	100%	100%	100%
East Midlands	Mains water consumption (M3) for the last three years	132741	110838	121502
	Rainwater harvesting	382	430	0
	Compliance with surface water discharge consents (%)	100%	83%	80%
	Compliance with trade effluent consents (%)	100% (2011)	66% (2012)	55%
	()	( - /	( - /	
London Stansted	Mains water consumption (M3)	394,805	412,630	669,978
	Rainwater harvesting	0	0	0
	Compliance with surface water	95%	96%	96%
	discharge consents (%)	(2011)	(2012)	(2013)
	Compliance with trade effluent consents (%)	100%	100%	100%



#### Air Quality

We are committed to the monitoring of localised air quality around each of our sites, to ensure that it remains within acceptable levels and to reassure our local communities. We know that localised air quality is important to our local communities, our colleagues and the environment.



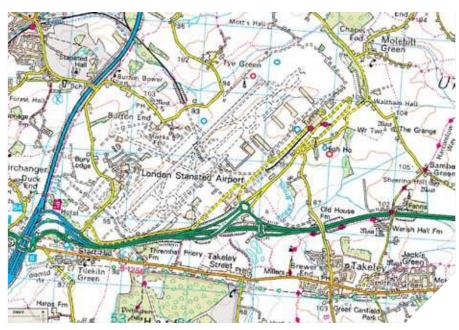
The main airport sources are vehicle traffic (staff and

passenger journeys and airport operational vehicles), aircraft engines (during taxiing, take-off and landing), energy generation (diesel generators and gas boilers), fugitive emissions (evaporation during fuelling of aircraft and vehicles), and other activities such as fire training. We monitor air quality around all our sites.

As an example of our monitoring, at London Stansted Airport we have two continuous monitoring sites in the vicinity of the airport. These sites have been in situ for a number of years, measuring  $\mathrm{NO}_2$  and  $\mathrm{PM}_{10}$ . This monitoring is also backed up by an additional five diffusion tube sites, which monitor average air quality over a month.

The results at London Stansted Airport show air quality levels remain well below the maximum standards set by the UK government.

To continue to maintain good air quality at Manchester Airport, we have been working in conjunction with our service partners and operational staff to hold airfield safety days to promote our 'vehicle switch off' policy which requires all airside vehicle drivers to turn off their engines when stationary for more than a minute. We also undertook an emissions testing day when we invited Manchester City Council to test airfield vehicles against VOSA emission standards. We are pleased to report there were no failures.



KEY: O Continuous monitoring sites O Diffusion tube sites

#### Air quality monitoring

	•			
Airport	Average annual concentration of each pollutant ( $\mu$ g/m³)	2011	2012	2013
Manchester				
	NO <sub>2</sub>	22.8	24.4	22.3
	PM <sub>10</sub>	15.3	13.4	15.4
	$O_3$	46.1	43.4	47
London Stansted	Ţ.			
	NO <sub>2</sub> (Monitoring location London Stansted 4)	19	19	19
	NO <sub>2</sub> (Monitoring location London Stansted 3)	22	26	24
	PM <sub>10</sub> (Monitoring location London Stansted 3)	15	20	15
East Midlands	NO <sub>2</sub>	27.2	29	23
	PM <sub>10</sub>	18.7	18	18
Bournemouth				
	$NO_2$	14.8	15.9	14.8

 $\rm O_3$  is not monitored at East Midlands Airport, London Stansted and Bournemouth.  $\rm NO_2$  is only monitored at Bournemouth airport.



#### **Noise Abatement**

M.A.G takes its responsibility for noise abatement very seriously and we continue to work with our partners to reduce the impact of aircraft noise. This includes investment by our partner airlines in quieter aircraft and our own investment in noise mitigation Our track record in reducing the size of our noise contours, whilst simultaneously increasing flights, is consistent with best practice of how airports can balance their commercial interests and community obligations.



Aircraft landing at Bournemouth Airport

#### Noise action plans

During the course of the year, all the M.A.G airports have been required to review their five year Noise Action Plans. Noise Action Plans summarise the effect of noise from aircraft landing and departing from the airport, set out measures already in place to manage noise, and detail any measures we intend to introduce over the next five years.

Preparing our revised noise action plans has given us a valuable opportunity to engage in particular with our consultative committees and Environmental Health Officers from local authorities to ensure that our long terms programmes are moving us in the right direction.

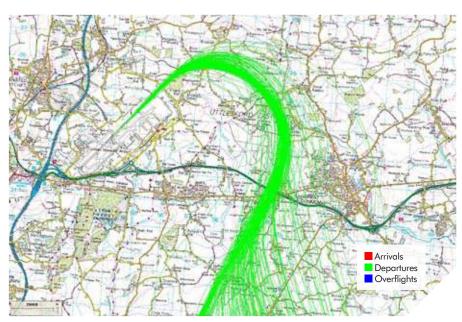
#### Working together

We're working together with airlines, Air Traffic Control and ground handling companies on a number of projects to reduce operational impact. These projects include sharing of more accurate information on an aircraft's progress in order to reduce congestion and improve punctuality. Less queuing for take-off, means reduced fuel and emissions. Getting the right people together has also helped airlines to refine their take-off procedures on certain aircraft and reduce noise impacts on the ground.

Our use of procedures such as noise preferential routes concentrate aircraft operations away from built up areas so that any noise impact is minimised. We also continue to successfully promote the use of Continuous Descent Approach by arriving aircraft, as this technique reduces both noise and emissions.

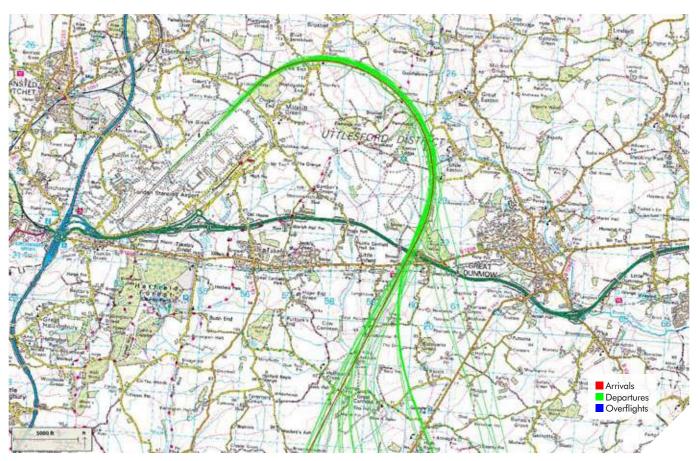
Developments in technology continue to offer new opportunities and we are continuously challenging ourselves to see how we can further reduce the impact of aircraft noise. For example, at London Stansted Airport we are trialling a new system to concentrate departures along the smallest possible corridor by utilising the on-board capabilities of modern aircraft. By concentrating aircraft we are able to minimise the population potentially affected by aircraft noise.

The trial commenced in May 2013, initially with easyJet participating. Early results have been very encouraging, showing a tight concentration of flight departure tracks. After an initial period of assessment, the trial was expanded to include other operators.



The diagram above shows 220 easyJet departures May-June 2013 – before the trial





The diagram above shows all 107 easyJet departures that have taken part in the trial May-June 2013. The red line shows the corridor centre line

### Departures within preferred noise routes (%) and continuous descent approach (%)

		2011/12	2012/13	2013/14	
East Midlands	Proportion of aircraft complying with noise preferential departure routes (%)	98	98	97	
	Proportion of aircraft complying with continuous descent approach (%)	91	93	93	
Manchester	Proportion of aircraft complying with noise preferential departure routes (%)	98	96	96	
	Proportion of aircraft complying with continuous descent approach (%)	73	86	88	
		2011	2012	2013	2013/14
London Stansted	Proportion of aircraft complying with noise preferential departure routes (%)	99%	99%	99%	99%
	Proportion of aircraft complying with continuous descent approach (%)	94%	95%	94%	94 %



#### Complaints about noise

		2011	2012	2013	2013/14
East Midlands	Total number of noise complaints	600	425	737	
	Number of complaints per 1,000 ATM	7.9	5.6	9.54	
Manchester	Total number of noise complaints	838	773	1557	
	Number of complaints per 1,000 ATM	4.39	4.74	9.38	
Bournemouth	Total number of noise complaints	1012	1220	850	
	Number of complaints per 1,000 ATM			15.6	
Stansted	Total number of noise complaints	881	742		839
	Number of complaints per 1,000 ATM	5.94	5.18		5.74

The reported figures are strongly influenced by the pattern of complaints by a small number of complainants. In the reporting period 33% of complaints received were from 3 individuals.

### Total fines paid by airlines

	2011	2012	2013	2013/14
East Midlands	£1,650	£4,200	£900	
Manchester	16,650	9,450	£53,850	
London Stansted	£30,000	£5,000		£9,000

Data not available for Bournemouth Airport.

Our aim is always to reduce noise at source where it is possible to do so and we work closely with our partners to do so. However, particularly for those who live closest to our airports we accept that this is not always possible and we have schemes in place to support residents who are most affected. Examples are the Sound Insulation Grant and roof repair scheme for vortex damage.

Residential area

#### **Sound Insulation Grants**

Airport		2013/14
Manchester	Total number of sound insulation grants	11
	Value of sound insulation grants awarded	£44,384*
London Stansted	Total number of sound insulation grants	16**
	Value of sound insulation grants awarded	£72,457**
East Midlands	Total number of sound insulation grants	32
	Value of sound insulation grants awarded	£101,450

<sup>\*</sup>This amount includes re-work, insurance and admin fees.

We also enforce maximum noise limits. Where limits are not adhered, to, we impose fines. The money raised is donated to the airport's Community Fund.

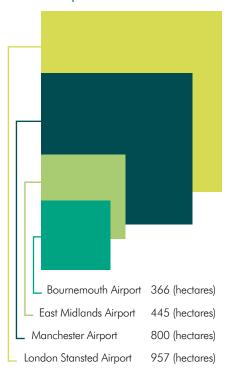


<sup>\*\*</sup>Data cover 1 Jan 2013 – 31 March 2014

#### **Habitats and Ecology**

M.A.G is the guardian of 2,568 ha of operational land.

#### Area of operational land managed at each airport 2013-14



For example, heathland next to Bournemouth Airport is to be restored to protect threatened species. A new partnership between Bournemouth Airport and Dorset County Council began in October 2013 over the care of this important site. This has been made possible through the successful application for ten years of funding from Natural England.

This is a new phase in the conservation work being undertaken, as grazing stock will be introduced within the next two years to help maintain the diversity of heathland and riverside wildlife. The scheme will act as an important catalyst for sustainable land management on other areas of the county council's farm and countryside estate

This work will enable threatened species such as the nightjar, Dartford warbler and sand lizard to continue to thrive and help develop educational visits for local schools to explore the ecology of the habitat.



Health land at Bournemouth Airport



Sand Lizards

#### Bird strikes 2013

Airport	per 10,000 movements
Manchester	7.53*
London Stansted	1.92
East Midlands	5.04
Bournemouth	3.13

\*Manchester bird strikes figures are nearly 2.0 points higher than the previous year. This is believed to be due to the unprecedented weather conditions in November and December 2013 leading to an influx of starlings and wood pigeons to the airport site.



#### **Ground Transport**

Surface access to our airports is critical to the operational efficiency of airports through the well-organised transport of passengers and airport site employees. Each airport has a surface access strategy which seeks to encourage the use of public transport. This is not only beneficial to the airport site but also to those businesses in the business parks around our sites.

London Stansted Airport remains the number one airport in the UK for public transport use and one of the best in Europe. Now over 51% of air passengers use public transport at London Stansted and over 5 million passengers use bus and coach services to travel to the airport, with bus and coach mode share grown to 29%. Catalysts for this continued growth in bus and coach services has been the new commercial relationship with National Express and Ryanair, whereby passengers can purchase coach tickets in the same transaction as purchasing their flight.

At East Midlands Airport, the targets in the 2006 Master Plan were to reduce employee single occupancy car use to 70% by 2016 and to increase passenger access by public transport to 10% by 2016. The airport is already very close to achieving the 2016 modal share targets with employee single occupancy car use down to 71% and passenger access via public transport up to 8%. The period between 2003 and 2013 has seen significant improvements in bus services and subsequent enhancement to connections with rail. As a result we have seen a sharp increase in passenger sustainable modal share, with use of local bus services increasing from around 2% to 8%.

For colleagues employed by M.A.G, the Group offers a Bike to Work scheme which allows employees the option of hiring a bicycle and cycle safety equipment over a 12 month pay-back period without having to pay tax, National Insurance or VAT on the payments.

We are committed to further improving our ground transport to our airports and look forward to the completion in 2016 of the £1.4 billion project to upgrade and extend the Manchester Metrolink to the airport. We also look forward to the approval of plans for the upgrade of the train line to London Stansted Airport from London from a standard two track line to a four track line. Thereby enabling the journey time to be reduced from forty-seven minutes to under thirty minutes, almost halving delays and bringing greater network resilience.

#### One industry-One Voice

M.A.G is committed to collaborating across our sector to tackle the sustainability challenges that we face.

M.A.G is a founding council member and active contributor to the work of the Sustainable Aviation organisation. Sustainable Aviation is unique in the UK transport sector in representing a proactive coalition of airlines, airports, engine and airframe manufacturers and air traffic management, and was established specifically to address sustainability issues.

M.A.G worked with Sustainable Aviation to launch the industry's first Noise Road-Map, demonstrating how noise from UK aviation will not increase despite a near doubling in flights over the next 40 years. This will be achieved through the development and introduction of quieter aircraft alongside the implementation of better operating procedures and improved land-use planning. We are fully committed to the Noise Road-Map.

M.A.G was also pleased to have the opportunity to work on the Sustainable Aviation CO<sub>2</sub> Road-Map in March 2012, setting out a credible path to tackle aviation's contribution to climate change. Overall, the Road-Map forecasts that aviation can accommodate significant growth and still reduce net emissions to 50% of 2005 levels. However, this can only be delivered by working in partnership with government, playing a key role in supporting research and development in aerospace technology, encouraging the introduction of sustainable bio-fuels, delivering on the Single European Sky initiative, and helping to establish a global approach to the regulation of emissions from international aviation based on carbon trading.

#### Passenger modal split per airport 2013

	Manchester	London Stansted	East Midlands
Bus/coach	3%	30%	8%
Private car	36%	22%	33%
Rail	14%	22%	N/A
Private car (APT CP)	18%	13%	36%
Taxi/minicab	26%	10%	19%
Rental car	3%	2%	2%
No response	0%	0%	1%
Other	0%	0%	0%

2013 data not validated by CAA at time of publication. Data not available for Bournemouth.





#### **OUR COMMUNITY**

Being a responsible neighbour is an integral part of our way of working. Our aim is to build longlasting, collaborative relationships with our local communities, striving to understand the issues that are most important to them and seeking to contribute to local economic development.

Ensuring we are a responsible business means as much to us than reducing the impacts of our operations. We support sustained investment in our communities, by providing funding, sponsorship, time and resources, to education and community projects in particular. We want to target the benefits of employment to local people and support the education of the future workforce. You can read more about how we support local employment on page 17. We are proud to have received external recognition for our work in this area with two of our airports, Manchester Airport and East Midlands Airport being awarded the Community Mark accreditation by Business in the Community. Our aspiration is that each one of our four airports will obtain the prestigious Community Mark and we will continue with our dedication in this area to ensure this target is achieved.

By engaging with our local stakeholders through open and constructive dialogue we are able to demonstrate the value our airports bring to the community and how we are managing our operations sensitively to minimise impacts. This feedback, as well as our local impact studies, have been essential tools in the formation of our community strategies. You can read more about how M.A.G engages with its local stakeholders in the stakeholder engagement section of the report on page 55.

#### Community Funds

We believe it is essential that our colleagues feel connected to the organisations they are supporting. That is why we are proud of our community funds which are managed independently by each airport within the group. The locally managed funds are in place to help support local community groups and charities to grow, consequently widening their offering and benefiting many more people in the nearby region.



East Midlands Airport Community Fund

As part of our group CSR strategy we have set stretching targets. One of our aspirations is that all our airports will operate community funds investing more than £100,000 annually. Throughout 2013/14, M.A.G airports invested £298,843.48 in community groups and charities in the areas surrounding our airports, bringing much needed support to 229 separate organisations. We will continue working hard to ensure these targets are realised throughout the coming years. The funds of Manchester, London Stansted and East Midlands Airports consist of the airport contribution together

with fines from aircraft that infringe strict noise level regulations.

Manchester Airport's Community Fund is now in its 17th year and since its inception has awarded over £2.9 million to 1,208 different projects. This year it donated £137,931 to 69 groups for community, environmental or social projects. Examples of where investments have been made include £2,042 to the Trafford Community Leisure Centre Trust for additional exercise equipment, and £2,500 to the Knutsford Royal British Legion to support the local centenary commemorations of WWI.

This year, M.A.G is pleased to include the activities of London Stansted Airport's Community Fund which has donated £112,570 to 102 local charities during this financial year. Examples of where the money was invested include £1,996 to Age Concern, Harlow and £2,000 to Barnston Village Hall

After 11 years in operation, the East Midlands Airport Community Fund has supported numerous community organisations. This year the airport generously donated £39,880 to 57 charities and groups. This support ranges from £1,000 towards new jumps for the Rushcliffe District Riding Club – an organisation which supports local riding for the disabled activities - to £500 for the under 12s Beeston Hockey Club's new team kit.

Bournemouth Airport has been supporting the local region through its Community Fund since 2008 and in that time has donated £51,795.55 to many regional organisations. Examples include a £8,500 donation to Christchurch Dial-a-Bus and this year's donation of £8,461.71 to Christchurch Football Club.



#### **Community Investment**

This year we have been pleased to continue to support Medcare as our Group Charity. Based in Uganda, Medcare provides much needed medical and social care to vulnerable sick children. This year through our Charity Ball and a myriad of other fund rasing events we have been delighted to raise £216,000. Our support is funding the construction of a new medical centre. London Stansted Airport's community investment is supported by the 'Airport Passenger Community Fund' which donates money to local initiatives. The money is raised from unwanted foreign currency which is collected in the terminal -£26,083.34 was collected from January to December 2013/14. Support from the fund is given to requests from sports clubs, preschool nurseries as well as elderly and animal charities. An example of where the money went this year is to help ensure the future for a popular nursery in Little Canfield. The London Stansted Airport Passenger Community Fund has donated £500 towards new toys for the 20 children at the Play and Stay group. The centre has been recently taken over by four parents who are busy raising cash to keep the group afloat after the previous owners ran out of funding.

## Manchester Airports Group – Investing in the Arts

This year marks 25 years of M.A.G supporting the Arts. Through its

**DURING 2013-14, OVER** 

£298,800

WAS DONATED TO GROUPS IN THE SURROUNDING AREAS OF OUR AIRPORTS, BRINGING ASSISTANCE AND HELP TO MANY GROUPS.

long-standing commitment in this area, we are proud to have become one of the UK's largest and best known Arts sponsors. This year we have invested £395,000 in arts and cultural initiatives.

Our strategic objective in this area is to promote the Arts, create and sustain jobs, and expand the cultural life of our local area. Examples of the major Arts and cultural initiatives that we supported in 2013-14 were:

- Manchester International Festival
- Hallé Orchestra
- Library Theatre.

#### Colleague Volunteering

We benefit from a team of experienced and talented people. We encourage our people to demonstrate M.A.G's values by supporting and contributing to our local communities. By offering their skills and time on a voluntary basis, not only do they help to strengthen ties with the areas close to where they live and work, but there is also an overall improvement to their own well-being and pride in working for M.A.G.

Throughout 2013-2014, 8,576 volunteering hours were given by M.A.G colleagues. We are delighted to report that this is a 27% increase on last year's figures. The success in this area is testament to the hard work and commitment of all those involved in volunteering across the group. One of our key strategic targets is to encourage at least 30% of our workforce to volunteer – this is a target we take seriously and will continue to work hard to ensure it is met within the time-frame we have publicly reported.



Manchester Airport staff volunteering in the community

#### Community Fund donations 2013-14

Airport	Groups funded	Total donated
Manchester Airport	69	£137,931
London Stansted Airport	102	£112,570
East Midlands Airport	57	£39,880
Bournemouth Airport	1	£8,462
Total	229	£298,843.48



At M.A.G we value colleague engagement in the community as a significant development tool and offer all our people the opportunity to be involved in our volunteer schemes. Furthermore, we seek to recognise and reward the achievements of those who choose to volunteer. Community champions represent departments and lead many of our programmes. An initiative suggested by them to encourage and reward volunteering was the implementation of champions reward badges for 15, 30 and 45 hours, which showcase volunteering to our customers and other colleagues.

This year Manchester Airport has recorded a 34% increase on last year's figures, with a total of 7,466 volunteer hours recorded. The airport focuses its efforts in the deprived areas that are closest to it and those that are most affected by its operations. Volunteering projects range from being mentors in maths and reading, to working directly with community organisations that need that extra bit of help. In recognition of the significant work done in this area, Manchester Airport was awarded Business in the Community's

**DURING 2013-14** 8,576 **HOURS HAVE BEEN VOLUNTEERED BY M.A.G COLLEAGUES, A 27% INCREASE ON THE** PREVIOUS YEAR.



East Midlands Airport staff volunteering at the Aerozone

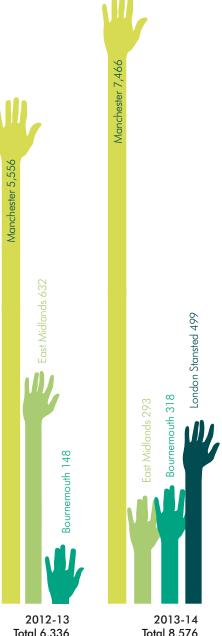
'North West Employee Volunteering Company of the Year' award.

At London Stansted Airport, a total of 499 volunteer hours were recorded on various volunteer schemes. These include a dedicated team of employee volunteers who co-ordinate and sit on the London Stansted Airport Passenger Fund committee, others who supported the Panathlon Challenge, as well as those who regularly volunteer as mentors.

East Midlands Airport employees have put significant efforts into supporting the airport's on-site education centre 'Aerozone' and donated a substantial amount of volunteering time helping with student visits. A total 293 volunteer hours were recorded this year.

Bournemouth Airport recorded 318 hours on various volunteering projects within the region.

### Colleague volunteering hours across M.A.G



Total 6,336

Total 8,576



### **Supplier Development**

We have an extensive network of suppliers. By integrating our approach to CSR in our supply chain, we recognise the influence that we can have. To that end, M.A.G seeks suppliers who are committed to the same high standards as our organisation. We use a contract pre-qualification process to assess each company's approach to sustainability, which allows us to use this information as part of a balanced supplier appraisal.

We work hard to manage our end-toend supply chain contribution through building long-term relationships with our suppliers, supporting their growth, monitoring our supply chain activity and applying our category management and supplier relationship management (SRM) techniques. In addition, we also hold regular meetings and site-wide forums with key suppliers which help us to understand their needs more clearly.

### **Supporting Local Businesses**

London Stansted Airport has recently introduced a new sustainable procurement policy which commits the airport to enhancing its regional economic and social benefits by working with local suppliers and businesses, ensuring that they have access to opportunities to provide services to the airport's supply chain.

The airport holds a successful 'Meet the Buyers' event. The quick-fire concept of Meet the Buyers enables local firms and entrepreneurs to pitch their products and services to a group of carefully selected



London Stansted Airport's 'Meet the Buyers' event

senior buyers with multimillion pound buying requirements. In 2013, the event surpassed all expectations – there were 233 delegates from 199 companies engaged in the programme, which included two pre-event workshops and the Meet the Buyers event. Thirty-two buyers from major organisations such as Keir and Capita, as well as 134 delegates from 116 companies participated in the Meet the Buyers day.

To ensure the event has the desired impact in the local region, it is carefully monitored, with evaluations being completed six weeks and then six months after the event has taken place. The total amount of business that local suppliers estimate will result from the event is £1,552,900 in new contracts – a £250,000 increase on the target and a £25,000 increase on last year's figure. We will use the feedback from this year's event to shape and improve the format of next year's.





### **OUR CUSTOMERS**

M.A.G is a customer-oriented business, dedicated to meeting the diverse needs of the many people that flow through our airports every day. We recognise that our strategic vision 'to become the premier airport management and services company' can only be achieved by delivering an exceptional service to our customers and building a world class approach to safety and security.

We are committed to investing in our colleagues and partners, to help them to best serve the 44 million passengers who travel through our airports every year. We have a varied customer base of airlines and tour operators, business partners and passengers, and it is important therefore that we seek to provide an experience that satisfies different requirements, setting us apart from other airports and earning customer loyalty.



Passenger check-in at Bournemouth Airport

### **Customer service**

To ensure our services are right, we continually monitor feedback and gather data that enables us to assess and improve in areas where our customers feel we need to. For passengers, we want to have clean, safe, efficient terminals, and operations that allow them to progress through their journey easily. We want to provide excellent catering and retail outlets and ensure that the same level of customer service is experienced once they board their aircraft.

We recognise that although we have control over our airport terminals, not all of the points that our customers interact with in the airport are controlled by us. As a consequence, we work closely with our partners to instil the M.A.G vision and values through training, guaranteeing a consistent level of customer excellence. To further support our approach to superior customer service, we are developing a group-wide customer charter which will communicate to key stakeholders the standard of service they should expect from a M.A.G airport. We aim to publish this within the next reporting year.

### Total number of passengers (2013-14)

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Airport	Scheduled	Chartered	Other	Total	
Manchester Airport	16,580,742	4,190,459	11,308	20,782,509	
London Stansted Airport	17,434,470	560,814	0	17,995,284	
East Midlands Airport	3,433,151	909,177	915	4,343,243	
Bournemouth Airport	490,324	177,832	181	668,337	

### Total number of passenger aircraft movements (2013-14)

	-		
Airport	Scheduled	Chartered	Total
Manchester Airport	139,061	20,069	159,130
London Stansted Airport	120,032	3,324	123,356
East Midlands Airport	30,735	4,954	35,689
Bournemouth Airport	3,759	1,050	4,809



### Purpose of journey (%) (2013)\*



<sup>\*</sup>Please note that this information is not available for Bournemouth Airport

### Socio-economic group (%) (2013)\*

	Manchester Airport	London Stansted	East Midlands Airport
Α	8	6	4
В	25	25	21
C1	36	41	33
C2	21	16	24
D	8	12	10
E	2	1	9

<sup>\*</sup>Please note that this information is not available for Bournemouth Airport.

### Country of residence (%) (2013)\*

	Manchester Airport	London Stanst Airp		East Midle Air	ands port	(all Airp	Total orts)
UK	80		56		88		71
Overseas	20		44		12		29

<sup>\*</sup>Please note that this information is not available for Bournemouth Airport.

### Age (%) (2013)\*

	Manchester Airport	London Stansted	East Midlands Airport
Under 25	12	18	14
25-54	57	60	45
55+	31	22	41

<sup>\*</sup>Please note that this information is not available for Bournemouth Airport

### **Improving Customer Experience**

We value the contribution our employees and business partners can make in improving the experience our customers have at our airports. To this end, we encourage them to become members of our Customer First programme, which enables them to put forward ideas and suggestions for improvement. Recent successes that have been implemented at Manchester Airport include the placing of an information desk in Terminal 3, new digital signage and a children's play area. In addition, three specialised adult changing facilities have been introduced at each of the three terminals.

At London Stansted Airport, we are investing £80 million to redevelop the passenger terminal which will increase airside space by 60%. These renovations will increase the number of retail outlets, help improve passenger flow and reduce queues. (Security information to be added).

The £12 million redevelopment of the passenger terminal at East Midlands Airport is key to delivering our strategic vision and enhancing the customer experience. The redevelopment will enrich the retail offering, making the journey more pleasurable and easy to navigate, whilst reducing the time queuing in security by increasing the size of the security search area and installing new technology.

### Listening to Our Customers

Listening and responding to what our customers think about us is integral to how we operate. We offer numerous ways in which passengers can offer feedback and every comment is taken extremely seriously.

In addition to the customer feedback sheets which are placed throughout our terminals, we use the Airport Service



Quality (ASQ) Survey – the world's leading airport customer satisfaction benchmark programme. It provides the industry standard for passenger satisfaction data. The survey is conducted by Airports Council International (ACI) and helps airports to benchmark their customer satisfaction results against other European airports of a similar size. It is our objective to ensure that customer satisfaction levels are the highest possible. We aim to achieve a top-quartile ranking for each airport in their respective benchmarking groups.

The survey focuses on four areas important to customers: cleanliness, ambience, courtesy and helpfulness of the staff, and overall satisfaction. M.A.G's approach is to ensure that every aspect of the customer journey is the best it can possibly be and we use the survey as a foundation for making the right changes to continually improve our customer experience at each one of our airports.

Our passengers are also surveyed through customer services if they have booked a product, such as parking directly through a M.A.G airport. The results of these surveys are fed back to the customer service director who in turn cascades the data to customer-facing mangers to ensure any improvements required are implemented in a timely way.

### **Accessible Travel**

We want all of our passengers to enjoy the same level of ease and comfort at our airports, so we work closely with regional disability organisations to ensure the highest levels of service are available to passengers with additional needs.

Manchester Airport has recently published a guide and series of videos for the parents and carers of children with autism as it is recognised how stressful it can be travelling through an airport for children on the autistic spectrum. The guide takes users on a journey through the different airport stages – from landside to airside and the return journey home. To support the guide, passengers can also request a free wristband for the child and accompanying party to wear on the day of travel to allow use of fast track security lanes in each terminal.

We provide specialist travel advice on our websites and passengers are now able to book assistance at all of our airports in advance of their journeys. Wheelchairs are available for any passengers that require them and dedicated assistance desks are in place in our terminals. For the hard of hearing, induction loops are fitted in certain areas of our terminals and are identifiable by the sympathetic ear symbol. Additionally, in some areas of our airports, we have also provided a text phone facility.

### **Ensuring Safety and Security**

The safety and security of our customers and employees is our number one priority and underpins how we run our business. It is part of our company culture to act with the highest standards of honesty, integrity and responsibility and always deliver on our commitments.

As described in previous CSR reports, there have been significant changes in the security provision at our airports. Manchester Airport, Bournemouth Airport and East Midlands Airport have fully integrated the security function in-house and M.A.G now has control of all security services across the Group. This has given us greater control over the customer service provided and the efficiency of our security processes.

We invest heavily in training our security officers, ensuring the highest level of competency and customer service is delivered at all times. All security personnel must complete 12 hours of computer-based training every year, as well as one day refresher training every 13 months. These are in addition to other training courses such as regulatory and process updates, as well as on-the-job coaching from line managers or trainers to ensure standards of professionalism and knowledge of the latest security developments are upheld.

We remain in close co-operation with government agencies and the police to ensure that our security regime is responsive to changes in external threats. All our airports have the appropriate security procedures to protect our passengers and colleagues, and are fully compliant with the government's security requirements.

### Overall satisfaction: ASQ average scores

Airport	2011	2012
Manchester Airport	3.89	3.93
Stansted Airport	3.77	3.74
East Midlands Airport	4.03	3.87
Bournemouth Airport	4.02	4.17



### **OUR PEOPLE**

Our colleagues are our most highly valued asset and are critical to the success and growth of our business. We are proud of our people and the blend of talent and experience that they bring. As a major employer in every region we serve, we aspire to recruit and retain the best people who are ambitious and forward-thinking.

Our cultural style is open and honest. We invest in ensuring that all our people understand our core values and goals. We encourage colleagues to take part in volunteering and place strong emphasis on keeping all colleagues informed of the Group's activities through internal briefings and other communications. This approach supports our objective to create a healthy workplace, which attracts committed colleagues. In turn, we will support and develop our employees throughout their careers with us so that they can maximise their contribution to our business.

This year we completed the integration of London Stansted Airport into the Group, which has seen M.A.G become a wider

Air traffic control at Manchester Airport

and more diverse organisation. We value the depth of experience and expertise our new colleagues have brought to the workforce and will continue with our ambition to think and act as one team across multiple sites. In total we now employ 4,194 people throughout the UK.

### Employment types (%) 2013-14

	Permanent	Temporary
Full time	68%	2%
Part time	20%	6%

Casual workforce makes up 4%. Data covers all airports.



# Number of directly employed colleagues on 31 March 2014

Total	4,194
London Stansted Airport	1,315
Bournemouth Airport	162
East Midlands Airport	524
Manchester Airport	2,193



### Average number of employees across the year

	2009-10	2010-11	2011-12	2012-13	2013-14
Manchester Airport	2,040	2,072	2,082	2,088	2,226
East Midlands Airport	255	245	242	481	534
Bournemouth Airport	129	125	130	181	165
London Stansted Airport*	-	-	-	-	1,315
Total	2,575	2,591	2,554	2,802	4,240

<sup>\*</sup>London Stansted joined M.A.G in February 2013.



### Colleague Engagement and Communication

Engaging colleagues in the business and actively listening and acting on what they have to say is a key component in the success of M.A.G. We seek to create a positive environment where our people are actively engaged, understand their role in the business and the value they add. Regular internal communication keeps our all our people up-to-date with changes in the business and helps us to engage and motivate them.

We believe that well informed, engaged colleagues deliver a better service to our customers and will also go the extra mile.

M.A.G works hard to foster good relations with all employees and as such, has developed an employee relations partnership framework. The framework sets out the working partnership between M.A.G and the trade unions.

### **Employee Opinion Survey**

Each year M.A.G runs an employee opinion survey to encourage colleagues to share their thoughts on what it is like to work for the Group. The survey is conducted through an independent company and the results are given to colleagues via face to face briefings. Any results that need to be supported by an action plan will also be communicated, clearly explaining targets, actions and deadlines for each point.

We were unable to report the outputs from the 2012-13 survey in last year's report as they had not been published, therefore the survey results we refer to now are from the preceding reporting cycle. We recognise that the previous year was particularly challenging for

colleagues given the significant change to the business structure and were extremely disappointed to learn that overall engagement had dropped since the last survey was published. We are however reassured that we still remain on par with other UK Airports in terms of engagement, and that 7 in 10 of our colleagues feel supported by their managers.

The survey has given some clear direction in areas M.A.G can develop and has implemented changes in the following areas:

- Developing our leaders (more information can be found in Learning And Development)
- Improving the way we deliver change (more information can be found in Learning And Development)
- Delivering better communication to the frontline (more information can be found in Colleague Communication)
- Recognising Great Performance (more information can be found in Reward And Recognition)
- Making our recruitment and promotion more transparent (more information can be found in Recruiting Our Workforce).

At the time of writing, M.A.G has received the high-level results from this year's Employee Engagement survey. We are delighted that there has been an overall increase in engagement across the group and will report fully on the outputs in next year's report

### **Colleague Communication**

Communication is key to keeping all of our colleagues informed and to reinforcing key information including our enduring

corporate values. We use a wide range of communication channels including:

- The M.A.G intranet site the interchange
- MyMAG launched last year, it covers all aspects of our employees' working lives and helps communicate the benefits of being part of the Group
- Quarterly employee magazine
- Company-wide colleague emails as part of the MyMAG brand, these help to group news under the relevant MyMAG subject areas
- Notice boards and plasma screens; including the introduction of MAGTV
- **Posters**
- Payslip attachments.



M.A.G TV

As many of our colleagues work in operational roles, we want to ensure that they have access to the same information as their office based counterparts. Due to feedback from our employee opinion survey, we now use plasma screens in rest and break areas to display key business news and give them regular updates.



We have also created an @home email address list so operational colleagues can receive the communications directly to their personal email accounts.

Face-to-face communication with our colleagues is an important part of our internal communications strategy. We have a number of events scheduled throughout the year, including:

- Annual employee briefing roadshows
- Leadership meetings held quarterly for management
- Team briefings monthly cascade business briefings, including performance against key targets and key business information
- Monthly team meetings
- Back to the floor' days where senior management spend a day working in departments across the airport, engaging directly with colleagues and finding out more about their opinions of working for M.A.G
- Coffee with Exco our executive committee hold regular coffee meetings in which colleagues can talk to senior management, ask questions and receive a direct response.

### Learning and Development

Providing opportunities for people to learn and grow is fundamental to ensuring we get the most from our people. We are committed to developing all our employees. Our success is highly dependent on the confidence, competence and performance of our employees. We are focused on making sure we have the right people with the right capabilities, now and for the future, in order to develop a motivated, energetic and high performing workforce.

### Investing in Our People

Supporting our people with their career development is vital to realising our strategic aims. We endeavour to offer colleagues real opportunities to develop their skills so that they may achieve their own goals and aspirations. We are proud that during 2013-14 M.A.G continued to hold the Investors in People accreditation, a standard for businesses that are committed to supporting and developing their people. This commitment to our colleagues is one of the fundamental parts of our people strategy.



Coffee with Exco

## Colleague Learning and Development

Led by a dedicated in-house team, M.A.G has a well-established learning and development programme which we believe helps us to retain our current colleagues, build their skills and capabilities and attract the best new people at every level of our organisation. Due to the diverse job portfolio across our airports, we recognise the importance of offering courses to support every area of the business.

Overall, across M.A.G, we have used 23,643 of business hours for training to better equip them to deliver world class support to our customers. In addition, throughout the year we have developed and launched a new M.A.G wide corporate induction process which over 150 new colleagues have now experienced.

In addition to the focus on training, all colleagues at M.A.G undertake an annual performance review. This year, to improve the consistency of how performance is measured across the Group, we have started rolling out a comprehensive performance management approach to underpin our commitment to colleagues and drive a culture of high performance. The performance review process focuses on the face-to-face discussions between managers and colleagues and an online review that records progress against annual objectives.

We are continually looking at ways to improve our development programme and have had some successes during the 2013-14 reporting year. As a response to some of the feedback we received in last year's employee survey, we have rolled out business-wide 'Getting Better at Change' and Leading for Great Performance' programmes.

For Getting Better at Change, 144 managers from across our four airports attended with the aim of improving our capabilities and effectiveness to deliver change across the organisation. This has been particularly important during the integration with London Stansted Airport. To provide further support to senior leaders at London Stansted Airport with the integration process we launched the 'Stansted Leadership Development' programme in which 24 key senior managers took part.





Staff training session at Manchester Airport

Leading for Great Performance is mandatory training for all leaders across the business. These sessions have been introduced to help leaders improve their coaching skills by encouraging them to talk regularly about performance, praising great work and behaviours when they see them, and challenging issues as they arise. By the completion of this training, every leader in the organisation will have received the training enabling them to take a more positive and proactive approach to looking after their teams.

To identify emerging talent within our business, the Group also offers two additional programmes to colleagues. These are the 'Aspiring Leaders' programme which offers employees the chance to explore other areas of the business, and the 'Early Talent' programme offering colleagues greater learning and development to help them progress further and faster in their careers. This is in addition to a successful graduate programme and a management development programme that looks specifically at those skills needed by managers throughout their career.

### **Reward and Recognition**

We strive to recruit and retain the best people, providing them with the support and opportunities they need in order to maximise their potential. We believe it is important that our colleagues feel they are recognised and rewarded for delivering against our strategic targets.

All our colleagues are part of a competitive salary structure and have a chance to enter the company's contribution-based pension scheme. In further recognition of the contribution our colleagues make to the business, we run an annual bonus scheme, which is based on financial and customer service targets for each airport. In addition, every colleague has the opportunity to take advantage of our voluntary benefits offering, which includes childcare vouchers, healthcare benefits, a cycle to work scheme and our M.A.G reward programme, which offers online discounts and cashback with over 1,000 retailers.

At M.A.G, we realise it is also important to recognise and thank colleagues who have gone above and beyond what is expected of them. Our instant recognition scheme, 'M.A.G Thanks', enables colleagues to do this easily by sending a thank you card and a £10 retail voucher. Colleagues are able to recognise someone who has done something extraordinary by nominating them for a quarterly M.A.G Excellence Award. The winner receives £250 of retail vouchers and goes forward for an annual winner's award, the winner of which receives a further £250.We are proud to have many long-serving members of staff at our airports and, to recognise this remarkable contribution to

our business, we operate a long-service award programme where colleagues are presented with a monetary award and a certificate at a celebration lunch.

However, feedback from colleagues in last year's colleague opinion survey told us that we could do more to recognise colleagues for going the extra mile. To address these concerns, we have established a working group with representatives from all four airports, who together are developing a clearer recognition process that will work across the Group and be introduced during the next reporting cycle.

### Recruiting our workforce

We employ 4194 people on-site and in a wide variety of roles. In addition to seeking the best talent to join us, we continually look to develop colleagues to allow them to develop and grow their careers within the Group.

Following the feedback from our last colleague opinion survey, we have introduced the 'Vacancy Update', so colleagues can easily see what jobs are available across all four of our airports. We have also introduced new guidance on minimum periods roles should be advertised for.



### Health and Safety

This year M.A.G achieved the second of its two strategic milestones in its programme to embed safety throughout the organisation. In February, following an external audit by the British Safety Council, it was awarded the highest 5 star rating under the BSC's best practice 5 Star scheme. This confirms that M.A.G's health and safety systems are robust and that the Group has plans to continuously improve these to ensure the safety of the public and all those working on its sites.

In addition, the Group retained its OHSAS 18001 accreditation for its health and safety management system (HSMS) with no non-conformances identified in the audit. Both the accreditation and 5 Star rating provide good external assurance as to the Group's high standard of safety performance.

Accidents reported to the HSE have shown a decline for the third year running (see table below). There have also been reductions in the number of minor accidents (those requiring only first aid treatment and not resulting in any time off work). Understanding the underlying

WE ARE PROUD TO HAVE ACHIEVED THE BRITISH STANDARD FOR HEALTH AND SAFETY ACCREDITATION:

OHSAS
18001

\*\*\*\*\*\*\*\*\*\*
RATING

causes of accidents is an ongoing part of M.A.G's safety management to ensure a continued reduction in numbers.

The next stage in the Group's safety strategy builds on its safety management system and improvement plans. This year sees the launch of the Vision Zero programme which aims to encourage strong safety behaviours throughout the organisation. The intention is that 'nobody should be harmed by our business' and



is supported by our Safety Charter that encourages M.A.G colleagues to take a lead in securing their own safety and that of others. A series of workshops to senior leaders within the business are being rolled out and all managers and supervisors will have attended a workshop by the end of March 2015.

During the course of the last year the Group acquired London Stansted Airport, representing a significant increase in the size of the organisation. Over the last year, a number of items of best practice evident at London Stansted have been integrated into the larger organisation, Vision Zero and an improved training regime for manual handling being the main items amongst these. Work is now proceeding to fully integrate London Stansted with the rest of the Group and build upon the best practice sharing already carried out plus develop improvement plans for the newly enlarged Group.



### **Health & Safety Incidents**

	2011/12	2012/13	2013/14
RIDDOR* reportable incidents	36	27	16
Other incidents	4	5	5
Total accidents	40	32	21

\*RIDDOR stands for the reporting of injuries, diseases and dangerous occurrences regulations. The regulations stipulate the most serious types of incidents which must be reported to the Health and Safety Executive. The above information has been recalculated to include data from London Stansted Airport and now covers all four airports.



### **Diversity and Inclusion**

We want to reach the most talented professionals – whoever they are, and wherever they're from. A diverse workforce contributes to improved and more creative thinking, and better represents our customers. M.A.G is fully committed to the development of a diverse workforce. We aim to be a natural choice for talent, where everyone is able to reach their full potential within a culture that embraces diversity and promotes equality, inclusion and mutual respect.

M.A.G has a strict 'dignity at work' policy, which takes a no-nonsense approach to equality in the workforce, creating a culture of openness and encouraging colleagues to report any unacceptable behaviour. The leadership team is responsible for making sure the policy is adhered to and embedded across the organisation, as well as guaranteeing that any reports of unacceptable behaviour are investigated and dealt with in a timely manner.

In line with the Group's CSR vision, M.A.G is committed to maintaining an open culture with the highest standards of honesty and integrity, where colleagues can report any genuine concerns in the strictest confidence. Last year we reported on the internal campaign to promote 'Safecall', an independent whistle-blowing line, which provides employees with a safe and secure mechanism to report any matters relating to their working environment. M.A.G employs Safecall as



Staff at Manchester Airport

Our diversity and inclusion activities are based on valuing everyone as a unique individual and celebrating their unique characteristics. We believe this kind of positive environment enhances the contribution our people can make to our business results, our customers and society in general.

### Staff profile: ethnicity (%) 2013-14\*

Senior M	All staff	
White British	82%	73%
Other**	11%	16%
Unknown	7%	11%

<sup>\*</sup> As of 31st March 2014. Data covers all airports.

### Staff profile: gender (%) 2013-14\*

	Senior Management	All Statt
Male	77%	63%
Female	23%	37%

A 11 . CC

Data covers all airports.



### Staff profile: age (%) 2013-14\*

Senior Management		All staff
16-25 yrs	0%	7%
26-35 yrs	11%	20%
■ 36-45 yrs	63%	23%
46-55 yrs	21%	30%
56-65 yrs	5%	18%
Over 65 yrs	0%	2%

Data covers all airports.





<sup>\*\*</sup> All other ethnic groups not classed as White British.

a mechanism to allow staff members to easily report any confidential concerns, including corruption, discrimination, health and safety and bullying.

Since the launch of Safecall, there have been a total of five low-level whistleblowing reports which have all been investigated and resolved. We deal with any such case in line with our company policy and are strongly committed to tackling any occurrences of inappropriate behaviour swiftly and resolutely to enable full equality in our place of work. Whilst M.A.G has a robust internal reporting system, on occasions, colleagues may feel uncomfortable using them due to a lack of anonymity. M.A.G values the service provided by Safecall because we are keen to ensure that any allegation of wrongdoing or other concerns are reported and investigated immediately.

### **Human Rights**

M.A.G is committed to the highest standards of human rights – our approach to managing these standards for our people and our customers is incorporated within our overall approach to investing in our people, diversity and inclusivity, colleague health and safety, customer safety and security. As all our operations are based in the UK, they do not involve any child labour, forced or compulsory labour or other human rights issues.

All M.A.G airports operate within UK law and follow best practice guidelines. For our suppliers, we state that all contracts must be executed in accordance with UK law. 100% of our direct suppliers have undergone human rights screening.









# OPERATING RESPONSIBLY

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### **VALUES AND BUSINESS STRATEGY**

M.A.G's overall strategic objective is to increase long-term shareholder value by generating sustainable growth, developing its assets and deploying efficient and customer-focused operating processes throughout the business. We recognise the significance of continually improving the effectiveness of our operations, standardising processes to ensure a uniformed approach and providing industry leading safety and security standards whilst also recognising the conflicting needs of our stakeholders as well as the impact we have on the environment.

With the recent acquisition of London Stansted we now serve 275 routes worldwide, 30 of which were newly introduced this reporting year. This is more than any other UK airport group and undoubtedly supports our aspirations to be the premier airport management and services company. Investing in the redevelopment of London Stansted's new terminal will help to increase returns to shareholders and airport partners through improved airside retail space and improved passenger flow. We recognise the value of our carriers and will be placing a strategic focus on securing growth, including from the robust and fast growing 'low-cost carrier market.

In light of these changes, we have recently launched 'Fly Manchester' and 'Fly London Stansted' campaigns to promote the full range of services now available, and to encourage passengers from within the catchment area to fly from their local airports.

As a consumer-facing business, the satisfaction of our customers is paramount. We are committed to improving how we engage and respond to our customers and this undertaking enables us to develop a 'customer experience' which differentiates us from our competitors and

helps to improve the way we operate. The dedication and hard work of our people

underpins the success of our strategy and

culture which, in turn, enables us to attract and retain the very best people.

requires us to maintain a high performance

### Our mission

To deliver sustainable growth in shareholder value, balancing the needs of our customers, passengers, employees and communities in which we work, while maintaining the highest safety and security standards.

### Our vision

"To be the premier airport management and services company."

M.A.G aspires to be a premier airport business by meeting world class standards in its key activities: its approach to the market, its management of assets, and its management of the customer journey through its airports. The business is focused on the development, management, maintenance and operation of airports and related property assets. M.A.G operates in several markets and its strategy builds on experience and expertise in these areas, as well as developing new opportunities. Keeping our operations safe and secure in all these areas underpins everything we do.

### Our values

We recognise that it is not just what we do but how we do it that matters. Our enduring values provide the platform for our success.

Finger on the pulse – M.A.G is in tune with the changing needs and aspirations of all our stakeholders. We look at the future through the eyes of our customers: airlines, passengers and tenants. We are dynamic, fast-moving and always up-to-date. We lead the way in developing the future of successful and highly profitable airports.

Brilliant at what matters - We set ourselves the highest performance and quality standards and are rigorous about consistency. At M.A.G we focus on all the things that really matter to our stakeholders and what makes them want to do business with us. We constantly challenge ourselves to find new and better ways to exceed expectations.

Power of teamwork - We think and act like one team, bonded by mutual trust and respect. We share in the success of our business, recognising and rewarding great ideas and exemplary behaviour. We empower our airline customers and retail tenants to exceed the expectations of their end consumers. We create winwin solutions with our partners, which consistently out-perform the market.

**Safe hands** – We engender confidence through the knowledge, experience and professionalism of our people. We act with the highest standards of honesty, integrity and responsibility. We consistently deliver on our promises and are accountable for our decisions. M.A.G treats the safety and security of customers and employees as its number one priority.

Why not? - M.A.G challenges the status quo to provide the best solutions for airlines, passengers, tenants and other stakeholders. We never stand still in our search for innovative ideas which surprise and delight our customers and drive performance. We attract ambitious people and enlightened organisations who are drawn by our forward-thinking, innovative spirit.



### **BUSINESS AND CSR GOVERNANCE**

M.A.G has clear and long standing arrangements to ensure robust corporate governance and the Board of Directors reflects this through its composition. Our Board is accountable to M.A.G shareholders for delivering Group performance against pre-agreed objectives, and is responsible for developing and setting the strategic direction of the organisation. The Group has demonstrated its continued dedication to the highest standards of governance by voluntarily adopting the corporate governance component of the Combined Code (published by the Financial Reporting Council in June 2008).

### **Board Accountability** and Effectiveness

The Board comprises the Non-Executive Chairman, Chief Executive, four shareholder representatives and four Non-Executive Directors. As currently constituted, our Board is considered an appropriate size and provides the right balance of Non-Executive and Executive Directors. All the Non-Executive Directors are considered to be independent. They bring wide and varied commercial experience to Board deliberations and are selected subject to objective capability criteria. There is a clear division of responsibilities between our Chairman and the Chief Executive. The Chairman is responsible for leadership of the Board, setting its agenda and monitoring its effectiveness. The Chief Executive is responsible for executing the strategy once agreed by the Board.

The Board meets formally at least 10 times throughout the year, and additionally if there is a requirement to consider specific matters. The Chairman also has arrangements in place to meet as and when required with the Non-Executive

directors without the directors being present. The Board has adopted a formal schedule of matters that are reserved to it for decision-making. At each meeting the Board considers a series of regular reports covering finance, commercial and operational matters and health and safety for the Group, and a report from the Group Chief Executive. Directors receive timely and accurate information that allows them to discharge their duties effectively.

### Managing Corporate Social Responsibility

Accountability for CSR starts at the top of our organisation and, as part of our overall governance structure, we have a CSR Committee which is a sub-committee of the Group Board. It is chaired by our Non-Executive Director, Vanda Murray and consists of senior directors from across the business. The Committee meets three times annually and, to guarantee oversight at the highest level, reports twice a year to the Group Board.

The CSR Committee's focus for the coming year is to redevelop and re-launch M.A.G's CSR strategy, as well as reviewing colleague engagement, supply chain procedures and the impact of the Social Value Act.

The Board has also established a number of committees with specific delegated authority. More information can be found on these in the M.A.G Annual Report and Accounts.

To manage day-to-day CSR activities, each airport has dedicated environment and community relations teams which are embedded within the operations function at each airport. To support these teams, there are a number of technical and working groups within M.A.G and our

partners to ensure best practice is shared and collaboration is maximised.

These groups include:

- Utilities Working Group
- Airport Community Network
- Liaison groups for environmental health officers, planning and transport
- Airport Safety Council
- Sustainability champions.



Utilities Working Group

### Managing Risk

Risk management processes are embedded throughout M.A.G and assist management in identifying and understanding the risks we face in delivering business objectives, as well as the status of the key controls we have in place to manage those risks. M.A.G's Board of Directors regularly review business risks that are most material to the Group's strategic objectives. In line with our risk management policy, risk is assessed formally at divisional level through quarterly risk workshops and the maintenance of risk registers.



Risk registers are used to record the risk events identified, their causes and possible consequences. Risks are then analysed as to the likelihood of occurrence and also the potential impact on the business. Risk registers and the subsequent mitigation action plans are subject to regular review to identify emerging risks, remove expired risks and update mitigation plans.

Our approach to risk management is ingrained across the business and communicated clearly and consistently to management and key risk stakeholders. We foster a culture of openness and transparency, so that colleagues feel they can discuss issues candidly and receive the support they need to effectively manage or mitigate risks. Our risk management process is robustly assured through internal reporting processes and a specialist assurance and compliance function, reporting directly to the Audit Committee.

More information about M.A.G's key strategic and operational risks which have been identified throughout this reporting year, with details of strategies for managing them, can be found in the M.A.G 2013-14 Annual Report and Accounts.

### **PUBLIC POLICY INVOLVEMENT**

M.A.G plays an active role in seeking to influence government policy. We work with politicians at local, national and European level to promote the sustainable growth and development of air transport. We do this both under our own auspices and in conjunction with trade bodies such as the Airport Operators Association and Confederation of British Industry (CBI). We are also council members of Sustainable Aviation.

During 2013, M.A.G made a number of contributions to the work of the independent Airports Commission, chaired by Sir Howard Davies. The Commission was set up by the government to examine the case for additional UK airport capacity and to look at possible actions which can be taken in the short- to medium-term.

The Airports Commission published its Interim Report in December 2013. The report concluded that there is a need for one additional runway in the south east before 2030, and short-listed possible options for expansion at Heathrow and Gatwick. In the interim, the Commission recommended that steps be taken to make best use of existing runway capacity. These include upgrading the rail links between London Stansted Airport and central London, and removing planning restrictions which prevent London Stansted Airport from operating to its full capacity. M.A.G welcomes these proposals and will work with the government and other stakeholders to ensure that they are delivered.

This year, Sustainable Aviation launched the industry's first Noise Road-Map, demonstrating how noise from UK aviation will not increase despite a near doubling of flights over the next 40 years. This is achieved through the development and introduction of quieter aircraft, alongside the implementation of better operating procedures and improved landuse planning. We believe this will be a significant contribution to the development of public policy and were pleased to work on the Road-Map as a council member. In addition, we are working with Sustainable Aviation to develop a Road-Map for the development and adoption of sustainable alternative fuels in the aviation industry.



Sustainable alternative fuels



### STAKEHOLDER ENGAGEMENT

Our engagement with all our stakeholders shapes our strategic direction. In all of our engagement policies and programmes, we want a two-way dialogue. This way we can tap into our stakeholders' knowledge and identify opportunities for improvement.

Our airports operate with a significant geographical footprint and as such, we have a varied and complex structure of stakeholders. We believe that applying a strategic and focused approach to stakeholder engagement and by collaborating with our local stakeholders through open and authentic dialogue, we are able to demonstrate the value we are adding to the economy, how we are managing our impacts and creating an open channel for them to feedback directly to us.

At M.A.G, we recognise the importance of contributing to the public policy debate surrounding aviation and are a regular contributor through a range of industry and trade associations. These include the International Air Transport Association (IATA), Airports Council International (ACI), the Air Transport Action Group (ATAG) and the Airport Operators Association (AOA). In addition M.A.G is also a member of the managing council of the crossindustry coalition 'Sustainable Aviation', with other industry

Royce, AirBus and British Airways. Read more about our aviation policy work

partners including Rolls-

in the public policy involvement section of the report on page 54.

### **Stakeholder Engagement Channels**

We have a long history of engaging with our neighbours to share information and help us develop our policies. We meet regularly with elected representatives from city, borough, town and parish councils, both at structured meetings and at

informal events.

updated emails and external stakeholder website

on the telephone, through our website, by email or at our outreach events. The feedback we have received has helped us develop environmental policies on noise mitigation, formulate our CSR strategy and identify the issues that are most material to our business.

We make ourselves available to the wider

public through a variety of opportunities:

A comprehensive list of our stakeholders and the engagement mechanisms we use are outlined below.

SHAREHOLDERS

COMMUNITY

PARTNERS & SUPPLIERS

**Public policy** engagemen ely communications programme and annual Shareholders' Committee

Regular outreach events Attendance at parish council meetings Quarterly dialogue with planning authorities Quarterly formal and informal liaison

As a minimum, quarterly engagement with local and regional authorities

As a minimum, quarterly dialogue with local elected representatives

As a minimum, meeting three times a year with consultative committee meetings held at each airport

Communication channels including emails and newsletters

INDUSTRY, **REGULATORY** BODIES & GOVERNMENT

**CUSTOMERS** 

Regular meetings

Quarterly Airport Service Quality (ASQ) surveys

On-site networking meetings Monthly customer relationship management (CRM) emails

Key account management Industry bodies Monthly meetings



M.A.G Corporate Social Responsibility Report 2013-14

Community relations **Employee engagement** Governance **Ground transport** Hazardous substances Impacts on neighbours Local sourcing/hiring Passenger transport Procurement and supplier Water management

Climate change and carbon emissions Customer safety and security Customer service and satisfaction Local economic development Noise abatement **Profitability** Trust in M.A.G

Construction and building Diversity and inclusion Employee reward and recognition Ethics and compliance Land use and biodiversity Waste and recycling

**Business development** and growth Community investment **Environmental compliance** Employee volunteering Occupational health and safety Public policy engagement Recruiting talent Regulation Training and development

### INCREASING IMPORTANCE TO M.A.G

KEY: Important Very important Most important





### **Material CSR Issues**

Many different stakeholders have an interest in our social and environmental performance. To make sure our report serves the needs of a varied audience, we have undertaken a strategic materiality review of CSR issues to ensure our reporting focuses on those issues that are the most important to our business and stakeholders. This review has been completed by an independent sustainability consultancy and the source of this analysis consists of in-depth interviews with key stakeholders. This year's review builds on the work of the first materiality review completed in 2012/13.



East Midlands Airport's fire fighters volunteering in the community

The results of our materiality review are demonstrated in the matrix. It confirms the importance of our approach to CSR and demonstrates the importance of providing a secure environment for our passengers, as well as addressing the environmental impact of our operations, particularly noise and climate change. We must also continue to develop the regions we serve by investing in our local communities and supporting economic development.

### **CSR REPORTING**

This report is our fifth annual Corporate Social Responsibility report for M.A.G, with the first being published in July 2010. All data included in this report relates to the period April 2013 to March 2014, unless otherwise stated. The scope of this report includes Manchester Airport, East Midlands Airport, Bournemouth Airport and, for the first year, London Stansted Airport following its acquisition in February 2013.

The commercial property arm of M.A.G, M.A.G Property, is leading the development of Airport City Manchester. This is in a joint venture partnership with Beijing Construction Engineering Group (BCEG) (20%), Carillion (20%), and Greater Manchester Pension Fund (GMPF) (10%). Manchester Airports Group (M.A.G) has the remaining 50% share. Since this is a joint venture, it is not within the scope of this report.

The material CSR issues stated are not only for our operations, but also those of our tenants and our partners within our sites.

Standard methodologies for measuring and presenting our performance data have been utilised.

For the fifth consecutive year, this report has been prepared in line with the Global Reporting Initiative (GRI) guidelines (Version 3.1 Airport Operators Guide). The application level has been checked by the GRI and has achieved GRI level A+. The full GRI Index can be found at www.magworld.co.uk.

All data within the report and the GRI Index has been assessed by external auditors and has been verified as being true and correct. Please see the independent assurance statement for further details.

More information can be found on each airport's website, along with individually themed reports including sustainability plans, sustainable development master plans and a community strategy.

www.manchesterairport.co.uk www.stanstedairport.com www.eastmidlandsairport.com www.bournemouthairport.com



London Stansted Airport







# OUR PERFORMANCE

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### **KEY PERFORMANCE INDICATORS**

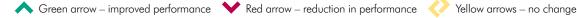
We measure our performance against our strategic CSR objectives using a range of key performance indicators. These are summarised in the table below.

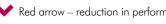
Issue	Strategic CSR objective	Indicator	2013/14	Change %
Carbon reduction – CO <sub>2</sub> emissions	Reduce climate change emissions by increasing efficiency and obtaining energy from renewable sources	Total net CO <sub>2</sub> emissions	23,387 2012/13 44,284	-47%
Carbon reduction – CO <sub>2</sub> emissions	Reduce climate change emissions by increasing efficiency and obtaining energy from renewable sources	Carbon emission per traffic unit	1.67 2012/13: 1.9	-9.7%
Water consumption	Ensure we protect the natural environment by operating responsibly within environmental limits	Total mains water used (m³)	1,504,500 2012/13: 1,387,683	+ 8%
Water quality	Ensure we protect the natural environment by operating responsibly within environmental limits	Samples within surface water consent limits (%)	94% 2012/13: 94%	No change
Water quality	Ensure we protect the natural environment by operating responsibly within environmental limits	Samples within effluent discharge consent limits	89% 2012/13: 92%	-3%
Waste generated	Minimise waste and promote recycling	Total waste tonnes	14,543¹ 2012/13: 14,178	No change**
Waste recycled/recovered	Minimise waste and promote recycling	% waste recycled/ recovered	80%	+ 7%
Noise	Limit and where possible reduce the number of people significantly affected by aircraft noise	Departures within preferred noise routes	97% 2012/13: 98%	-1%
Noise	Limit and where possible reduce the number of people significantly affected by aircraft noise	Flights using continuous descent approach	93% 2012/13: 91%	+1%



Issue	Strategic CSR objective	Indicator	2013/14		Change %
Air quality	Ensure we protect the natural environment by operating responsibly within environmental limits	Total breaches of air quality limits	0 2012/13: 0		Maintained zero breaches
Community engagement <sup>2</sup>	Invest in our local communities	Total community investment through community funds (£)	£297,281 2012/13: £425,747.65	<b>~</b>	-30%²
Community engagement <sup>2</sup>	Encourage and support our people to participate in voluntary work that supports our broader CSR objectives and benefits our business and the local community	Employee volunteering hours	8,576 2012/13: 6736 hours	^	+ 27%²
Health and Safety	Employ a certified and systematic management of health and safety	RIDDOR reportable accidents	16 2012/13: 27	~	-41%
Customer satisfaction	Providing a safe, secure and accessible environment for our passengers that meets their travel needs	Overall ASQ ranking (in benchmarking group)*	Manchester: 3.93 2013: 3.89 Stansted: 3.74 2013: 3.77 East Midlands: 3.87 2013: 4.03 Bournemouth: 4.17 2013: 4.02	^ ^ ~	

### KEY







- 1 Our carbon footprint has been calculated using the Department for Environment, Food and Rural Affairs (Defra) 2013 conversion factors and restated for 2012-13 in order to account for material changes to the conversion factors provided by Defra for company reporting purposes. Carbon dioxide equivalent emissions from refrigerant gases are not included within the scope of our carbon neutral commitments. We claim FITs for renewable electricity generated at BOH and EMA. The carbon reduction achieved through this on-site generation is deducted from our gross emissions In line with recent World Resources Institute and UK Government consultations. M.A.G has a long-standing commitment to purchase electricity from renewable sources. The carbon reduction achieved through this policy is deducted from our gross emissions in line with recent World Resources Institute and
- 2 Data not available for liquid waste at London Stansted Airport, East Midlands Airport and Bournemouth Airport. Hazardous waste data was not available at East Midlands Airport. Tyre data at London Stansted for March 2014 not available.
- Data only available in calendar year.
- \*\* 2.6% increase in waste is due to the increased scope of Bournemouth waste monitoring data.



### **62 CORPORATE SOCIAL RESPONSIBILITY**

M.A.G Corporate Social Responsibility Report 2013-14

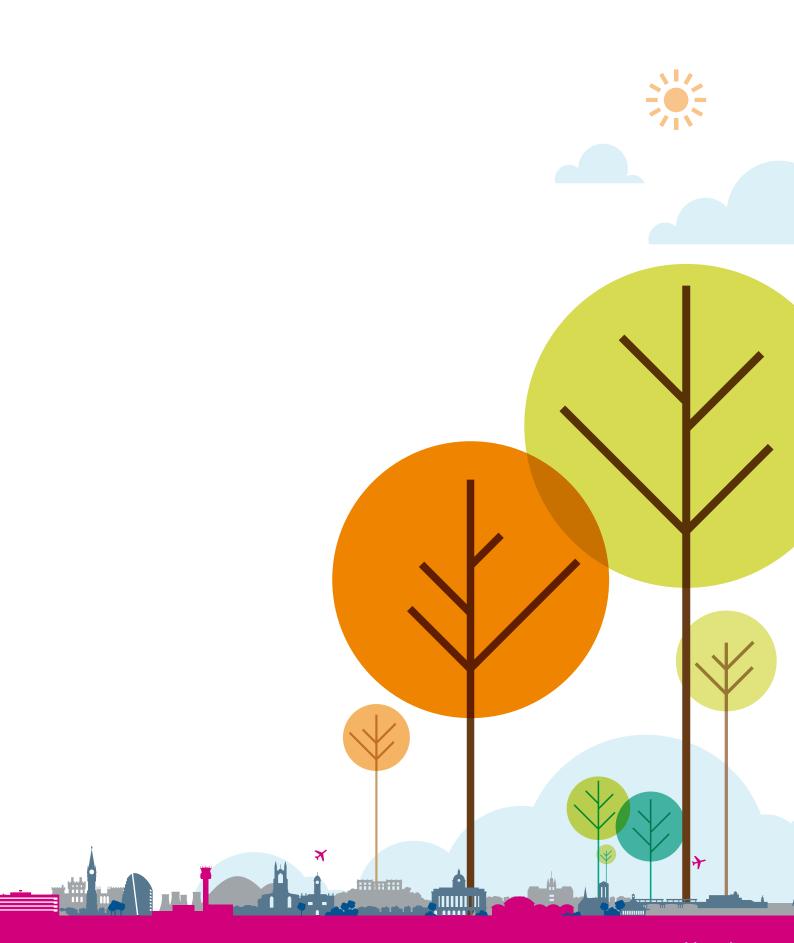
### **DATA LIST**

Below is a list of the data charts and tables included within this year's report.

			_	
Supp	ortina	<b>Economic</b>	: L)eve	lonment

Direct value added to region Direct employment impacts	16 16
Supporting Local Employment, Education and Skills	
Airport Academies data Work experience data	20 21
Our Environment	
M.A.G Global GHG emissions data  CO <sub>2</sub> Emissions by Source  Waste performance: Total waste  Waste performance: Diversion from landfill  Waste by source  Water management  Air quality monitoring  Departures within preferred noise routes (%) and Continuous descent approach (%)  Complaints about noise  Total fines paid by airlines  Sound Insulation grants  Area of operational land managed  Bird strikes  Passenger modal split per Airport	23 24 26 26 27 28 29 31 32 32 32 33 33 34
Our Community	
Community fund donations Colleague volunteering hours across M.A.G	36 37
Our Customers	
Total number of passengers Total number of passenger aircraft movements Purpose of journey Socio-economic group Country of residence Age Overall satisfaction: ASQ average scores	39 39 40 40 40 40 41
Our People	
Employment types Number of directly employed colleagues Average number of employees across the year Health and Safety Incidents Staff profile: ethnicity, gender, age	42 42 42 46 47







### **ASSURANCE STATEMENT**

SGS UNITED KINGDOMS LTD'S REPORT ON THE ENVIRONMENT, COMMUNITY, PEOPLE, CUSTOMERS, ECONOMIC DEVELOPMENT AND EMPLOYMENT & EDUCATION DATA AND, GRI PERFORMANCE INDICATOR DATA IN THE MANCHESTER AIRPORT GROUP CSR REPORT FOR 2013/14

### NATURE AND SCOPE OF THE ASSURANCE

SGS United Kingdom Ltd was commissioned by Manchester Airport Group (MAG) to conduct an independent assurance of the data contained in the report and in the GRI table. The scope of the assurance, based on the SGS Sustainability Communications Assurance methodology, included 2013/14 data included in the following sections of this report:

### **Our Community**

- Community fund donations
- · Colleague volunteering

### **Our People**

- Number of employees
- Proportion of Employees by division (%)
- Employment Types (%)
- Number of Health and Safety incidents
- Staff profile: Ethnicity (%)
- Staff profile: Gender (%)
- Staff profile: Age (%)

### **Our Customers**

- Total number of passengers
- Total number of aircraft movements
- Purpose of journey (%)
- Socio-economic group (%)
- Age (%)
- Country of residence (%)
- Overall satisfaction: ASQ average scores

### Supporting Employment, Education and Skills

- Work Experience data
- Airport Academies data

### **Supporting Economic Development**

- · Number of direct and indirect jobs
- Direct and indirect Gross Value Added
- Number of employers on airport sites

### Our Environment

- Total CO<sub>2</sub> Emissions (tonnes)
- CO<sub>2</sub> emissions by source
- Direct and indirect energy consumption
- Electricity use from renewable sources
- Electricity generated on site
- Mains water consumption (m³)
- Water Quality Testing: Samples within surface water discharge consent limits (%)
- Water Quality Testing: Samples within effluent discharge consent limits (%)
- Total waste and sources of waste (tonnes)
- Waste diverted from landfill (%)
- Air Quality Monitoring (µg per m³)
- Noise Complaints
- Total night flying noise fines paid by airlines
- Departures within Preferred Noise Routes (%)
- Flights using Continuous Descent Approach (%)
- Sound insulation Grants
- Land managed
- Bird Strikes
- Ground transport Passenger modal split

### Data reported in GRI table performance indicators

- EN3, EN4, EN16, EN17, EN19, EN20, EN21, EN22, EN23, EN24, EN30
- LA1, LA2, LA4, LA7, LA10, LA13, LA15
- HR3, HR5
- AO1, AO2, AO3, AO5, AO6, AO7

GP5024 Issue 4

